



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7520
BUSINESS (907) 262-4441 FAX (907) 262-1892

JOHN J. WILLIAMS
MAYOR

MAYOR'S REPORT TO THE ASSEMBLY

TO: Ron Long, Assembly President
Kenai Peninsula Borough Assembly Members

FROM: John J. Williams, Kenai Peninsula Borough Mayor

DATE: August 1, 2006



Agreements and Contracts

1. Spruce Bark Beetle Mitigation Program:
 - Approval of contract with Steve's Tree Service for Kenai East #1 ROW Project.
 - Approval of contract with Steve's Tree Service for Kenai East #2 ROW Project.
 - Approval of contract with Alaska Map Company for GIS Support for the SBB Mitigation Program.
2. Approval of contract with Floor-Ever, Inc. for Homer Middle School Flooring Replacement.
3. Approval of contract with Floor-Ever, Inc. for Sterling Elementary School Flooring Replacement.
4. Approval of contract with Floor-Ever, Inc. for KPB Human Resource Building Flooring Replacement.
5. Approval of contract with Beluga Construction Company for Soldotna Elementary School Flooring Replacement.
6. Approval of contract with Moore's Landscaping LLC for Rootwad Harvest at Beluga Landfill.
7. Approval of contract with Tutka Bay Charters – Chris Banas for Boat Charter Service for KPB Appraisers.
8. Approval of sole source contract with Seimens Building Technologies, Inc. for DDC System Remote Access at Seward Middle School.
9. Approval to waive bonding requirements for the Arsenic Removal System at Sterling and Tustumena Elementary and Nikiski High/Middle Schools.

10. Approval of Purchase and Service Agreement between KPB and Funny River Emergency Services for property and equipment inventory.
11. Approval of contract with Soderstrom Architects, P.C. for South Peninsula Hospital East Addition Project.

Other

12. Investment Portfolio as of June 30, 2006.
13. Budget Revisions – June 2006.
14. Revenue Expenditure Report – June 2006.

JJW/bd

PURCHASING DEPARTMENT
144 North Binkley Street
Soldotna, AK 99669
907-262-4441

PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

Contract Name:
Steve's Tree Service
553460685
Contractor's Federal Tax Identification Number:
Kenai East #1 ROW Project
Job/Service Provided:

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S):

Contractor is to provide all labor and equipment necessary to complete the Scope of Work for the Request for Quotes, Kenai East #1 Right-of-Way Project for the Quote Price of \$5,700.00 (Five Thousand Seven Hundred Dollars and No Cents). The Scope of Work consists of providing all labor and equipment necessary to perform SBB Mitigation Work per the specifications of the Request For Quotes, Kenai East #1 Right-Of-Way Project and as identified in Attachment 1, Attachment 1-A, A, and B (Project map, Parcel Information Sheet, Contract Agreement, and General Conditions of the Contract), of the Kenai East #1 Right-of-Way Request For Quotes.

Routed From Mayor's Office to:
Clerk V. Valquinn
Assembly /
Legal /
Finance /
Assessing /
Planning /
Roads /
SBB /
Purchasing /
Other /
Date: 7-19-06

ACCOUNT DISTRIBUTION: 262.21320.05BT1.43011 DEPARTMENT/SERVICE AREA: Planning / SBB

- Check box if State Right of Way (ROW) Articles of the attached General Conditions apply (Articles 2.5.b, 5.3.b, 5.4.b and 5.5.b).
- Check box if Kenai Peninsula Borough Articles of the attached General Conditions apply (Articles 2.5.a, 5.3.a, 5.4.a and 5.5.a).

Contractor's compensation will be: Five Thousand Seven Hundred Dollars and No Cents

Not to exceed \$5,700.00

Insurance, if required: Auto \$1,000,000.00 CGL \$1,000,000.00 E & O \$0.00

Time schedule for performance will be Project end date is sixty business days (60) days after execution of contract.

The following attachments are incorporated herein by reference: Request For Quotes, Kenai East #1 Right-Of-Way Project (5 pages); Attachment 1 (Project Map 1 Page); 1-A (Parcel Information Sheet 1 page); A, and B (Contract Agreement - 2 pages, General Conditions of the Contract - 7 pages); Signed Quote Form (3 pages) of the Request For Quotes, Kenai East #1 Right-Of-Way Project.

CONTRACTOR ADDRESS & PHONE NUMBER:
Steve's Tree Service
P.O. Box 2534
Soldotna, Alaska 99669
907 394-4778

