

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*
Brandi Harbaugh, Finance Director *BH*

DATE: February 18, 2021

RE: Ordinance 2020-19-23, Appropriating School Bond Interest to Cover the Cost of Ineligible Scope of Work on the Redoubt Elementary Roof Project (Mayor)

In the application process for the approval of the Redoubt Elementary Roof project, by the Department of Education and Early Development (DEED), it was determined that a 2,803 square foot portion of the roof was ineligible for replacement under the DEED grant reimbursement program.

In the design and bidding process this section of roof was compartmentalized using an additive alternate approach that clearly identified the \$100,000 cost for this portion of the scope of work.

Interest funds from the bond proceeds that are not regulated by DEED were appropriated through Ordinance 2019-19-32 to cover this portion of the work.

In the construction process it was discovered that due to a moisture issue some sheeting and structural damage had occurred and needed to be repaired. The condition of the roof that led to the moisture issues was also identified and corrected.

A change order to the construction contract was processed to address the work, however there were insufficient interest funds in the contract to cover the cost of this work.

This ordinance appropriates school bond interest from bonds issued in 2014 and prior to cover the cost of the ineligible scope of work.

Your consideration of this ordinance is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No. <u>401.27910</u>	Amount: <u>\$41,000.00</u>
By: <u><i>PP</i></u>	Date: <u>2/19/2021</u>