





Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Wayne Ogle, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: Charlie Pierce, Mayor 

FROM: Brandi Harbaugh, Finance Director 
Scott Griebel, Maintenance Director 
Valentina Sustaita, Purchasing & Contracting Director 

DATE: February 8, 2018

RE: Ordinance 2017-19-17, Appropriating \$60,000.00 from the General Government Capital Project Fund for Boiler Replacement at the George A. Navarre Kenai Peninsula Borough Administration Building (Mayor)

The borough Administration and Kenai Peninsula School District are located in the George A. Navarre Kenai Peninsula Borough Administration Building ("Building") at 144-148 N. Binkley Street which dates to 1971. The majority of the heating, ventilation and air conditioning systems ("HVAC") serving the Building are now 30+ years old with a few being original to the Building.

The two boilers that provide the only heating source to the Building are approaching 50 years of duty and have reached the end of their useful life. They are a water tube, atmospheric burner design, and when new, operated at about 75% efficiency. Due to age factors (corrosion, scaling) the designed efficiency of the pair have continually declined. Currently, on extremely cold days (below 10 deg/F), the system cannot maintain load demand without both boilers in full capacity operation. This is worrisome since the maintenance department has experienced periodic reliability issues with the two units.

It is proposed to replace the aged boilers with a modern high efficiency replacement. This replacement will produce benefits toward improved heating for the entire building, energy efficiency, overall reliability and a reduction to maintenance demand.

This project includes provision of new higher efficiency boilers with new piping and connections, asbestos abatement of surrounding areas, construction, installation, design, engineering, project administration and related work and is estimated at \$120,000.00

The borough plans to use \$60,000 of the Maintenance Capital Project Fund for the HVAC upgrades under account 400.78050.18801.49999 and is seeking an additional \$60,000.00 to be appropriated from the General Government Capital Project fund balance.

Your approval of this ordinance would be appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>407.00000.00000.27910</u>
Amount:	<u>\$60,000</u>
By: <u>pp</u>	Date: <u>2/8/18</u>