

**MEMORANDUM**  
**KENAI PENINSULA BOROUGH**  
**FINANCE DEPARTMENT**

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

**THRU:** David R. Carey, Mayor *DR Carey*

**FROM:** *KK* Kyle Kornelis, Interim Director Major Projects Division  
*cchapman* Craig Chapman, Finance Director

**DATE:** January 20, 2010

**SUBJECT:** Ordinance 2009-19- 28, appropriating supplemental funding of \$136,165 for costs associated with asbestos abatement at the South Peninsula Hospital Expansion Project

The South Peninsula Hospital Expansion Project is in the process of remodeling the patient care area at the hospital. During the remodel process, asbestos material was found in an area believed to be clean, requiring immediate remediation. The cost incurred for remediating the asbestos was \$136,165, depleting the project's contingency funds. The project is anticipated to be complete in early spring; additional contingency funds are needed to ensure successful completion of the project. Replenishing the project for the cost of abating the asbestos should be adequate to ensure the project is completed.

The South Kenai Peninsula Hospital Service Area Board will consider this ordinance at its February 11, 2010 meeting. The assembly will be informed of the board's recommendation prior to the hearing on this ordinance.

FINANCE DEPARTMENT FUNDS VERIFIED \$136,165.00	
ACT # <u>491.27900 F13</u>	
BY: <u>CBCW</u>	DATE: <u>1/21/10</u>