



KENAI PENINSULA BOROUGH  
Public Works / Major Projects Division  
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## MEMORANDUM

**TO:** Pete Sprague, Assembly President  
Kenai Peninsula Borough Assembly Members

**THRU:** David R. Carey, Mayor *DR Carey*  
Craig Chapman, Finance Director *C Chapman*

**FROM:** Kevin Lyon, Major Projects Director *KL*  
Tom Bartlett, Project Manager  
Chris Mokracek, CES Fire Chief

**DATE:** October 28, 2009

**SUBJECT:** Ordinance 2009-19-21, An Ordinance Appropriating \$10,054 of CES Funds to Fund Costs Associated with Central Emergency Services Funny River Station Living Quarters

Kenai Peninsula Borough Ordinance 2005-19-54 appropriated \$2,500,000 in Central Emergency Service Area bonds to pay the cost of capital improvements related to constructing a new fire station in Kasilof and renovating the fire station at Funny River.

The total cost of the Kasilof Fire Station including site development and construction was \$2,286,578.

The Funny River Fire Station upgrades consisted of completing the existing septic system, excavation to provide for all-season gravel access for fire trucks, and providing for living quarters. During the course of this project, interest income of \$106,000 was transferred to the project in ordinance 2007-19-21. Including interest, \$319,422 was available for construction of the detached living quarters.

During close out of the project the contractor presented invoices based on materials and service provided that added value to the project in excess of those funds set aside for contingency. Upon review of these invoices the project manager determined that \$30,268 is legitimate; however, only \$20,511 is available in the accounts associated with the Funny River Fire Station upgrades. An additional \$9,757 is needed, plus \$297 administrative fee for a total of \$10,054. These costs are associated with installation of owner provided appliances; intertie of fire station radio speaker system to the living quarters; additional foundation insulation; and station, well house, and generator intertie of emergency power.

In an effort to come to a reasonable settlement of the invoices the amount of \$10,054 is necessary to close out the project.

Shortened hearing is requested as there is only one meeting in December. Scheduling the required hearing for the next meeting, which would be January 5, 2010, would required the contractor to wait an additional five weeks to be paid for funds already spent. Your approval would be appreciated.

FINANCE DEPARTMENT  
FUNDS VERIFIED  
ACT # 443.51610.09462.49999  
BY: Ccharm DATE: 10/29/09