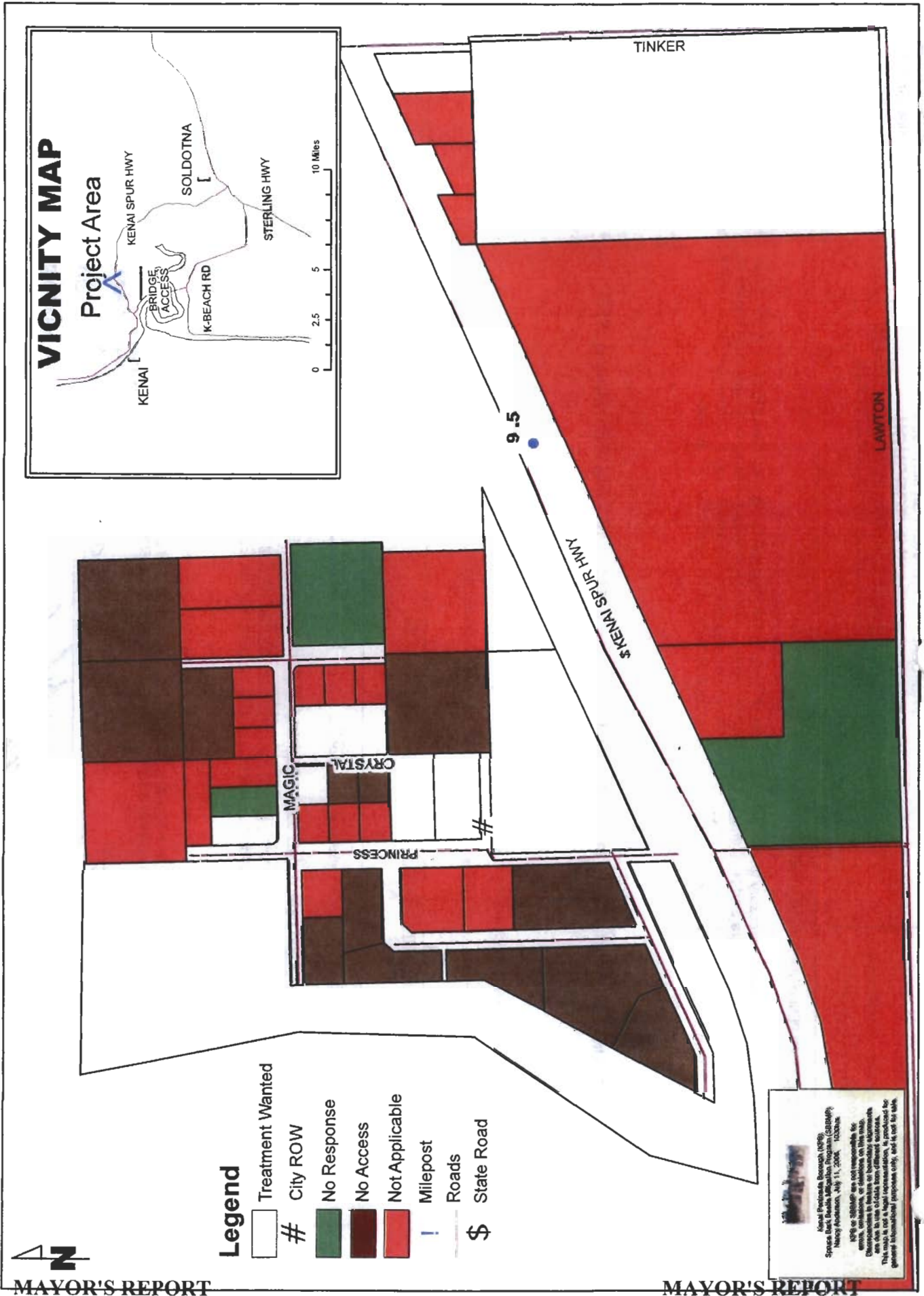
BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT, INCLUDING THE PROVISIONS CONTAINED IN THE ATTACHED GENERAL CONDITIONS.

CONTRACTOR SIGNATURE X Steve Knight DATE 7-13-06

APPROVED AS TO FORM:
MARK FOWLER
PURCHASING & CONTRACTING
DATE 7/13/06

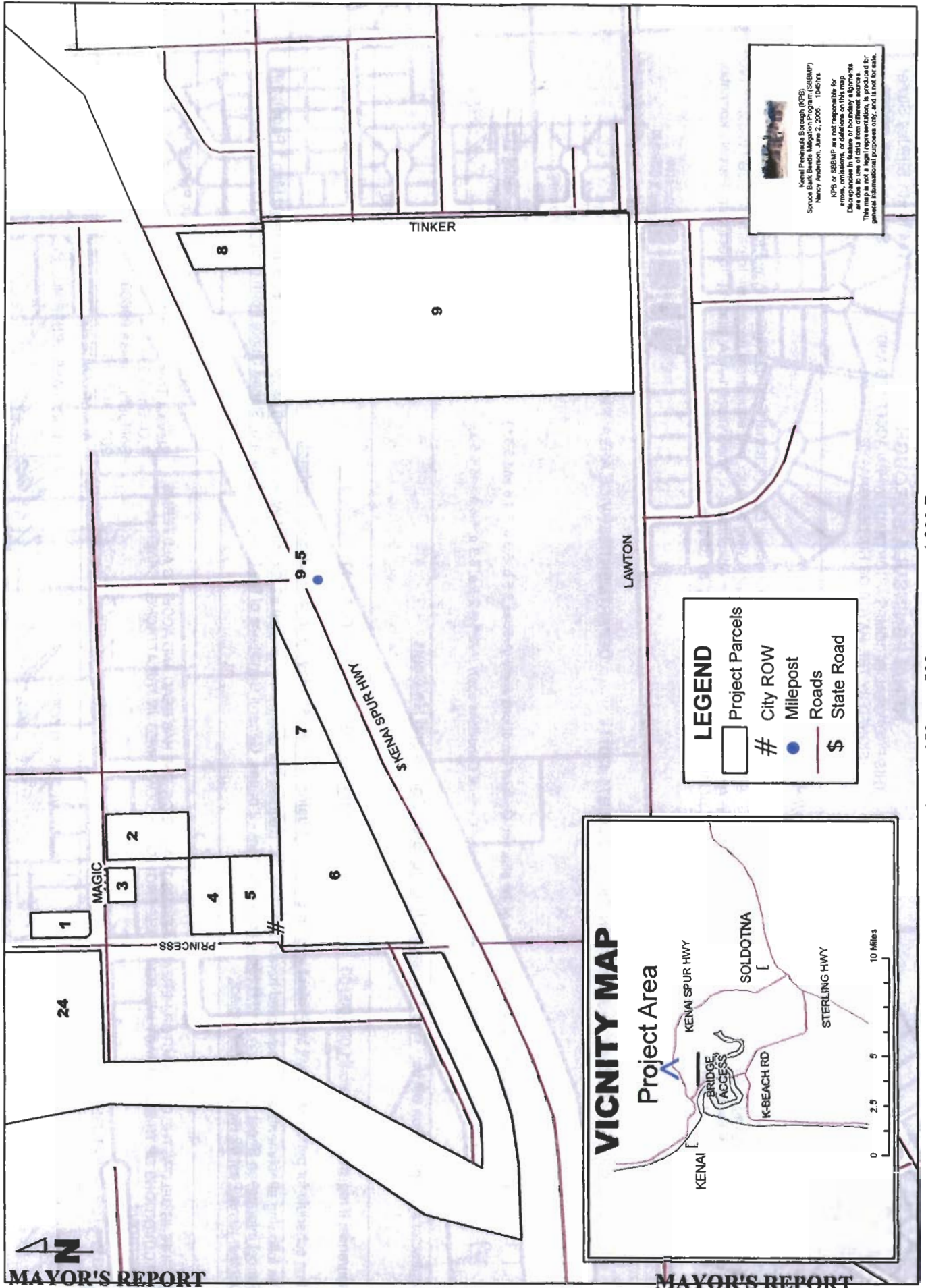
ACCEPTANCE BY KENAI PENINSULA BOROUGH:
PURCHASE ORDER NO. PO 27219
MAYOR OR DESIGNATED OFFICIAL [Signature] DATE 7-19-06

