



## **KENAI PENINSULA BOROUGH**

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**DAVID R. CAREY  
BOROUGH MAYOR**

### **MEMORANDUM**

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

**THRU:** David R. Carey, Mayor *Written for D. Carey*

**FROM:** Craig Chapman, Finance Director *C. Chapman*  
James Baisden, NFSA Fire Chief *JCB*

**DATE:** September 9, 2010

**SUBJECT:** Ordinance 2010-19- 18, Redirecting funds previously appropriated for repairs to Nikiski Fire Station #2 and Appropriating \$40,000 from the Nikiski Fire Service Area Capital Project Fund for Building Expenditures required for closeout of Lease at old Station #2

The assembly through ordinance 2007-19-01 appropriated \$50,000 for repair of the hose tower and to address building deficiencies at Station #2. With the completion of a new station #2, repairing the hose tower is no longer in the best interest of the Service Area and the landlord, the North Kenai Community Club.

The Nikiski Fire Service Area Board (Service Area) has approved a new plan for the old station #2 that would meet the Service Area's obligations with the North Kenai Community Club upon the expiration of the current rent agreement, which end October 31, 2010. This mutually agreed to plan to close out the Lease Agreement with the North Kenai Community Club consists of the following:

- Any needed demolition of the old hose tower.
- Replace the demolished sections of the hose tower if needed with a new roof - which would be designed by the Kenai Peninsula Borough Capital Projects Division.
- Replace/repair any other needed maintenance items such as windows, siding, to coincide with finalizing the rental agreement of old Station #2.
- Repair/replace any other items within the facility as required by the current lease agreement.

Funding for ordinance 2007-19-01 was provided by the Spruce Bark Beetle program. As the needs of the Service Area have changed, the Service Area board believes that it is appropriate to use Service Area funds for the new repair project. The Service Area board is requesting the

\$40,907 in unspent funds from ordinance 2007-19-01 be used to purchase wildland firefighting equipment for the service area, which supports the intent of the Spruce Bark Beetle Program's requirements that these funds be used directly to support emergency services for this Service Area.

The Service Area board at its board meeting on September 8, 2010, recommended that \$40,000 from the Service Area Capital Project fund balance be appropriated for expenditures associated with the close out of the lease agreement with the North Kenai Community Club.

Shortened hearing is respectfully requested for this ordinance as the Nikiski Fire Service Area submitted a notice to terminate its lease of the former fire station effective October 31, 2010. The funds are needed as soon as possible to complete the project before that date.

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| FINANCE DEPARTMENT<br>FUNDS VERIFIED |                     |
| 262.21320.8INT3.49999 \$40,907       |                     |
| ACT # 441.27900 FB \$40,000.         |                     |
| BY: <u>CBW</u>                       | DATE: <u>9/9/10</u> |