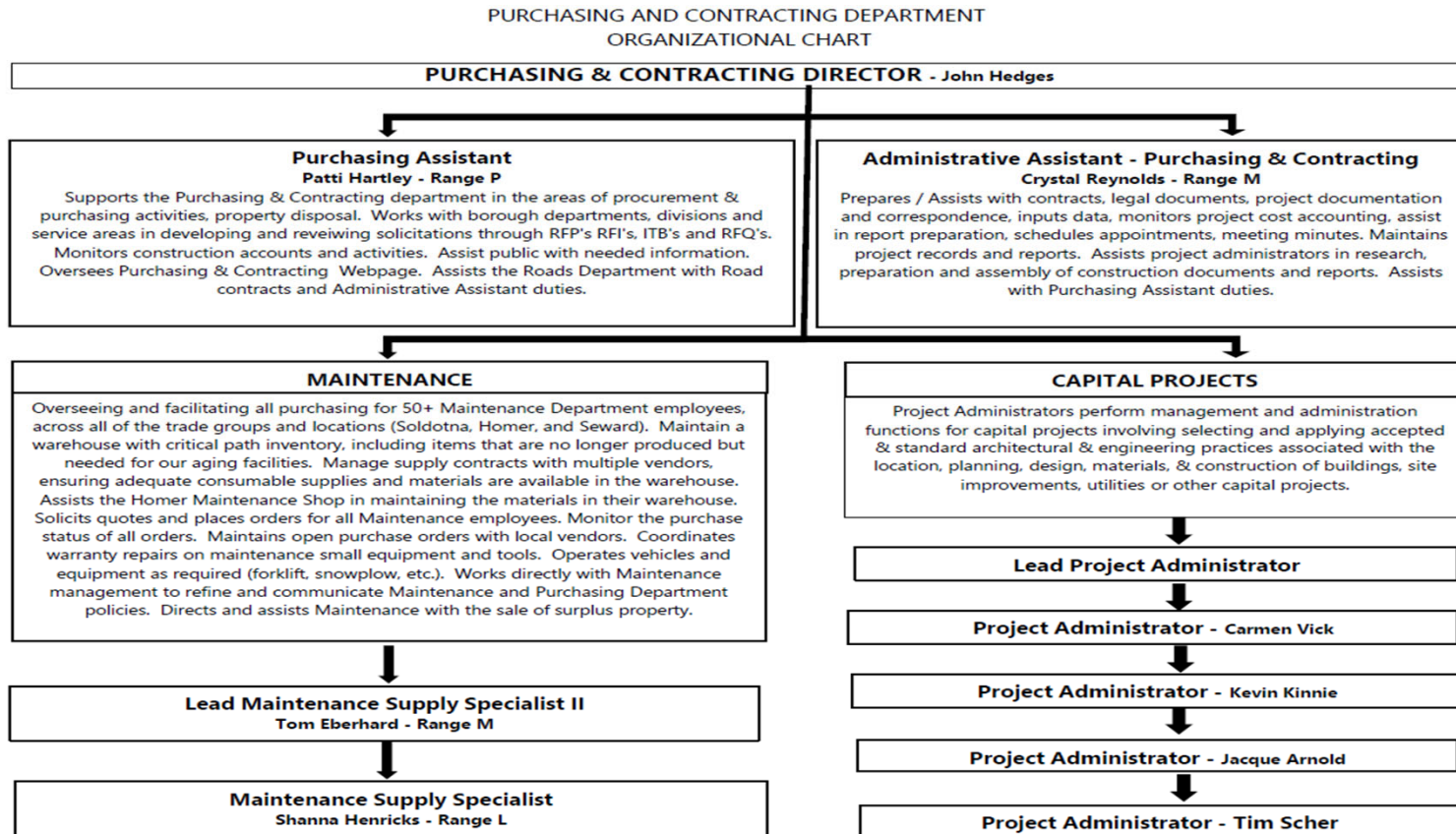


Purchasing and Contracting Department

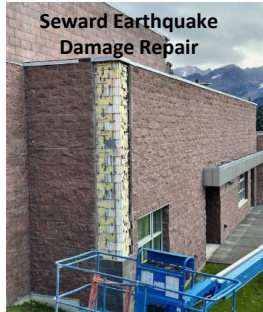


Kenai Peninsula Borough
Purchasing & Contracting
Department

Purchasing and Contracting Organizational Chart



**Kenai Peninsula Borough
Purchasing & Contracting Department**



Department Mission

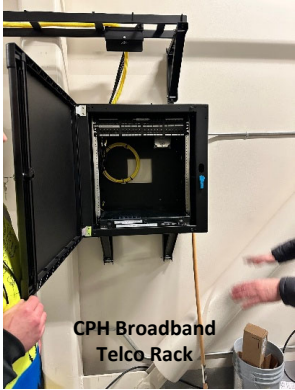


Mission: Provide “Procurement Support” Services to various entities of the Borough with an objective to obtain materials, equipment, and contract services in a timely, cost effective manner, and at the best value to the Borough and to provide value added “Project Management” services to departments and service areas of the Borough.



**Kenai Peninsula Borough
Purchasing & Contracting Department**

Value Principle



- Drive Value through Strategic Engagement of the market place.
- Cost avoidance through assessment of hard cost and soft cost Values.
- Value Driven Project Development

VALUE = FUNCTION PERFORMANCE/RESOURCES



**Kenai Peninsula Borough
Purchasing & Contracting Department**

Major Long-Term Issues

- 1) Inflation and Escalation.
- 2) Shortages of contract service providers, design professionals, and skilled labor.
- 3) Improve Inventory and supply chain management.
- 4) Identify efficiencies to improve the Borough's internal business process.
- 5) Reduction in grant funding opportunity.
- 6) Minimal master planning area wide.



**Kenai Peninsula Borough
Purchasing & Contracting Department**

FY 2025 Accomplishments