Kenai E 1 ROW Project



Kenai E 1 ROW Project

Attachment 1



MAYOR'S REPORT

MAYOR'S REPORT

PURCHASING DEPARTMENT
144 North Binkley Street
Soldotna, AK 99669
907-262-4441

PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

Contractor's Printed Name:
Steve's Tree Service
553460685
Contractor's Federal Tax Identification Number:
Kenai East #2 ROW Project
Job/Service Provided:

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S):

Contractor is to provide all labor and equipment necessary to complete the Scope of Work for the Request for Quotes, Kenai East #2 Right-of-Way Project for the **Quote Price of \$2,900.00 (Two Thousand Nine Hundred Dollars and No Cents)**. The Scope of Work consists of providing all labor and equipment necessary to perform SBB Mitigation Work per the specifications of the Request For Quotes, Kenai East #2 Right-Of-Way Project and as identified in Attachment 1, Attachment 1-A, A, and B (Project map, Parcel Information sheet, Contract Agreement, and General Conditions of the Contract), of the Kenai East #2 Right-of-Way Request For Quotes.

Routed From
Mayor's Office to: *Original*
Clerk _____
Assembly _____
Legal _____
Finance _____
Assessing _____
Planning _____
Roads _____
SBB _____
Purchasing _____
Other _____
Date: *2-19-06*

ACCOUNT DISTRIBUTION: 262.21320.05BT1.43011 DEPARTMENT/SERVICE AREA: Planning / SBB

- Check box if State Right of Way (ROW) Articles of the attached General Conditions apply (Articles 2.5.b, 5.3.b, 5.4.b and 5.5.b).
- Check box if Kenai Peninsula Borough Articles of the attached General Conditions apply (Articles 2.5.a, 5.3.a, 5.4.a and 5.5.a).

Contractor's compensation will be: Two Thousand Nine Hundred Dollars and No Cents

Not to exceed \$2,900.00

Insurance, if required: Auto \$1,000,000.00 CGL \$1,000,000.00 E & O \$0.00

Time schedule for performance will be Project end date is sixty business days (60) days after execution of contract.

The following attachments are incorporated herein by reference: Request For Quotes, Kenai East #2 Right-Of-Way Project (5 pages); Attachment 1 (Project Map 1 Page); 1-A (Parcel Information Sheet 1 page); A, and B (Contract Agreement - 2 pages, General Conditions of the Contract - 7 pages); Signed Quote Form (3 pages) of the Request For Quotes, Kenai East #2 Right-Of-Way Project.

BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT INCLUDING THE PROVISIONS CONTAINED IN THE ATTACHED GENERAL CONDITIONS.

CONTRACTOR SIGNATURE X Steve Knight DATE 7-13-06

CONTRACTOR ADDRESS & PHONE NUMBER:
Steve's Tree Service
P.O. Box 2534
Soldotna, Alaska 99669
907 394-4778

ACCEPTANCE BY KENAI PENINSULA BOROUGH:

APPROVED AS TO FORM:

Mark Fowler DATE 7/18/06

PURCHASE ORDER NO PO27220

MARK FOWLER
PURCHASING & CONTRACTING

DATE

DATE

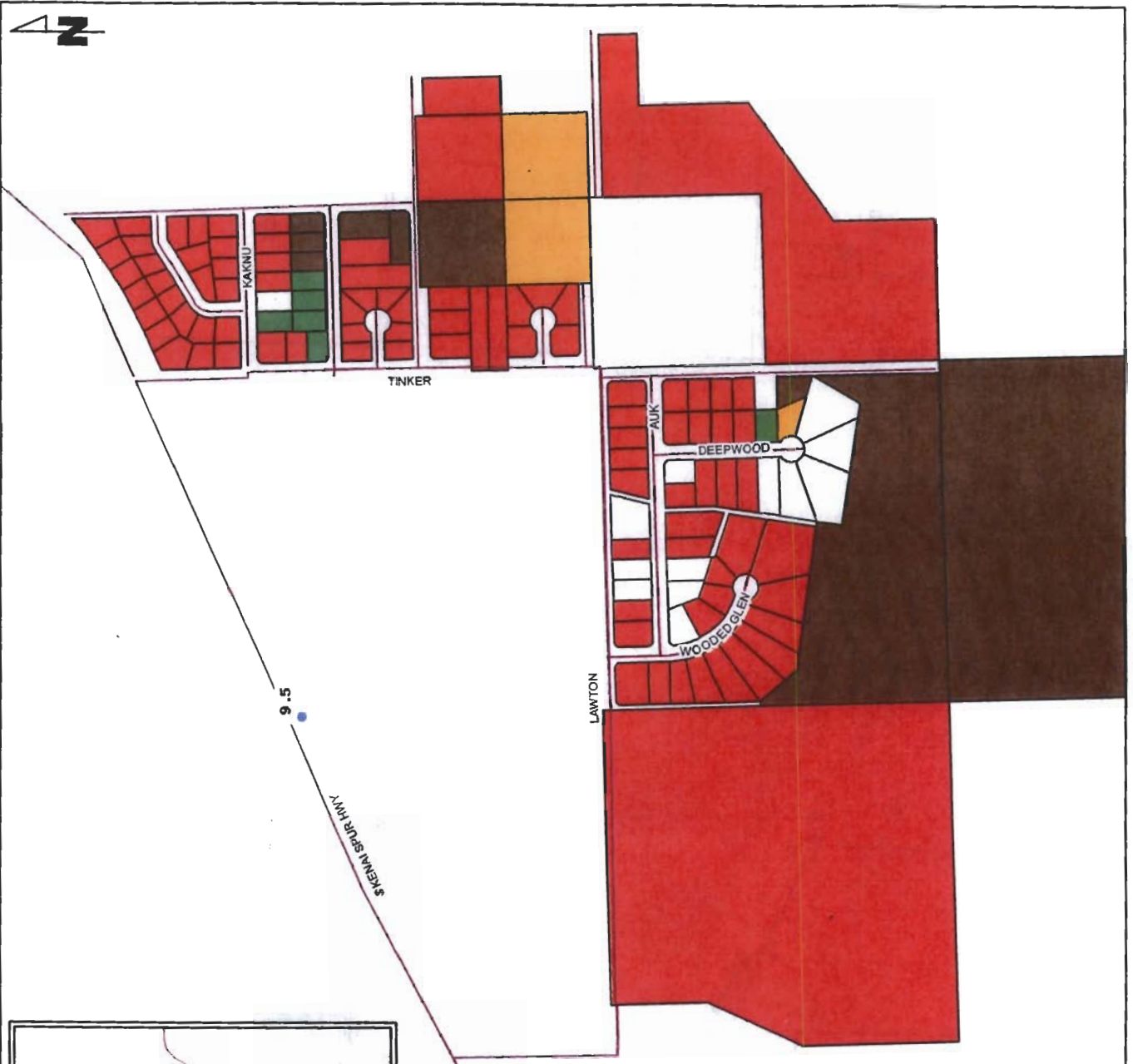
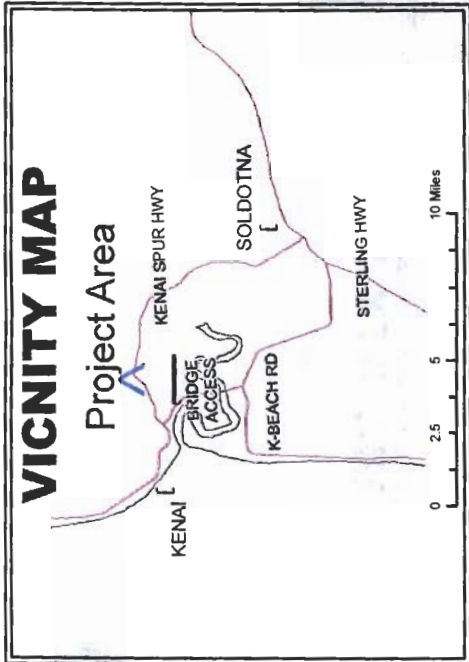
MAYOR OR DESIGNATED OFFICIAL

