



KENAI PENINSULA BOROUGH

Finance Department

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

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

THRU: Mike Navarre, Mayor *MN*

FROM: Brandi Harbaugh, Acting Finance Director *BH*
Valentina Sustaita, Purchasing and Contracting Director *V. Sustaita*

DATE: July 6, 2017

SUBJECT: Resolution 2017-*049* Transferring Funds from a Completed Previously Appropriated Capital Project to be Used to Address Changes to the Structural Scope in Central Peninsula Hospital Radiology Phases III, IV and V Renovation Projects (Mayor)

The Kenai Peninsula Borough Purchasing and Contracting Department has identified the need for additional funds to address changes to the structural scope in Central Peninsula Hospital ("CPH") Radiology Phases III, IV and V renovation projects. It is requesting that remaining funds of \$61,756.96 from the completed CPH Radiology 2A project be redirected for this purpose.

During the CPH Radiology Phases III, IV and V renovation projects it was discovered that several areas of older construction did not match the structural records drawings. Ongoing operational requirements limited the ability to review the existing conditions prior to the design work. As part of the phased construction it was discovered that multiple code and operational needs will be directly impacted by the existing structure as it is built. Changes to the structural scope are required to accommodate these needs. In addition to the structural modifications, added demolition, modification to mechanical components, and delay in the projects' timeline has also impacted the projects' schedule and budget.

The previous phase of work on this ongoing multiple phase project, CPH Radiology 2A, has a remaining balance of \$61,756.96. This project has been completed and is ready to be closed out. Based on the current estimates this amount should be sufficient to complete the required additional work.

FINANCE DEPARTMENT ACCOUNT VERIFIED

Acct. No.	Amount
490.81110.13IMG.49999	\$ 61,756.96
Date: <i>BH</i>	By: <i>7/6/17</i>