- **Supported the Borough in the procurement of approximately \$112 million worth of goods and services.**
- **Maintained Borough procurement and capital improvement needs with minimal staffing increases and increased work load.**
- **Initiated a response to address the Soldotna Elementary and Soldotna Preparatory 2022 bond initiative budgetary issues. Released 5 Invitation to Bids for the 2022 Bond initiative.**
- **Purchased approximately \$1.2 million in heavy equipment through a best value approach.**
- **Assisted both hospitals in their capital planning needs.**
- **Assisted in the development of State and Federal Capital priorities.**
- **Eliminated the practice of advertising procurement in the local paper reducing the cost of procurement services by an estimated \$50,000 a year.**



**Kenai Peninsula Borough
Purchasing & Contracting Department**

FY 2026 New Initiatives

Complete the development of an areawide 5 year capital plan.

Review and recommend updates to the antiquated portions of Borough's Purchasing Code.

Develop a public advertising and information web page for Borough purchasing and contracting opportunities.

Continue to work on the advancement of the 2023 School Bond Projects.

Assist in the development of more centralized Borough facilities management.

Provide continuing education project management professional training and leadership training to staff.

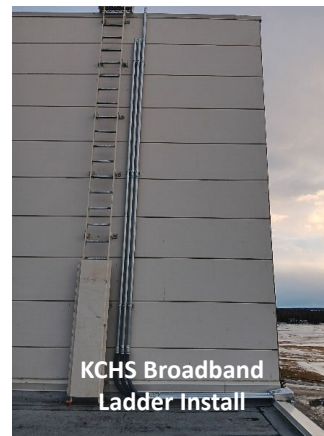
Adopt and implement the use of project management software.