John J. Williams 7-19-06

MAJOR REPORT

MAJOR REPORT

Kenai E 2 ROW Project



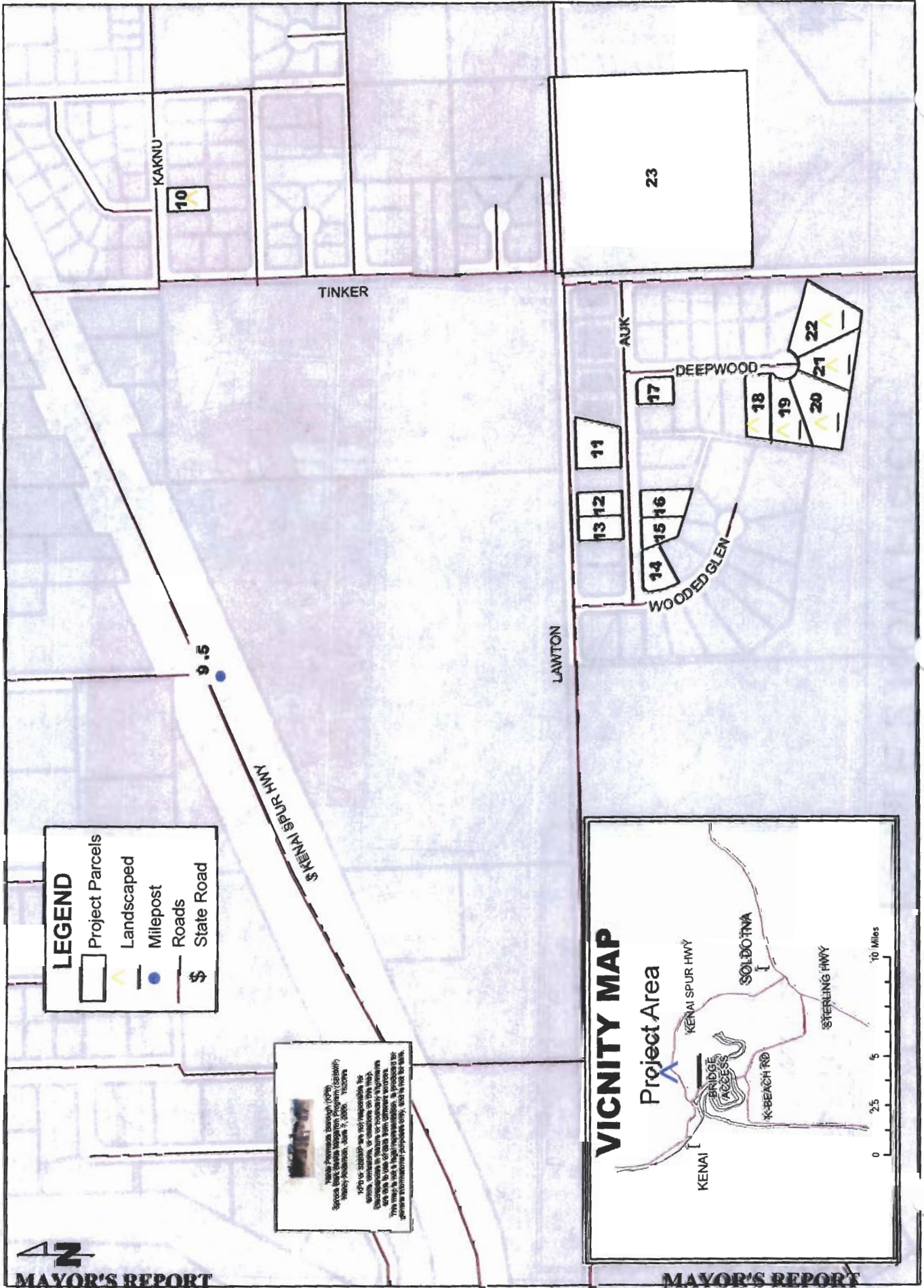
- Legend**
- Treatment Wanted
 - Treatment Not Wanted
 - No Response
 - No Access
 - Not Applicable
 - Milepost
 - Roads
 - \$ State Road

Kenai Peninsula Borough (KPB)
 Source: Kenai Beach Mitigation Program (SBMMP)
 Nancy Anderson, July 11, 2008. 1:300m

KPB or SBMMP are not responsible for errors, omissions, or delays on this map. Data and information are for general informational purposes only and are not to be used for any other purpose. This map is not a legal representation, is produced for general informational purposes only, and is not for sale.



Kenai E 2 ROW Project



LEGEND

- Project Parcels
- Landscaped
- Milepost
- Roads
- State Road

Kenai Peninsula Borough (KPB)
 Special Assessment District (SAD)
 Parcel 10, 2020, 10000000
 Parcel 11, 2020, 10000000
 Parcel 12, 2020, 10000000
 Parcel 13, 2020, 10000000
 Parcel 14, 2020, 10000000
 Parcel 15, 2020, 10000000
 Parcel 16, 2020, 10000000
 Parcel 17, 2020, 10000000
 Parcel 18, 2020, 10000000
 Parcel 19, 2020, 10000000
 Parcel 20, 2020, 10000000
 Parcel 21, 2020, 10000000
 Parcel 22, 2020, 10000000
 Parcel 23, 2020, 10000000

VICINITY MAP

Project Area

KENAI SPUR HWY
 SOLDOTNA
 STERLING HWY
 K-BEACH RD

KENAI

BRIDGE ACCESS

0 2.5 5 10 Miles



Contractor's Printed Name: _____
 Alaska Company
 Contractor's Federal Tax Identification Number: 20-02374575
 Job/Service Provided: GIS Support-SBB Program

PROPOSED TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
 THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
 SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

PURCHASING DEPARTMENT
 144 North Binkley Street
 Soldotna, AK 99669
 907-262-4441

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICES

The Contractor will provide GIS technical support and database assistance for the Kenai Peninsula Borough Spruce Bark Beetle Mitigation Program for an amount not to exceed \$20,000 during the contract period. The project period is to begin upon execution of the contract and runs through June 30, 2006. The purpose is to provide experienced intermittent assistance in the development of Community Wildfire Protection Plans, update of the "All Lands/ All Hands" Action plan data base for the Interagency National Fire Plan Projects, Hazard and Risk assessments, and general GIS and Data Base support and training.

The contractor will be paid at the rate of \$35.00 per hour for work performed.
 The contractor will submit invoices on a monthly basis.

ACCOUNT DISTRIBUTION: 262.21320.01BT4.43011 Contracting Technical Assistance and/or
 262.21320.01BT5.43011 Contracting Land and Vegetation Mapping.

