

# Kenai Peninsula Borough

## Purchasing & Contracting Department

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### MEMORANDUM

**TO:** Brent Johnson, Assembly President  
Members, Kenai Peninsula Borough Assembly

**THRU:** Peter Micciche, Mayor *PAM*  
Robert Ruffner, Planning Director *RR*  
Brandi Harbaugh, Finance Director *BH*

**FROM:** John Hedges, Purchasing & Contracting Director *JH*

**DATE:** March 23, 2023

**RE:** Ordinance 2022-19-63, Appropriating \$84,930.21 from the River Center Building Maintenance Reserve Fund and \$375,069.79 from the General Fund for Major Maintenance Improvements to the Kenai River Center's Mechanical Systems (Mayor)

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In the fall of 2022, the Borough Maintenance Department identified a leak in the existing boiler at the Kenai River Center. Upon further investigation it was recommended that the 25-year-old boiler be replaced. In addition to the boiler replacement, an engineering consultant was hired to review the building's mechanical systems and make recommendations for any other improvements that may be necessary.

Based on numerous deficiencies identified in the engineering evaluation a design package for the major maintenance improvements was completed. The work identified includes replacement of the existing boiler with two new high efficiency boilers to allow for redundancy in heating, replacement of pumps, building automation system controls, a new hot water heater, and several modifications that will improve building efficiency in energy consumption along with making improvements to the quality of building environmental conditions. The estimated total cost for the mechanical improvement work is \$460,000.00.

The best interests of the Borough will be served by completing these Mechanical improvements to the Kenai River Center as soon as practical.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED			
Account:	<u>100.27930</u>	Amt:	<u>\$84,930.21</u>
Account:	<u>100.27910</u>	Amt:	<u>\$375,069.79</u>
By:	<u><i>cg</i></u>	Date:	<u>3/23/2023</u>