**Kenai Peninsula Borough
Purchasing & Contracting Department**

Active Capital Projects

- School Bond Projects
- CES #1 Fire Station Construction & Alerting System
- North Star Elementary Window Replacement
- Chapman Elementary School Transportation
- Donald E. Gilman River Center Roof
- K-Beach Elementary Boiler Replacement
- Soldotna High School Siding
- NPRSA Pool Flooring Renovation / Remodel
- Nikiski North Star Elementary Roof Replacement
- Mountain View Elementary Roof Replacement
- Hope School Roof Replacement
- Homer High School Entrance & Theatre
- Dieckgraff Road Culvert Replacement
- Rollins Way RIAD
- Basargin Approach
- SBFSA Streambed Maintenance
- Hohe Street Abatement & Demolition
- Kenai Middle School Security
- Skyview & Nikiski Boiler Replacement Design
- Deep Creek Fish Passage
- Inspection & Engineering of KPB RSA Bridges
- Soldotna Elementary & Soldotna Prep Consolidation



**Kenai Peninsula Borough
Purchasing & Contracting Department**



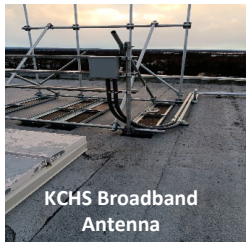
Seward HS Track



CPL Leachate
Infrastructure Excavation



CES Fire Station



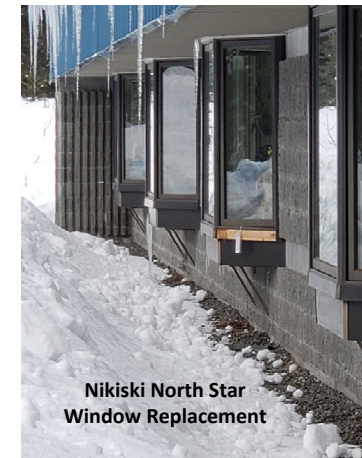
KCHS Broadband
Antenna



CES Fire Station



Soldotna High School
Siding



Nikiski North Star
Window Replacement



**Kenai Peninsula Borough
Purchasing & Contracting Department**

Fund 100
Dept 11227

Department Function
General Fund
Purchasing & Contracting

Mission

The mission of the Purchasing and Contracting Department is to provide procurement support and service to the various entities of the borough whose objectives are to obtain materials, equipment and contracted services in a timely, cost-effective manner, at the best value to the borough and to provide value-added project management services to departments and service areas of the borough.

Program Description

The objectives of the Purchasing and Contracting Department are to ensure appropriations are used wisely and in the best interest of the borough, while preserving the integrity and fairness of the competitive process; to provide guidance to all departments and service areas as it pertains to purchasing policies and procedures; to dispose of surplus tangible property of the borough, school district and service areas; and to provide project management services for major and minor projects for schools, roads, borough hospitals, solid waste, and various service area projects, which includes concept development, cost estimation, strategic planning and design development.

Major Long-Term Issues and Concerns:

- Inflation and escalation.
- Shortages in contract service providers, professional service providers, and skilled labor.
- Improving inventory and supply chain management and purchasing support to departments and service areas.
- Identifying efficiencies to improve the borough's internal business processes.
- Limited funding for major maintenance and capital improvement needs.
- Minimal Master Planning boroughwide.

FY2025 Accomplishments:

- Supported the borough in the acquisition of approximately \$112 million worth of goods and services.
- Maintained borough procurement and capital improvements with minimal staffing increases and elevated workloads.
- Initiated an educational specification development effort for the Soldotna Elementary and So Prep 2023 Bond projects.
- Released 5 ITB's related to the 2023 Bond initiative for construction in 2025.
- Secured property and began the design development of the new K-Selo School, with an anticipated construction start date of August 2025.

- Purchased approximately \$1.2 million in heavy equipment needs through a new innovative procurement process.
- Assisted South Peninsula Hospital in their capital development needs and planning effort.
- Participated in the CPH master planning.
- Assisted the solid waste department in addressing the bailer building failure and its impact on solid waste handling needs.
- Assisted in the development of the State and federal capital priorities.
- Eliminated the antiquated requirement of advertising in the newspaper, saving approximately \$50,000 annually in capital project expenditures and expediting the procurement process by one week.
- Developed a model for the new advertising procurement opportunities page to be implemented on the new Borough web page.

