

Kenai Peninsula Borough
Purchasing & Contracting Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: John Hedges, Purchasing & Contracting Director *JH*
Brandi Harbaugh, Finance Director *BH*

DATE: June 3, 2021

SUBJECT: Ordinance 2021-19-01, Redirecting Previously Appropriated Bond Proceeds from the 2014 General Obligation School Bonds to Phase One of the Homer Roof Replacement Project in the Bond Capital Project Fund (Mayor)

The Homer High School roof was constructed in 1983 and has exceeded its useful life. Periodic system failures have led to increased maintenance costs, interruptions in the programs supported by the facility and degradation of other facility infrastructure. The dilapidated cedar shingle construction further complicates the borough's ability to initiate repairs without further impacting the integrity of the system.

Noting that the entire roof system at the high school is in need of replacement the approximately 33,700 square foot section covering the gym area and the approximately 1,200 square foot section of flat roof covering the loading dock area has been identified as the area needing the most immediate attention.

Bond proceeds totaling \$22,984,575.15 were appropriated to pay the costs of planning, designing, site preparations, constructing, and equipping educational capital projects consisting of roof replacements at various schools in the Kenai Peninsula Borough through Ordinance 2013-19-22, on December 3, 2013. All projects listed in Ord. 2013-19-22 have been completed.

A majority of borough voters voting in the October 1, 2013 election approved Proposition No. 2, which authorized the issuance of up to \$22,984,575.15 in general obligation school bonds to pay the costs of planning, designing, site

preparations, constructing, and equipping educational capital projects consisting of roof replacements at various schools in the Kenai Peninsula Borough. There remains \$1,295,252 in unexpended bond proceeds, which are available to support other projects.

Resolution 2021-016 was approved on February 16, 2021, providing the Borough Mayor authority to submit a Bond Reimbursement Application to the Alaska Department of Education and Early Development for the approval of additional projects in the bond reimbursement program for bonds sold in 2014. Redirected unexpended 2014 bond funds from the Redoubt Elementary Roof Replacement have been supplemented by appropriated funds from the General Fund of \$180,000 for the Homer Roof Replacement Phase I project.

It is the intent of this ordinance to appropriate supplemental funds necessary to complete the replacement and rehabilitation of a portion of the Homer High school roof.

The project will be funded through the use of \$1,295,252 in remaining 2014 School Bond funds transferred from the Redoubt Elementary Roof replacement. The project addresses roof system replacement, insulation, storm water system improvements, roof ventilation, and infrastructure repair/replacement as necessary.

Your consideration of this ordinance is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>401.72010.20SCH.49999</u>
Amount:	<u>\$1,295,252</u>
By: <u>PP</u>	Date: <u>6/1/2021</u>