

Kenai Peninsula Borough

Purchasing & Contracting Department

MEMORANDUM

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

THRU: Charlie Pierce, Mayor *JCB*

FROM: John Hedges, Purchasing & Contracting Director *JH*
Brandi Harbaugh, Finance Director *BH*
Bryan Crisp, Chief - Nikiski Fire Service Area *JBC*

DATE: October 24, 2019

RE: Ordinance 2019-19-18, Appropriating Additional Funding for the Construction of Nikiski Fire Station Number Three (Mayor)

In 2003 Nikiski Fire Service Area Board approved a design project for Nikiski Fire Station #3 to be located at the intersection of Holt Lamplight Road and Escape Route Road. The project advance was halted pending the availability of funds for construction.

In the fiscal year 2019 budget process \$3,200,000.00 was appropriated to update the 16-year-old design documents, complete construction, and equip the station with its basic facility needs.

In the design process a third party estimate was provided by the design team identifying an estimated project cost of \$4,200,000.00. Refinement of the project scope, while still addressing the basic facility service needs, was completed and the total project budget is currently estimated at \$4,025,000.00

A project invitation to bid was released on October 3, 2019 with a bid opening date of November 6, 2019.

On November 13, 2019, the Nikiski Fire Service Area Board will be presented with the bid results at their regularly scheduled meeting for the board's recommendation.

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In order to ensure that the funds necessary to award the construction contract are available an appropriation will need to be made to offset the difference in the project cost after construction bids are opened on November 6, 2019.

This ordinance appropriates \$1,000,000.00 from the Nikiski Fire Service Area fund balance to be transferred to the Nikiski Fire Service Area Capital project fund, project account 441.51110.19411.49999.

Your consideration of this ordinance is appreciated.

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| FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED | |
| Acct. No. | <u>206.27910</u> |
| Amount: | <u>\$1,000,000.00</u> |
| By: <u>PP</u> | Date: <u>10/25/2019</u> |