FY2026 New Initiatives:

- Complete the development of an area wide 5-year capital planning process.
- Encourage employee continuing education and training, including involvement in external organizations such as Solid Waste Association of North America, American Society of Healthcare engineering, and Project Management Institute.
- Review and update antiquated portions of the borough purchasing code.
- Continued a process to align project management practices with the methodologies recommended by Project Management Institute and instructed by Project Management Professional (PMP) training program.
- Continuing to work on modernizing the procurement process, updating procurement documentation, contracts and code.
- Implement the online Borough Procurement and opportunities page model. Overhaul the Purchasing SharePoint page to more clearly outline purchasing policy and practices.
- Continue the design and construction of the 2023 bond projects Seek cost saving measures and grant funding to deal with the impacts of escalation on the bond projects.
- Source and implement the use of project management software in the projects division.
- Develop a design build process for Road Service area Capital improvement projects and RIAD's.

Department Function
Fund 100
General Fund
Dept 11227
Purchasing & Contracting - Continued

Major Projects in Progress:

KPBSD Parent Student Drop Off Improvement; Broadband Project Construction; CES Station 1 Construction; CES Station 1 Alerting System; CPL Leachate Improvements & Infrastructure Phase II; CPL Cell 4 Design & Construction; HHS Front Entrance Improvements; HHS Theater Improvements; CPH Master Plan; K-Beach Elementary Boiler Replacement; KCHS Boiler Replacement; KCHS Votec Structural Repair; KMS Security / Food Service Renovation; KSELO School Design & Construction; NNS Elementary School Roof Replacement; MV Elementary School Roof Replacement; Hope School Roof Replacement; NHS Track / Field Replacement; NPRSA Floor & Front Desk Replacement Remodel; NPRSA Pool Flooring Renovation; River Center Roof Replacement; River Center ADA Improvements; Soldotna Elementary Replacement; Soldotna Prep Renovation; Soldotna High School Siding Replacement; SBCFSA Dieckgraef Road; SPH Nuclear Medicine/Pharmacy/Infusion; SPH Emergency Power System Replacement; **RSA Projects:** RIAD Projects – Toklat and Suchaview; Deville Road, Hoot Owl Mini Ranches, Ravenwood St North; Rollins Way RIAD; Basargin Road – Phase 4; McGahan Drive; Deep Creek Fish Passage / Old Exit Glacier; Bridges Inspection & Engineering; Kenai Safe Egress Beetle Bark Mitigation; Safe Streets for All (SS4A) Comp Safety Action Plan; Old Exit Glacier Fish Pass Culvert;

Major Projects Completed:

2024 Hazard Mitigation Plan Update; BAB HVAC IT AAOH Chiller; BAB Roof Replacement; Poppy Lane Sewer Line Replacement; OEM Siren Warning System Replacement; OEM Eaton UPS Install; CES Station 1 Design; CES Arc Loop Fence Construction; CES Signage Upgrade; CPL Concentrator Equipment; HTF Leachate Tank Replacement; CPL Baler Building Boiler Replacement; CPL Pond Liner; HTF Clearing; STF Clearing; HTF Paving; LM Forestry Consultant for Prescriptions Sites; NPRSA Well Line Replacement; SBCFSA Construction Surveys; Homer High School Roof Replacement; Homer Middle School Kitchen Renovation; HMS Elevator Upgrades; KCHS Pool Flooring Replacement; KCHS Concession Stand; KCHS, Kenai Alternative & Sterling Elementary Asbestos Flooring Abatement; KCHS Site Improvements; KCHS Pool Boiler Replacement; KCHS Gym & Pool Locker Replacement; Nikolaevsk Boiler Replacement; SHS Track / Field; Seward Middle School Earthquake Repairs; SPH LTC HVAC Upgrades; SPH Facility Assessment; **RSA Projects:** Kenai Spur Hwy Ext - North Rd Surfacing; Jacobs Ladder; Gravel Rd CIP FY23 - Parkway Ave, Sylvan Cir, Northern Lights Blvd, Lisburne Ave, Griffing Ct, Griffing Way, & Territorial Dr; Gravel Rd CIP FY22 – Duke St, St Andrews Rd, Sports Lake Rd, Hakala Dr, Cotman Ct. CIP FY24 – Seclusion St, Lourdes Ave, Robert Ave W., Robin Ave; Goodrich St & Center Ave; FY22 CIP – South Bend RIAD; Basargin Road, Phase III; Eastway Drainage; Lawton Drive Fuel Mitigation.

