

Kenai Peninsula Borough
Purchasing and Contracting Department
Maintenance Department

MEMORANDUM

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

THRU: Charlie Pierce, Mayor CP

FROM: John Hedges, Purchasing and Contracting Director JH
Scott Griebel, Maintenance Director SG
Brandi Harbaugh, Finance Director BH

DATE: June 4, 2020

SUBJECT: Ordinance 2019-19-41, Appropriating Additional Closure and Post Closure Care Liability Funds for the Homer Landfill Closure Phase 2 Capital Improvement Project (Mayor)

The Homer landfill closure project is a capital improvement project for the Solid Waste Department. On February 5, 2019 \$2,322,000 was appropriated from the closure and post closure care liability to fund the costs associated with the Phase II closure of the Homer Landfill.

The borough has just received final construction documentation to solicit bids for closure of the phase 2 portion of the site. Upon receiving the documentation along with the engineer's cost estimate, we have determined that the current balance of appropriated funds will fall short of the amount needed to complete this project. We estimate approximately \$380,000 will be required in additional funds to complete the project. The project is in the bid process and an exact value will be provided once bids have been reviewed prior to the July 7, 2020 hearing date.

The original appropriated amount was based on an estimate developed in 2013. This estimate was only taken to the schematic level. As we have worked through the design process, labor and material costs have increased, and additional challenges in design and construction have been identified. This final design is a comprehensive package that includes all necessary components to allow for solid waste operations around this portion of the closed landfill. More importantly this design meets all the requirements for the mandated closure of the antiquated Homer mono-fill portion of this solid waste site.

Funds have been reserved and are available in the closure and post closure care solid waste liability to fund this appropriation.

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June 4, 2020
Re: O2020-041

Your approval of this ordinance would be appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>411.25110</u>
Amount	<u>\$380,000</u>
By: <u>PP</u>	Date: <u>6/4/2020</u>