

Resolution 22-32

A RESOLUTION AUTHORIZING THE PAYMENT OF F&W CONSTRUCTION LLC'S NOTICE OF CLAIM AND THE REAPPROPRIATION OF \$300,000 FROM THE COLD BAY CLINIC LINE-ITEM E 20-520-209-850 TO COLD BAY TERMINAL PROJECT LINE-ITEM E 20-500-209-603

WHEREAS, F&W Construction LLC has been contracted to complete the Cold Bay Terminal Expansion Project and entered into a contract for pre-construction services in the amount of \$7,700 and construction services in the amount of \$1,260,772; and

WHEREAS, F&W issued a Notice of Claim in the amount of \$207,124.45; and

WHEREAS, the November 30, 2021 notice states these costs were "a result of the delayed arrival of owner transportation, the vessel "helenka-B", containing F&W equipment and materials; F&W demobilized the crew from the project site due to the inability to move forward with the work without these critical components. F&W has incurred the following costs to date; air fare and travel time for F&W's crew to demobilize, additional material costs and air freight to install the underground utilities (original material is aboard the "helenka B"), as well as ongoing lodging costs that continue to accrue at \$2,000 per day."; and

WHEREAS, DOWL has analyzed this claim and it appears everything is substantiated; therefore, Administration recommends payment of the claim; and

WHEREAS, with the claim the total amount owed to F&W is \$1,475,596.45 and with the other costs associated with the project the total project cost is \$1,818,773.34; and

WHEREAS, the Borough has budgeted \$1,521,690.32 for this project leaving a deficit of \$297,083.02; and

WHEREAS, to cover this deficit, Administration proposes reappropriating \$300,000 from Cold Bay Clinic line-item E 20-520-209-850 to Cold Bay Terminal line-item E 20-500-209-603; and

WHEREAS, the funds in E 20-520-209-850 are Permanent Fund Earning appropriations for the Cold Bay Clinic and were designated as follows: \$1,137,000 FY15; \$1,000,000 FY18; \$900,000 FY19; \$300,000 FY20 and \$75,000 FY21 total \$3,412,000; and

WHEREAS, since a new clinic is not being constructed, Administration recommends reappropriating the FY20 appropriations in the amount \$300,000 to the terminal.

NOW THEREFORE, BE IT RESOLVED, the Aleutians East Borough Assembly authorizes the payment of F&W Construction LLC's Notice of Claim; and

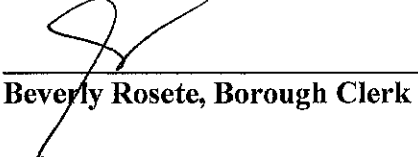
NOW THEREFORE, BE IT FURTHER RESOLVED, the Aleutians East Borough Assembly authorizes the reappropriation of \$300,000 (the FY20 Clinic appropriation) from the Cold Bay Clinic line-item E 20-520-209-850 to Cold Bay Terminal Project line-item E 20-500-209-603.

PASSED AND APPROVED by the Aleutians East Borough on this 11th day of March 2022.



Alvin D. Osterback, Mayor

ATTEST:



Beverly Rosete, Borough Clerk