

Introduced by: Mayor  
Date: 01/07/20  
Hearing: 01/21/20  
Action: Enacted  
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2019-19-25**

**AN ORDINANCE APPROPRIATING INSURANCE PROCEEDS AND LOCAL FUNDS  
FOR THE PURPOSE OF PURCHASING A REPLACEMENT FIRE TRUCK DEEMED  
A TOTAL LOSS**

**WHEREAS,** in November 2017, Central Emergency Service Area (“CES”) fire truck #914 was involved in an accident while responding to an emergency; and

**WHEREAS,** a claim for the damaged fire truck was opened by the borough with Alaska Municipal League-Joint Insurance Association and the fire truck was determined to be a total loss; and

**WHEREAS,** initial insurance payments totaling \$266,956.38 were received by the Borough after accounting for the borough deductibles and applicable costs, however the policy has replacement cost coverage where the damaged fire truck can be replaced with a new fire truck less the deductibles and salvage value; and

**WHEREAS,** the reinsurer valued the replacement truck to be \$655,683.00 based on a quote from Hughes Fire Equipment Inc.; and

**WHEREAS,** the reinsurer will provide a supplemental payment of \$349,626.62 once the replacement truck has been ordered; and

**WHEREAS,** CES is requesting local funds of \$133,417 and insurance proceeds of \$266,956.38 be appropriated from the CES fund balance and the acceptance and appropriation of committed insurance proceeds in the amount of \$349,626.62 to be received once the truck is ordered, to cover the total replacement cost of \$750,000.00 covering replacement costs, administrative service fees and any change orders to the purchase; and

**WHEREAS,** in order to ensure that the funds necessary to award the contract are available an appropriation will need to be made to offset the difference in the project cost; and

**WHEREAS,** at its meeting on November 21, 2019, the Central Emergency Service Area Board unanimously recommended approval of the project;

**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

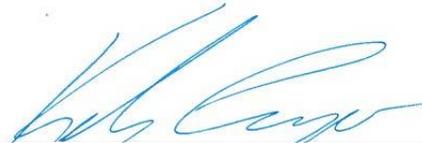
**SECTION 1.** That funds in the amount of \$400,373.38 are appropriated from the Central Emergency Service Area fund balance 443.27910 to be transferred to project account 443.51610.20FTK.49999.

**SECTION 2.** That insurance proceeds in the amount of \$349,626.62 are accepted and appropriated to project account 443.51610.20FTK.49999.

**SECTION 3.** That the appropriations made in this ordinance are of a project length nature and as such do not lapse at the end of any particular fiscal year.

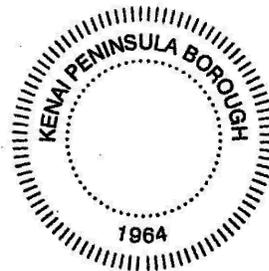
**SECTION 4.** This ordinance takes effect immediately upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 21ST DAY OF JANUARY, 2020.**

  
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Kelly Cooper, Assembly President

ATTEST:

  
\_\_\_\_\_  
Johni Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Blakeley, Carpenter, Cox, Dunne, Hibbert, Johnson, Cooper  
No: None  
Absent: Smalley