

AN ORDINANCE BY TRANSPORTATION COMMITTEE AMENDING THE FY2014 (AIRPORT RENEWAL & EXTENSION FUND) BUDGET, BY ADDING TO ANTICIPATIONS AND APPROPRIATIONS THE AMOUNT OF \$5,000,000.00 FOR RECEIPT OF AN INSURANCE CLAIM BASED ON DAMAGE DONE TO AIRPORT FACILITIES STEMMING FROM A HAIL STORM; AND FOR OTHER PURPOSES.

Review List:

Patricia McIver	Completed	09/13/2013 9:31 AM
Louis Miller	Completed	09/13/2013 9:40 AM
Mayor's Office	Completed	09/13/2013 10:17 AM
Office of Research and Policy Analysis	Completed	09/13/2013 10:57 AM
Transportation Committee	Pending	
Atlanta City Council	Pending	
Mayor's Office	Pending	

Certified by Presiding Officer	Certified by Clerk
Mayor's Action <i>See Authentication Page Attachment</i>	

LEGISLATION HISTORY – BLUE BACK

**AN ORDINANCE
BY TRANSPORTATION COMMITTEE**

AN ORDINANCE BY TRANSPORTATION COMMITTEE AMENDING THE FY2014 (AIRPORT RENEWAL & EXTENSION FUND) BUDGET, BY ADDING TO ANTICIPATIONS AND APPROPRIATIONS THE AMOUNT OF \$5,000,000.00 FOR RECEIPT OF AN INSURANCE CLAIM BASED ON DAMAGE DONE TO AIRPORT FACILITIES STEMMING FROM A HAIL STORM; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta (“City”) owns and operates Hartsfield-Jackson Atlanta International Airport (the “Airport”); and

WHEREAS, the Airport incurred extensive roof damage to several of its facilities due to a hail storm in March 2013; and

WHEREAS, the Airport has property insurance coverage under the Willis Group (Insurance Broker); and

WHEREAS, the Willis Group dispatched Crawford and Company, a Claims Management Company, to review and inspect the City’s claim for damages at the Airport; and

WHEREAS, a claims adjuster from Crawford and Company has attested to and certified the damage to the facilities at the Airport and agreed to the disbursement of \$5,000,000.00 to the City as a portion of an advance insurance claim payment; and

WHEREAS, the City desires to anticipate and appropriate this portion of the advanced insurance claim payment of \$5,000,000.00.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA,
HEREBY ORDAINS as follows:

SECTION 1: That the City is hereby authorized to receive this portion of the advance insurance claim payment of \$5,000,000.00 for the Department of Aviation.

SECTION 2: That the Fiscal Year 2014 (Airport Renewal & Extension Fund) Budget, is hereby amended as follows:

ADD TO ANTICIPATIONS

The amount of: \$5,000,000.00

FDOA

<u>Airport Renewal & Extension</u>	<u>Revenue Department</u>	<u>Recoveries</u>	<u>Airport</u>
<u>Fund</u>			
5502	000002	3890007	7563000

ADD TO APPROPRIATIONS

The amount of: \$5,000,000.00

FDOA

<u>Airport Renewal & Extension</u>	<u>Reservation of Fund</u>	<u>Reserves</u>	<u>Accounting</u>
<u>Fund</u>			
5502	200101	5999901	1512000

SECTION 2: That all ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: CANDACE L. BYRD

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 9/06/13

Anticipated Committee Meeting Date(s): 10/02/13

Anticipated Full Council Date: 10/07/13

Legislative Counsel's Signature: N/A

Commissioner's Signature: [Signature]

Chief Financial Officer: N/A

Chief Information Officer Signature (for IT Procurements) N/A

Chief Procurement Officer Signature: N/A

CAPTION

AN ORDINANCE AMENDING THE FY2014 (AIRPORT RENEWAL & EXTENSION FUND) BUDGET, BY ADDING TO ANTICIPATIONS AND APPROPRIATIONS THE AMOUNT OF \$5,000,000.00 FOR RECEIPT OF AN INSURANCE CLAIM BASED ON DAMAGE DONE TO AIRPORT FACILITIES STEMMING FROM A HAIL STORM; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT: (if any) \$5,000,000.00

Mayor's Staff Only

Received by CPO: _____
(date)

Received by LC from CPO: _____
(date)

