

Kenai Peninsula Borough

IT Department

MEMORANDUM

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

THRU: Peter Micciche, Mayor *PAM*
Brandi Harbaugh, Finance Director *BH*
John Hedges, Purchasing & Contracting Director *JH*

FROM: Lance Bishop, IT Director *LB*

DATE: March 23, 2023

RE: Ordinance 2022-19-62, Appropriating \$70,000 from the General Fund to Complete the Server Room Chiller Replacement Project (Mayor)

During the FY23 budget process, the Assembly appropriated \$120,000 for a project to replace a failed chiller that supports the main server room at the Borough Administration Building.

The current system is operating at 50% its original capacity and has no redundancy. Should the system fail completely it would stop or significantly disrupt Borough operations along with causing major damage to the server equipment.

In the process of developing and executing the project it was discovered that the original cost was underestimated. The current total project cost is estimated at \$190,000 requiring an addition \$70,000.00 for its completion.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Account: <u>100.27910</u>	Amt: <u>\$70,000</u>
By: <u><i>cg</i></u>	Date: <u>3/24/2023</u>