

Introduced by: Mayor  
Date: 10/12/21  
Hearing: 10/26/21  
Action: Enacted  
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2021-19-22**

**AN ORDINANCE APPROPRIATING ADDITIONAL FUNDS FROM THE GENERAL  
FUND TO SUPPORT THE FISCAL YEAR 2022 HOMER TRANSFER FACILITY  
OPERATION AND MAINTENANCE CONTRACT**

- WHEREAS,** the Homer Transfer Facility was operated under a contract from 2013 through June 30, 2021; and
- WHEREAS,** an invitation to bid (“ITB”) was released in January of 2021 with the then contractor coming in as the low bidder; and
- WHEREAS,** given the results of the ITB, the bid value was utilized in determining the fiscal year 2022 operating budget for the Homer Transfer Facility (“HTF”); and
- WHEREAS,** through negotiations related to contractual performance issues, the low bidder withdrew its bid and the borough moved on to the second-place bidder leaving a FY2022 budgetary gap needed to cover the difference in bid amounts; and
- WHEREAS,** a short-term contract was offered to the second-place bidder on a week-to-week basis to bridge the gap between contracts while contract closeout issues and new contract negotiations were being conducted leaving a FY2022 budgetary gap to cover the additional cost thru September 10, 2021; and
- WHEREAS,** there are also contract closeout expenses only estimated through September 10, 2021, to repair damage and bring the HTF back up to an acceptable standard in order to award the contract to the second-place bidder; and
- WHEREAS,** having one contractor in place for such a long period of time means that some of the regular upkeep items are not as easy to spot so during a contract changeover some larger items that are now over a decade old begin to show their true age and need for replacement; and
- WHEREAS,** previous contract administration did not account for such long contracts over a Facility and the need to budget for items that would naturally need replacement over time, especially during contract closeouts when thorough inspections bring to light the full condition of older equipment; and

**WHEREAS,** it is anticipated that some of the current costs may be recaptured through ongoing negotiations with the former contractor but some of the costs are simply wear and tear of the HTF from age; and


**WHEREAS,** this ordinance appropriates \$375,000 from the General Fund to be transferred to the Solid Waste Operation Fund to cover the un-budgeted amounts for increased annual operations and maintenance, temporary week to week increased costs during negotiations, and repair costs to bring the Homer facility back to acceptable standards;

**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** That the amount of \$375,000 is appropriated from the General Fund fund balance to be transferred to the Solid Waste Special Revenue Fund account 290.32310.00000.43011 to provide funding for the Homer Solid Waste Facility Operations and Repair Project.

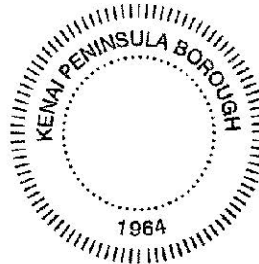
**SECTION 2.** That this ordinance shall be effective immediately upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 26TH DAY OF OCTOBER, 2021.**

  
Brent Johnson, Assembly President

ATTEST:

  
John Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Chesley, Cox, Derkevorkian, Ecklund, Elam, Hibbert, Tupper, Johnson  
No: None  
Absent: None