



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Blaine Gilman, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*

FROM: Tim Bryner, Risk Manager *TB*
Craig Chapman, Director of Finance *C Chapman*
Kevin Lyon, Capital Projects Director *KL*

DATE: January 7, 2016

SUBJECT: Ordinance 2015-19-22, An Ordinance Appropriating Estimated Insurance Proceeds of \$3,543,135 for Costs Associated with the Susan B. English School Shop Restoration Project (Mayor)

The fire occurred at the Susan B. English school shop in Seldovia on November 24, 2014 for which substantial repairs and code upgrades are required as determined by the State Fire Marshal's office.

Ordinance 2015-19-02 appropriated \$100,000 to provide funding necessary for continued operations by providing a temporary welding shop. The temporary welding shop was delivered, to the Seldovia school parking lot, utilities connected; welding equipment set up and is now ready for the educational program. Approximately \$73,000 was needed to complete this portion of the loss recovery.

Ordinance 2014-19-49 appropriated \$250,000 for professional design services for the needed restoration. The code upgrade redesign services are being finalized and the plan review documents are complete and have been submitted to both the reinsurer and the fire marshal. Approximately \$195,545.95 was needed to complete this portion of the loss recovery.

This ordinance appropriates an additional \$ 3,543,135 in estimated insurance proceeds for the Susan B. English shop fire damages providing the funding necessary to repair and bring the 1957 structure up to code for continued use as an educational facility. The total insured loss is estimated at \$3,993,135.00. The borough is responsible for \$100,000 and the remaining \$3,893,135.00 the responsibility of the borough's insurance provider.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>400.74010.D056C.49999</u>
Amount	<u>N/A</u>
By:	<u>pp</u> Date: <u>1/7/16</u>