



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Blaine Gilman, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Mike Navarre, Mayor *MN*

DATE: April 21, 2016

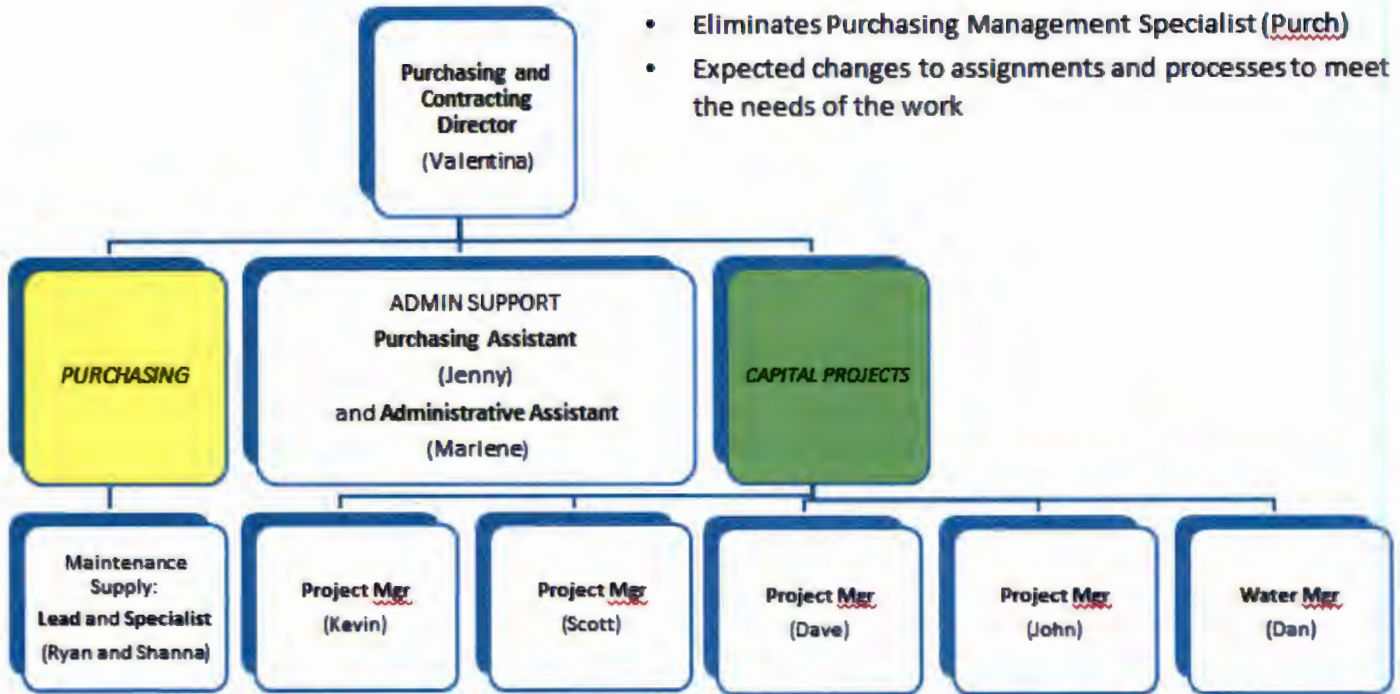
SUBJECT: Ordinance 2016-13, An Ordinance Amending the Borough Code to Incorporate the Capital Projects Department into the Purchasing and Contracting Department and Make Other Associated Amendments (Mayor)

This ordinance is part of a borough-wide effort to reduce costs and evaluate the delivery of services by the administration. Due to the decline in available capital funds from the state fewer capital projects are on the horizon, which provides an opportunity to streamline the workload and improve synergies between the capital projects and the purchasing and contracting departments. This ordinance would merge the capital projects department into the purchasing and contracting department, thereby reducing costs by sharing resources in a combined structure which we believe will have a minimal impact to the community. We estimate this restructuring will create approximately \$351,00 in annual savings to the borough.

The proposed revised structure will eliminate two positions in the capital projects department and one position in purchasing including an Administrative Assistant I, Capital Projects, the Capital Projects Director position and the Purchasing Management Specialist position. Additionally some positions in the newly combined department may have changed duties and work assignments. Our intention is that the newly combined department will have a Purchasing and Contracting Director who will oversee the former purchasing and contracting department functions as well as the former capital project department functions. The administration is in the process of evaluating how to best implement these changes which will be supported by a smaller, more streamlined team. Following is the new organizational chart identifying reporting relationships:

Redesign: Merges Capital Projects into Purchasing/Contracting:

- Eliminates one Director-level role (Cap Projects)
- Eliminates one Admin Assistant (Cap Projects)
- Eliminates Purchasing Management Specialist (Purch)
- Expected changes to assignments and processes to meet the needs of the work



Your support of this ordinance would be appreciated.