DEPARTMENT/SERVICE AREA: Spruce Bark Beetle Mitigation Program

Contractor's compensation will be: Thirty Five Dollars Per Hour,

Insurance, if required: Auto \$ N/A CGL \$ N/A Not to exceed \$20,000.00

Time schedule for performance will be as needed and as available until 06/30/07 E & O \$ N/A

The following attachments are incorporated herein by reference: None

BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT INCLUDING THE PROVISIONS CONTAINED ON THE REVERSE OF THIS FORM

CONTRACTOR SIGNATURE X DATE 6/30/06


RECOMMENDED BY: Robert Wilfong SBB Program Manager DATE 7/12

DEPARTMENT DIRECTOR OR DESIGNEE Mark Fowler DATE 7-13-06

APPROVED AS TO FORM: _____ DATE _____
 PURCHASING & CONTRACTING
 MARK FOWLER
 PURCHASE ORDER NO. PO 27118
 ACCEPTANCE BY KENAI PENINSULA BOROUGH: _____
 Cell Phone 252-0373
 Sterling, AK 99622
 Gary Greenberg, DBA
 Alaska Map Company
 PO Box 1118
 CONTRACTOR ADDRESS & PHONE NUMBER:

MAYOR OR DESIGNATED OFFICIAL _____ DATE _____

- Routed From Mayor's Office to:
- Clerk
 - Assembly
 - Navigation Program
 - Finance
 - Assessing
 - Planning
 - Roads
 - SBB
 - Purchasing
 - Other
- Date: 7-13-06

Contractor's Printed Name: Floor-Ever, Inc. Contractor's Federal Tax Identification Number: 20-1255918 Job/Service Provided: Homer Middle School Floor Replace 2006	 <p>PROPOSAL TO CONTRACT FOR SERVICES KENAI PENINSULA BOROUGH THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL</p>	PURCHASING DEPARTMENT 144 North Binkley Street Soldotna, AK 99669 907-262-4441
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CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S)

Base Bid: Provide all labor, materials equipment and tools to remove and dispose of the existing carpet, prepare the floor and install approximately 5,373 square feet of glue-down carpet, approximately 1,200 lineal feet of rubber wall base and any divider strips or other required accessories as specified in the bid documents.

Additive Alternate 1: Provide all labor, materials equipment and tools to remove and dispose of the existing carpet, prepare the floor and install approximately 2,235 square feet of glue-down carpet, approximately 500 lineal feet of rubber wall base and any divider strips or other required accessories as specified in the bid documents.

Additive Alternate 2: Provide all labor, materials equipment and tools to remove and dispose of the existing carpet, prepare the floor and install approximately 3,005 square feet of glue-down carpet, approximately 250 lineal feet of rubber wall base and any divider strips or other required accessories as specified in the bid documents.

ACCOUNT DISTRIBUTION: 400.78050.07755.43011 DEPARTMENT/SERVICE AREA: MAINTENANCE DEPARTMENT





Contractor's compensation will be: _____ Not to exceed \$40,650.00

Forty Thousand Six Hundred Fifty and no/100 Dollars CGL \$ 1,000,000 E & O \$ N/A

Insurance, if required: Auto \$ 1,000,000

Time schedule for performance will be _____ Completion by August 11, 2006.

The following attachments are incorporated herein by reference:
 ITB Released on May 15, 2006.

CONTRACTOR SIGNATURE 	APPROVED AS TO FORM: 	CONTRACTOR ADDRESS & PHONE NUMBER: 47201 E. Poppy Lane Soldotna, AK 99669 (907) 260-9270
RECOMMENDED BY: 	DATE 6/20/06	ACCEPTANCE BY KENAI PENINSULA BOROUGH: PURCHASE ORDER NO. 0027005 
DEPARTMENT DIRECTOR OR DESIGNEE	DATE	MAYOR OR DESIGNATED OFFICIAL DATE: 7-6-06

Contractor's Printed Name: Floor-Ever, Inc.
 Contractor's Federal Tax Identification Number: 20-1255918
 Job/Service Provided: Sterling Elem School Floor Replace 2006

PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
 THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
 SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

PURCHASING DEPARTMENT
 144 North Binkley Street
 Soldotna, AK 99669
 907-262-4441

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S)
 Provide all labor, materials equipment and tools to prepare the floor and install approximately 3,807 square feet of glue-down carpet, approximately 123 square feet of vinyl composite tile, and approximately 490 lineal feet of rubber wall base and any divider strips or other required accessories as specified in the bid documents.

ACCOUNT DISTRIBUTION: 400.71120.06359.43011 DEPARTMENT/SERVICE AREA: MAINTENANCE DEPARTMENT

Contractor's compensation will be: _____ Not to exceed \$9,594.00
 Nine Thousand Five Hundred Ninety-four and no/100 Dollars
 Insurance, if required: Auto \$ 1,000,000 CGL \$ 1,000,000 E & O \$ N/A
 Time schedule for performance will be _____ Completion by August 11, 2006.

The following attachments are incorporated herein by reference:
 ITB Released on May 22, 2006 and Addendum No. 1.

CONTRACTOR SIGNATURE <u>X St. Roberts</u>		CONTRACTOR ADDRESS & PHONE NUMBER: 47201 E. Poppy Lane Soldotna, AK 99669 (907) 260-9270	
RECOMMENDED BY: <u>John Doe</u>		ACCEPTANCE BY KENAI PENINSULA BOROUGH: PURCHASE ORDER NO. <u>P027005</u>	
DEPARTMENT DIRECTOR OR DESIGNEE		MAYOR OR DESIGNATED OFFICIAL	
DATE <u>4/30/06</u>		DATE <u>7-6-06</u>	
APPROVED AS TO FORM: <u>[Signature]</u>		Clerk: _____ Assembly _____ Legal _____ Finance _____ Assessing _____ Planning _____ Roads _____ DBFF _____	

REV: 4/10/03
 MAYOR'S REPORT
 Date: 7-6-06
COPY

Contractor's Printed Name:
 FLOOR-EVER, INC.
 Contractor's Federal Tax Identification Number:
 20-1255918
 Job/Service Provided:
 KENAI PENINSULA BOROUGH HR BUILDING



PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
 THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
 SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

PURCHASING DEPARTMENT
 144 North Binkley Street
 Soldotna, AK 99669
 907-262-4441

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S)

Furnish all material and labor to remove and dispose of the existing flooring at the Human Resources Building, and install new Collins & Aikman "Crayon-Mark 1 RS carpet (color "Outside the Lines" #48005) including 4" wall base and accessories.

