

Kenai Peninsula Borough

Solid Waste Department

MEMORANDUM

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

THRU: Charlie Pierce, Mayor CP
Brandi Harbaugh, Finance Director BH
Rachel Chaffee, Community & Fiscal Projects Manager RC
John Hedges, Purchasing & Contracting Director JA

FROM: Lee Frey, Solid Waste Director LF

DATE: September 6, 2022

RE: LAYDOWN Ordinance 2022-19-13: Leachate Infrastructure Improvements Budget

The Solid Waste Department has been proceeding with several infrastructure improvements at the Central Peninsula Landfill (CPL) to manage the ongoing leachate inventory issue. The following is a narrative of the budget and scope changes that have occurred through the beginning of the project with ARPA funding to receiving the EPA grant funding and altering the scope to better address the leachate issues.

The project began with an initial budget of \$6,000,000 in ARPA funding. The original scope of the project due to limited funding was to increase the leachate storage capacity and winter operations capacity by constructing a new leachate lagoon and tank as well as relining the existing leachate lagoon. Storage of leachate is a major issue currently as we can only pump the cells until the existing pond is full. A new evaporator to increase capacity would not have fit within the budget, so we were working with the manufacturer to make upgrades to the existing evaporator to improve operations and reduce maintenance downtime.

We were awarded an EPA grant for our leachate infrastructure in the amount of \$3,360,000. KPB is required to provide a 20% match of \$840,000 to accept the grant. The ARPA funds already established for the project are unable to be used as matching funds, therefore \$840,000 from the General Fund is being appropriated to match the EPA grant. We proposed releasing \$840,000 of the ARPA funds to be used for other projects to offset our need to appropriate \$840,000 for the match. This increased the project budget to \$9,360,000. With the

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increased budget, we revised the scope of the project to include a new evaporator to raise the evaporation capacity from 12,000 gallons per day to 30,000 gallons per day and allow us to increase storage and disposal capacity.

The following schedule is a list of the actual and budgeted expenses to complete the project. A contingency is also included as construction costs remain extremely volatile.

Item	Cost	Status
Floating Evaporator	\$ 59,332.37	Actual
Leachate Infrastructure Design	342,655.00	Actual
Evaporation Equipment	2,999,000.00	Actual
Evaporator Shipping	50,000.00	Budgeted
Evaporator Design	100,000.00	Budgeted
Evaporator Install	700,000.00	Budgeted
Pond Materials	379,975.00	Actual
Pond Construction	2,379,190.00	Actual
Tank Construction	1,700,000.00	Budgeted
Project Management	100,000.00	Budgeted
Subtotal	\$ 8,810,152.37	
1% Admin fee	88,101.52	Actual
5% Contingency	440,507.62	Budgeted
Grand Total	\$ 9,338,761.51	

We are currently in the construction phase for construction of the new leachate lagoon, relining the existing lagoon, and relocation of a storm water pond that needed moved for the new lagoon. Design is ongoing for the construction of the new tank, pump house to control the new infrastructure, and evaporator replacement. We expect to have this project out for bid before the end of the year for construction in 2023. This will solidify the remaining major costs for the project. After award, we could reallocate the remaining unused ARPA funds for use in other KPB projects. These funds need to be spent by the end of 2024.

Please let me know if you have any questions.