

Kenai Peninsula Borough Purchasing & Contracting

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Borough Mayor *CP*

FROM: John Hedges, Acting Purchasing and Contracting Director *JH*
Brandi Harbaugh, Finance Director *BH*

DATE: November 21, 2019

RE: Resolution 2019-066, Redirecting Project Funds Previously Appropriated for the Former Soldotna Prep Building and Campus Operational Costs to be Utilized for Design and Feasibility Analysis (Mayor)

On June 3, 2019 the Kenai Peninsula Borough School District (KPBSD) took formal action to surplus the Soldotna Prep School facility and transferred it to the Kenai Peninsula Borough since the KPBSD will no longer be using the facility.

On July 2, 2019, because the facility is a borough asset, funds were appropriated in the amount of \$375,000 to support the annual FY2020 utilities, maintenance and insurance for the building. As the facility is currently unoccupied, the utilities and maintenance costs for FY2020 are anticipated to be significantly less than the original estimate which was based on full occupancy and use making project funds available.

In initial facility assessments, it has been determined that the Soldotna Elementary School facility will require significant capital expenditures to extend its useful life while the former Soldotna Prep building and campus are in much better physical condition and have a longer expected useful life remaining. To provide adequate analysis, the borough is looking to contract with a consulting firm for development of a conceptual design associated with the Redoubt Elementary and Soldotna Elementary School consolidation to provide a draft educational spec. This draft analysis will then be utilized to assess project feasibility and project cost.

| FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED | |
|--|------------------------------|
| Acct. No. | <u>100.94910.SPREP.4XXXX</u> |
| Amount: | <u>\$75,000.00</u> |
| By: <i>PP</i> | Date: <u>11/20/2019</u> |