Performance Measures:

Staffing	FY2023 Actual	FY2024 Actual	FY2025 Actual	FY2026 Proposed
Staffing History	9	9	10	10

Purchasing:

Priority: Procurement

Goal: To provide procurement support and services to various entities of the borough.

Objective: To obtain the best value and business efficiencies while preserving the integrity of the procurement process.

Contract Management	Benchmark	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Estimated
Contracts/Agreements (long form/short form)	80/320	76/267	49/370	55/500	60/450
Formal Solicitations	95	91	77	85	95
Number of Appeals/Affirmed Appeals	0	1	0	0	0
Purchase Order/Contractor Contacts	3,300	3,291	3,287	3,328	3,400

Capital Projects:

Priority: Staffing

Goal: Efficient and effective project management in a timely manner.

Objective: Determine staffing based on project load balanced with project value. Keep concurrent project ratio between 1:5 and 1:7 and to complete all projects within the grantor's funding time requirements.

Staffing Measures	Benchmark	FY2022 Actual	FY2023 Actual	FY2024 Projected	FY2025 Estimated
Project Manager to Project Ratio (Project Managers: FY20-22: 3, FY23: 4)	1:7	1:10	1:13	1:13	1:13
Projects Completed Within Funding Time Requirements	100%	100%	100%	100%	100%

**Kenai Peninsula Borough
Budget Detail**

**Fund 100
Department 11227 - Purchasing and Contracting**

		FY2023 Actual	FY2024 Actual	FY2025 Original Budget	FY2025 Forecast Budget	FY2026 Department Proposed	Difference Between Department Proposed & Original Budget %	
Personnel								
40110	Regular Wages	\$ 635,749	\$ 721,606	\$ 932,685	\$ 932,685	\$ 947,749	\$ 15,064	1.62%
40120	Temporary Wages	-	-	7,484	7,484	7,484	-	0.00%
40130	Overtime Wages	7,982	431	5,545	5,545	5,799	254	4.58%
40210	FICA	55,093	61,351	83,354	83,354	85,194	1,840	2.21%
40221	PERS	169,257	189,845	208,919	208,919	212,418	3,499	1.67%
40321	Health Insurance	223,609	262,437	327,600	327,600	280,000	(47,600)	-14.53%
40322	Life Insurance	943	1,110	1,311	1,311	1,329	18	1.37%
40410	Leave	83,235	90,268	109,083	109,083	114,526	5,443	4.99%
Total: Personnel		1,175,868	1,327,048	1,675,981	1,675,981	1,654,499	(21,482)	-1.28%
Supplies								
42120	Computer Software	4,122	-	-	-	-	-	-
42210	Operating Supplies	1,326	1,380	5,000	5,000	5,000	-	0.00%
42250	Uniforms	376	1,733	832	832	832	-	0.00%
42263	Training Supplies	-	-	200	200	100	(100)	-50.00%
42310	Repair/Maintenance Supplies	-	-	200	200	100	(100)	-50.00%
42410	Small Tools & Minor Equipment	786	333	400	400	400	-	0.00%
Total: Supplies		6,610	3,446	6,632	6,632	6,432	(200)	-3.02%
Services								
43011	Contractual Services	4,250	4,328	8,200	8,200	17,250	9,050	110.37%
43019	Software Maintenance	10,890	1,082	5,565	5,565	1,960	(3,605)	-64.78%
43026	Software Licensing	-	13,288	22,300	22,300	22,500	200	0.90%
43110	Communications	6,543	6,974	13,900	13,900	10,000	(3,900)	-28.06%
43140	Postage and Freight	541	409	400	400	400	-	0.00%
43210	Transportation/Subsistence	13,772	11,464	51,290	51,290	31,722	(19,568)	-38.15%
43220	Car Allowance	15,564	16,143	21,600	21,600	21,600	-	0.00%
43260	Training	198	766	3,350	3,350	3,400	50	1.49%
43310	Advertising	(13)	643	4,500	2,870	2,000	(2,500)	-55.56%
43410	Printing	65	-	100	100	100	-	0.00%
43610	Utilities	5,110	5,113	6,500	6,500	6,500	-	0.00%
43720	Equipment Maintenance	2,005	1,947	4,000	4,000	3,500	(500)	-12.50%
43920	Dues and Subscriptions	6,846	402	2,355	2,355	3,200	845	35.88%
Total: Services		65,771	62,559	144,060	142,430	124,132	(19,928)	-13.83%
Capital Outlay								
48120	Major Office Equipment	2,458	-	-	1,630	-	-	-
48710	Minor Office Equipment	12,641	219	10,000	10,000	8,528	(1,472)	-14.72%
48720	Minor Office Furniture	3,326	329	500	500	500	-	0.00%
Total: Capital Outlay		18,425	548	10,500	12,130	9,028	(1,472)	-14.02%
Interdepartmental Charges								
60000	Charges (To) From Other Depts.	(644,821)	(698,033)	(988,721)	(988,721)	(968,765)	19,956	-2.02%
Total: Interdepartmental Charges		(644,821)	(698,033)	(988,721)	(988,721)	(968,765)	19,956	-2.02%
Department Total		\$ 621,853	\$ 695,568	\$ 848,452	\$ 848,452	\$ 825,326	\$ (23,126)	-2.73%