Received by Mayor's Office: 9.6.13 [Signature]
(date)

Reviewed by: [Signature]
(date)

Submitted to Council: _____
(date)

Legislative White Paper

Committee of Purview: Transportation

Caption:

AN ORDINANCE AMENDING THE FY2014 (AIRPORT RENEWAL & EXTENSION FUND) BUDGET, BY ADDING TO ANTICIPATIONS AND APPROPRIATIONS THE AMOUNT OF \$5,000,000.00 FOR RECEIPT OF AN INSURANCE CLAIM BASED ON DAMAGE DONE TO AIRPORT FACILITIES STEMMING FROM A HAIL STORM; AND FOR OTHER PURPOSES.

Council Meeting Date: 10/07/13

Legislation Title: Insurance Claim on Hail Storm Damage

Requesting Dept.: Aviation

Contract Type: Agreement

Source Selection: N/A

Bids/Proposals Due: N/A

Invitations Issued: N/A

**Number of Bids/
Proposals Received:** N/A

Bidders/Proponents: N/A

Background:

This ordinance authorizes the City to receive \$5,000,000 as a portion of an advanced payment on an insurance claim by the Department of Aviation.

The metropolitan Atlanta area endured a heavy hail storm in March 2013. The storm created severe roof damage to several facilities at the Hartsfield-Jackson Atlanta International Airport. The Department of Aviation filed an Insurance Claim with its insurance broker (Willis Group). The Willis Group dispatched Crawford & Company (Claims Management Company) who reviewed and validated the claim. On an early staged basis the Department of Aviation is to receive \$5,000,000 as a portion of an advanced payment on the claim. The \$5,000,000 will be received and deposited into the Airport Renewal & Extension Fund's reserve account. The \$5,000,000 will only represent what is referred to as a portion of an advanced claim simply because the final analysis in terms of costing out the damage has yet to be determined. Crawford & Company and the Willis Group have determined that it is only fair to put forward some of the claim now as opposed to waiting until the final cost analysis has been completed.

Source of Funds: Airport Renewal and Extension Fund

Fiscal Impact: \$5,000,000.00

Term of Contract: N/A

Method of Cost Recovery:

Approvals:

DOF: yes

DOL: N/A

Prepared By: Anita Williams

Contact Number: 404-382-2313

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

FAC Confirmed by:

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

This ordinance authorizes the City to receive \$5,000,000 as a portion of an advanced payment on an insurance claim by the Department of Aviation.

2. Please provide background information regarding this legislation.

The metropolitan Atlanta area endured a heavy hail storm in March 2013. The storm created severe roof damage to several facilities at the Hartsfield-Jackson Atlanta International Airport. The Department of Aviation filed an Insurance Claim with its insurance broker (Willis Group). The Willis Group dispatched Crawford & Company (Claims Management Company) who reviewed and validated the claim. On an early staged basis the Department of Aviation is to receive \$5,000,000 as a portion of an advanced payment on the claim. The \$5,000,000 will be received and deposited into the Airport Renewal & Extension Fund's reserve account. The \$5,000,000 will only represent what is referred to as a portion of an advanced claim simply because the final analysis in terms of costing out the damage has yet to be determined. Crawford & Company and the Willis Group have determined that it is only fair to put forward some of the claim now as opposed to waiting until the final cost analysis has been completed.

3. If Applicable/Known:

(a) Contract Type (e.g. Professional Services, Construction Agreement, etc):

(b) Source Selection:

- (c) Bids/Proposals Due:
- (d) Invitations Issued:
- (e) Number of Bids:
- (f) Proposals Received:
- (g) Bidders/Proponents:
- (h) Term of Contract:

4. **Fund Account Center (Ex. Name and number):** Funds received and posted to the Airport R&E Fund's "Recoveries" account (5502 000002 3890007) and appropriated to the Airport R&E Fund's "Reserve for Appropriations" account (5502 200101 5999901).

5. **Source of Funds:** Insurance Policy

6. **Fiscal Impact:** The City would receive \$5,000,000 upon legislative approval authorizing the receipt of funds representing a portion of the advance insurance claim payment.

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number:

7. **Method of Cost Recovery:** n/a

Examples:

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.

This Legislative Request Form Was Prepared By:

Charles Bell, Airport Budget Management Chief