

**City of Palmer
Resolution No. 23-020**

Subject: Authorizing the Appropriation of \$75,200 From the General Fund Unassigned Fund Balance to Fully Fund the Purchase of an Ice Resurfacer from Zamboni Company USA, Inc. To Be Reimbursed from a Department of Energy Grant

Agenda of: June 27, 2023

Council Action: **Approved** **Amended:** _____
 Defeated

Originator Information:

Originator: Brad Hanson, Director Community Development

Department Review:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
_____	Finance	_____	_____
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ 75,200

This legislation (√):


- Creates revenue in the amount of: \$ _____
- Creates expenditure in the amount of: \$ _____
- Creates a saving in the amount of: \$ _____
- Has no fiscal impact

Funds are (√):

- Budgeted Line item(s): 08-01-05-6253 MTAEC Equipment
- Not budgeted

Director of Finance Signature: 

Approved for Presentation By:

	Signature:	Remarks:
City Manager	<u></u>	_____
City Attorney	_____	_____
City Clerk	_____	_____

Attachment(s):

1. Resolution No. 23-020

Summary Statement/Background:

This resolution authorizes the City Manager to appropriate \$75,200 of the General Fund unassigned fund balance which will be reimbursed through a Department of Energy Grant. Placing a down payment on the ice resurfacer requires that all funds are appropriated for the purchase of the ice resurfacer.

The City of Palmer purchased a used ice resurfacer (Zamboni) that was manufactured in 1999. This machine has 7,858 hours and is nearing the end of its useful life. Ice resurfacers are necessary to operate an indoor ice arena, they are used to shave the ice and lay down a layer of water that levels the ice. In 2022 the city created a Capital Account for the replacement of the ice resurfacer and mechanical equipment at the MTA Events Center. The account currently has \$121,294 for the purchase of an ice resurfacer. In December 2022 the city was awarded an energy grant from the United States Department of Energy. The amount of the grant is \$75,200, for a combined total funds of \$196,494.

The U.S. Department of Energy (DOE) released a Notice of Intent (NOI) to issue funds for the \$550 million Energy Efficiency and Conservation Block Grant (EECBG), which was funded through the Bipartisan Infrastructure Law (BIL). The EECBG Program will award formula grants directly to local governments, cities, boroughs, states and tribes across the country to implement strategies to reduce fossil fuel emissions, decrease total energy use and improve energy efficiency. Project eligibility includes electrification of fleets and that the product is manufactured in the United States.

A sole source purchase was authorized at the May 23, 2023, meeting by City Council for the ice resurfacer from Zamboni Company USA, Inc. (AM 23-031). Model 552AC is the electric model which will significantly improve air quality and reduce operating costs in the MTA Events Center, creating a healthier environment for our patrons. Our current propane model leaves a film of exhaust on the dasher board glass requiring constant cleaning. Additionally, propane expenses will be eliminated which amounts to \$5,000 annually. Model 552AC will be equipped with a level ice system that automates ice reconditioning. This system will further reduce operating costs, by reducing employee training, ice maintenance and reduced compressor run times to keep ice at the proper temperature. The cost of the Model 552AC is \$188,500.

Delivery lead times are currently 500 days, pricing is guaranteed for 30 days from the proposal date.

Administration's Recommendation:

Approve Resolution No. 23-020 authorizing the appropriation of \$75,200 from the General Fund unassigned fund balance that will be reimbursed through a Department of Energy grant upon delivery of the unit.

LEGISLATIVE HISTORY

Introduced by: Brad Hansen, CD Director

Date: 6/28/2023

Action: Approved

Vote: Unanimous

Yes:

No:

Anzilotti

Ojala IV

Tudor

Alcantra

Mayor Carrington

Melin

Best

CITY OF PALMER, ALASKA

Resolution No. 23-020

A Resolution of the Palmer City Council Authorizing the City Manager to Appropriate Funds from the General Fund Unassigned Fund Balance in the Amount of \$75,200 for the Purchase of an Ice Resurfacer from Zamboni Company USA, Inc.

WHEREAS, the City of Palmer, Alaska (the "City") is a home rule city and under Section 11 of Article X of the Alaska Constitution may exercise all legislative power not prohibited by law or the charter of the City, and the City has determined that the matters set forth in this resolution are not prohibited by law or the charter; and; and

WHEREAS, the City of Palmer purchased a used ice resurfacer (Zamboni) that was manufactured in 1999. This machine has 7,858 hours and is nearing the end of its useful life; and

WHEREAS, City Council authorized the down payment of \$25,000 for the purchase of a new ice resurfacer; and


WHEREAS, in December 2022 the City was awarded an energy grant from the United States Department of Energy. The amount of the grant is \$75,250; and

WHEREAS the Department of Energy Grant requires the City to expend funds and then be reimbursed, requiring general fund money to used to complete the purchase; and

WHEREAS, delivery lead times are currently 500 days and once delivery is accepted and final payment confirmed, the City will be eligible for reimbursement from the Department of Energy; and

NOW, THEREFORE, BE IT RESOLVED by the Palmer City Council hereby authorizes appropriation of \$75,200 from the general fund for the purchase of ice resurfacer from Zamboni Company USA, inc.

Approved by the Palmer City Council this 27th day of June, 2023.



Shelly Acteson, CMC, City Clerk



Steve Carrington, Mayor