Routed From
 Mayor's Office to: V. Orsiga
 Clerk
 Assembly
 Legal
 Finance
 Assessing
 Planning
 Roads
 SBB
 Purchasing
 Other
 Date: 7-10-06
Kathy Jewell

ACCOUNT DISTRIBUTION: 241.41010.00000.43780 DEPARTMENT/SERVICE AREA: MAINTENANCE

Contractor's compensation will be:

EIGHT THOUSAND SEVEN HUNDRED SIXTY TWO AND NO/100 DOLLARS (\$8,762.00)

Not to exceed \$ 8, 762.00

Insurance, if required: Auto \$ 1,000,000

CGL \$ 1,000,000

E & O \$ N/A

Time schedule for performance will be SEPTEMBER 15, 2006

The following attachments are incorporated herein by reference:

BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT INCLUDING THE PROVISIONS CONTAINED ON THE REVERSE OF THIS FORM

CONTRACTOR SIGNATURE *X. J. R. R. R. R.*

CONTRACTOR ADDRESS & PHONE NUMBER:
 47201 E. Poppy Lane
 Soldotna, AK 99669 (907) 260-9270

RECOMMENDED BY: *[Signature]*
 DEPARTMENT DIRECTOR OR DESIGNEE
 DATE: 7/9/06

APPROVED AS TO FORM:
 MARK FOWLER
 PURCHASING & CONTRACTING
 DATE: 7/10/06

ACCEPTANCE BY KENAI PENINSULA BOROUGH:
 PURCHASE ORDER NO. P026844
[Signature]
 MAYOR OR DESIGNATED OFFICIAL
 DATE: 7-10-06

Contractor's Printed Name:
Baluga Construction Co.
 Contractor's Federal Tax Identification Number:
92-0173625
 Job/Service Provided:
Soldotna Elem School Floor Repla 2006



PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
 THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
 SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

PURCHASING DEPARTMENT
 144 North Binkley Street
 Soldotna, AK 99669
 907-282-4441

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S)

All labor, materials equipment and tools to remove and dispose of the existing carpet, prepare the floor and furnish and install approximately 2,750 square feet of glue-down carpet, and approximately 450 lineal feet of rubber wall base and any divider strips or other required accessories as specified in the bid documents.

ACCOUNT DISTRIBUTION: 400.78050.07755.4301 DEPARTMENT/SERVICE AREA: MAINTENANCE DEPARTMENT

Contractor's compensation will be:

Ten Thousand Seven Hundred Seventy-six and 65/100 Dollars Not to exceed \$10,778.66

Insurance, if required: Auto \$ 1,000,000 GGLA 1,000,000 E & O \$ N/A

Time schedule for performance will be Completion by August 11, 2006.

The following attachments are incorporated herein by reference:

ITB released May 30, 2006 including Addendum No. 1.

- Routed From Mayor's Office to:
- Clerk
 - Assembly
 - Legal
 - Finance
 - Assessing
 - Planning
 - Roads
 - SBB
 - Purchasing
 - Other mtc

CONTRACTOR SIGNATURE <u>X Sean P. W.</u>		CONTRACTOR ADDRESS & PHONE NUMBER: 408 E. Fireweed Lane #203 Anchorage, AK 99503 (907) 568-2725	
RECOMMENDED BY: <u>Mark Fowler</u>		ACCEPTANCE BY KENAI PENINSULA BOROUGH: PURCHASE ORDER NO <u>PO27008</u>	
DEPARTMENT DIRECTOR OR DESIGNEE: <u>Mark Fowler</u>		PURCHASE ORDER NO <u>PO27008</u>	
DATE: <u>6/28/06</u>		MAYOR OR DESIGNATED OFFICIAL: <u>Sean P. W.</u>	
APPROVED AS TO FORM: <u>Mark Fowler</u>		DATE: <u>7-6-06</u>	
DEPARTMENT PURCHASING & CONTRACTING		DATE	

REV: 4/10/03

COPY

PURCHASING DEPARTMENT
144 North Binkley Street
Soldotna, AK 99669
907-262-4441

PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL



Contractor's Printed Name:
Moore's Landscaping LLC
Contractor's Federal Tax Identification Number:

Job/Service Provided:
Rootwad harvest at Beluga Landfill

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S):

Moore's Landscaping will harvest 60 rootwads from the area designated by the Borough on the west edge of the cleared Beluga Landfill footprint as described in their June 21, 2006 proposal. In exchange, Moore's Landscaping will provide 1,000 cubic yards of clean fill material stockpiled on-site at the Beluga Landfill for use by the Borough as landfill cover material within 30 days of completing rootwad extraction project.

DEPARTMENT/SERVICE AREA: Solid Waste Department

ACCOUNT DISTRIBUTION: N/A

Contractor's compensation will be: N/A

Not to exceed N/A

Insurance, if required: Auto \$ CGL \$1,000,000 E & O \$

Time schedule for performance will be - Completed no later than August 31, 2006.