Kenai Peninsula Borough Budget Detail

Fund 100

Department 11227 - Purchasing and Contracting - Continued

Line-Item Explanations

40110 Regular Wages. Staff includes: Purchasing and Contracting Director, Purchasing Assistant, Lead Maintenance Supply Specialist, Maintenance Supply Specialist I/II, 1 Lead Project Manager, 4 Project Managers, and an Administrative Assistant.

40120 Temporary Wages. New temporary Parts Runner (\$880) and temporary hours for Purchasing Assistant and Supply Specialists.

42263 Training Supplies. Decrease due to not using in the last year, reduced by 50%. Kept \$100 in budget in case a need arises.

42310 – Repair / Maintenance Supplies. Decrease due to not using in the last year, reduced by 50%. Kept \$100 in budget in case a need arises.

43011 Contractual Services. Custodial services (\$5,000), DocuSign documents (\$9,000), Sharefile Service (\$250) and leadership/project management training for project managers (\$3,000).

43019 Software Maintenance. Blue Beam Revu (\$1,900), milestone cameras (\$60)

43026 Software Licensing. Equipment Watch (\$6,000), Info Tech, Inc., Bid Express (\$1,200), Microsoft Projects (\$2,000), RS Means (\$6,000), Zoom Licensing (\$1,700), Adobe Licenses (\$600) and software for new Lead Project Manager (\$5,000.)

43210 Transportation/Subsistence. Reduced amount by lowering the amount of trips across the Kenai Peninsula Borough.

43110 Communications. Decreased the amount to be in line with prior year costs.

43260 Training. Training opportunities for Purchasing & Contracting staff.

43310 Advertising. Decreased due to changes in the requirements of newspaper public hearing ads. Currently advertising Surplus Auctions and Public Notices as requested.

43720 Equipment Maintenance. Decreased cost for maintenance of two department copiers.

43920 Dues / Subscriptions. SW Assoc of North America (\$300), ASHE (\$400), NIGP (\$200), PMI Project Management Institute (\$1,000), and Amazon Business Prime (\$1,300.)

48710 Minor Office Equipment. 2 monitors (\$230 ea.), 2 UPS units (\$425 ea.), 2 desktop computers (\$909 ea.), 2 Surface Pros (\$2,300 ea.), and 3 phones (\$400 ea.).

48720 Minor Office Furniture. New chair \$500.

60000 Charges (To) From Other Depts. Charges to other departments and projects including charges to the Service Areas and Maintenance Department for wages and benefits of the Lead Maintenance Supply Specialist and the Maintenance Supply Specialist I/II.