



Legislation Text

File #: 14-0657, **Version:** 1

Resolution to Appropriate Funds from the Major Street (\$1,700,000.00), Local Street (\$638,000.00), and Water Funds (\$666,000.00) to Address Severe Winter Operational Expenses and Infrastructure Damage **(8 Votes Required)**

Attached for your approval is a resolution that authorizes the appropriation of fund balance from the Public Services Area Major Street, Local Street and Water Funds to address additional operational expenses and infrastructure damages caused by the severe winter.

The FY 2014 budget was based on a normal or average winter. As compared to last year, Field Operations experienced an increase of 36% in water main breaks and a 950% increase of broken water services. In addition, comparing this winter season with an average of the previous two years, the City experienced an increase of 272% in precipitation events and a 450% increase in plowing events. As a result, we have experienced a depletion of our resources in the FY 2014 budgeted major street, local street, and water funds due to additional material requirements (ice-control salt, sand, cold-patch, pipe, repair clamps and fittings), higher than anticipated work hours and overtime, and increased equipment costs.

Although the City maintains adequate fund balance to address circumstances such as this, the City also is in receipt of \$461,171.49 in additional revenues for winter maintenance from the State of Michigan's general fund. These funds are included in the \$1,700,000.00 being appropriated from the Major Street Fund.

Given the magnitude of the required repair work and additional operational expenditures, the Field Operations Service Unit has estimated we will require an additional \$3,004,000.00 in funding. Field Operations anticipates restoration work to include, frozen service line repairs, pavement marking and road surface restoration. We estimate the restoration required will take us well past June 30 to complete.

Prepared by: Jody Caldwell, Field Operations Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, We have experienced a severe winter resulting in increased operational expenses and an infrastructure damage;

Whereas, The Field Operations Unit anticipates requiring additional funding to address these additional expenses and planned restorations;

Whereas, The City is in receipt of \$461,171.49 from the State of Michigan's general fund for purposes of winter maintenance activities; and

Whereas, Adequate Fund balances are maintained within the Major Street, Local Street, and Water Funds to address these type of circumstances;

RESOLVED, That \$1,700,000.00 be appropriated from the Major Street Fund Balance;

RESOLVED, That \$638,000.00 be appropriated from the Local Street Fund Balance;

RESOLVED, That \$666,000.00 be appropriated from the Water Fund Balance;

RESOLVED, That funds for this restoration be made without regard to fiscal year; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this Resolution.