

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*
Sovala Kisenia, Claims Manager *SK*
Kim Saner, Human Resources Director *KS*
Brandi Harbaugh, Finance Director *BH*

DATE: September 21, 2021

RE: Ordinance 2021-19- 16, Appropriating Estimated Insurance Proceeds of \$847,000 for the cost of the Nanwalek Teacher Housing Replacement Project (Mayor)

A teacher housing building in Nanwalek, owned by the Kenai Peninsula Borough (KPB) and operated by the School District, was destroyed by a structure fire in 2020. The remaining structure was demolished and the site cleared that same year. With the loss of the structure, the School District is in need of teacher housing in Nanwalek. They require the replacement structure as soon as possible.

Plans were completed to rebuild the structure and were submitted for bid in July of 2021 with one bid received to complete the project. The bidder for the project was Wolverine Supply, Inc. with a bid of \$847,000. The bid was reviewed and determined to be both responsive and responsible. The total project will consist of a structure rebuild, project management and other associated project costs.

The KPB insurer, Alaska Municipal League Joint Insurance Association (AMLJIA), is reimbursing the reconstruction project costs while demo, design, project management and other related costs are to be bore by the borough's Insurance and Litigation Fund. The bid and bid package were submitted to AMLJIA and they subsequently approved the cost of construction.

This ordinance appropriates \$847,000 in estimated insurance proceeds from AMLJIA to the School Capital Project Fund in order to complete the project.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Account:	<u>400,000.00.008Y.37315</u>
Amount:	<u>\$847,000 (est. insurance proceeds)</u>
By: <u>PP</u>	Date: <u>9/20/2021</u>