

RESOLUTION AUTHORIZING THE USE OF THE UNOBLIGATED BALANCE OF THE WATER AND SEWER FUND TO PROVIDE SELF-FUNDED SUPPLEMENTAL AUTOMOBILE INSURANCE COVERAGE REQUIRED BY PRIVATE ROADWAY AND CROSSING AGREEMENTS WITH THE ARKANSAS AND MISSOURI RAILROAD COMPANY

Whereas, the construction of the Lake Fort Smith water transmission line requires the City to enter into Private Roadway and Crossing Agreements with the Arkansas and Missouri Railroad for identified locations in order to provide City maintenance and operations personnel and vehicles access to portions of the water transmission line; and,

Whereas, the automobile insurance coverage required by said Private Roadway and Crossing Agreements exceeds the limits of the automobile insurance coverage normally carried by the City.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

It is hereby determined that the unobligated balance of the Water and Sewer Fund is sufficient to provide self funded automobile insurance coverage of \$1,000,000.00 for the limited purpose of meeting the insurance requirements of the Private Roadway and Crossing Agreements with the Arkansas and Missouri Railroad Company ("Agreements") necessary to provide personnel and vehicle access to Lake Fort Smith water transmission lines. The City Administrator and his authorized agents are hereby authorized to take all actions necessary to satisfy the insurance requirements of the Agreements by assuring the City's self insurance of not more than \$1,000,000.00 utilizing the unobligated balance of the Water and Sewer Fund.

This Resolution adopted this 15<sup>th</sup> day of July 2014.

APPROVED:



ATTEST:

Sherril Gard

APPROVED AS TO FORM:

Wynne [Signature] npr