The following attachments are incorporated herein by reference: Moore's Landscaping Proposals dated 8/21/06.

BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT INCLUDING THE PROVISIONS CONTAINED ON THE REVERSE OF THIS FORM


CONTRACTOR ADDRESS & PHONE NUMBER:
Moore's Landscaping LLC
POB 944
Kenai, AK 99611 tel. 283-9168, fax 283-1422

ACCEPTANCE BY KENAI PENINSULA BOROUGH:
PURCHASE ORDER NO. N/A
MAYOR OR DESIGNATED OFFICIAL
DATE: 7-6-06

CONTRACTOR SIGNATURE: *X Dave L. Moore* DATE: 7/3/06
APPROVED AS TO FORM: *[Signature]* DATE: 7/3/06
MARK FOWLER
PURCHASING & CONTRACTING

RECOMMENDED BY: *Lani Hughes* DATE: 7/3/06
KPB SWD Env. Control
DEPARTMENT DIRECTOR OR DESIGNEE

DATE: 7-6-06
COLEY

<p>Contractor's Printed Name: Tuitka Bay Charters - Chris Banas</p> <p>Contractor's Federal Tax Identification Number: 569-74-1976</p> <p>Job/Service Provided: Boat Charter Service for Appraisers</p>	 <p>PROPOSAL TO CONTRACT FOR SERVICES KENAI PENINSULA BOROUGH THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL</p>	<p>PURCHASING DEPARTMENT 144 North Binkley Street Soldotna, AK 99669 907-262-4441</p>
<p>CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S) Provide boat, fuel and operator to transport the Kenai Peninsula Borough Appraisers from the Homer boat harbor to various locations through out Kachemak Bay for the purpose of inspecting and updating property files and records.</p>		
<p>ACCOUNT DISTRIBUTION: 100.11520.00000.43011</p>		<p>DEPARTMENT/SERVICE AREA: Assessing</p>
<p>Contractor's compensation will be: \$600 per day as needed</p>		
<p>Insurance, if required: Auto \$ <u>N/A</u> CGL \$ _____ E & O \$ <u>N/A</u></p>		
<p>Time schedule for performance will be _____ As needed starting July 5, 2006 and ending the latest of August 11, 2006.</p>		
<p>The following attachments are incorporated herein by reference: Purchase Order _____</p>		
<p>BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT INCLUDING THE PROVISIONS CONTAINED ON THE REVERSE OF THIS FORM</p>		
<p>CONTRACTOR SIGNATURE X CHRIS BANAS</p>		<p>CONTRACTOR ADDRESS & PHONE NUMBER: SBB Tuitka Bay Charters c/o Chris Banas 37173 K-Beach Rd. Kenai, AK 99611 907-283-9208</p>
<p>RECOMMENDED BY: <i>Shane Spear</i> 4/30/06</p>		<p>ACCEPTANCE BY KENAI PENINSULA BOROUGH: PURCHASE ORDER NO. <u>7-14</u> DATE <u>7/6/06</u></p>
<p>DEPARTMENT DIRECTOR OR DESIGNEE</p>		<p>MAYOR OR DESIGNATED OFFICIAL</p>

**KENAI PENINSULA BOROUGH
PW/MAJOR PROJECTS DIVISION**

47140 East Poppy Lane, Soldotna, AK 99669
(907) 262-9657 FAX (907) 262-6090

MEMORANDUM

TO: John J Williams, Borough Mayor
THRU: Mark Fowler, Purchasing and Contracting Manager
W.L. Robson, PW/Major Projects Division Director
FROM: Kevin Lyon, Project Manager
DATE: July 11, 2006
SUBJECT: Sole Source Request
Seimens Building Technologies, Inc., DDC System Remote Access

We request approval to purchase the software and site licenses to provide remote access to the DDC systems at the Seward Middle School from Seimens Building Technologies, Inc.

The Apogee module can only be provided by Siemens and is a Borough standard used at the Emergency Response Center, Kenai River Center and the Central Peninsula General Hospital. This will allow the efficiency of being able to troubleshoot the system remotely from the Maintenance Facility on Poppy Lane.

Funds are available through the Seward Middle School Project (401.75030.03SEW.48120).

Please call me if you have any questions regarding this request.

Approved: John J. Williams
John J. Williams

Date: 7/13/06

Routed From
Mayor's Office to:

Clerk
Assembly
Legal
Finance
Assessing
Planning
Roads
SBB
Purchasing
Other
Date: 7-14-06

Kevin Lyon

FINANCE DEPARTMENT FUNDS VERIFIED \$14,884.13	
ACT # <u>401.75030.03SEW.48120</u>	
BY: <u>CBW</u>	DATE: <u>7/13/06</u>

MAYOR'S REPORT

MAYOR'S REPORT

**KENAI PENINSULA BOROUGH
PUBLIC WORKS/MAJOR PROJECT DIVISION**

47140 East Poppy Lane, Soldotna, AK 99669
(907) 262-9657 FAX (907) 262-6090

MEMORANDUM

TO: John J. Williams, Borough Mayor

THRU: Mark Fowler, Purchasing and Contracting Officer *MF*
Collette Thompson, Borough Attorney *CT*
W.L. Robson, PW/Major Projects Director *WR*

FROM: Kevin Lyon, Project Manager *KL*

DATE: July 5, 2006

SUBJECT: Request for waiver of bonding requirement for the Arsenic Removal System pursuant to KPB 5.28.310.C

Routed From
Mayor's Office to:

Clerk	_____
Assembly	_____
Legal	_____
Finance	_____
Assessing	_____
Planning	_____
Roads	_____
SBB	_____
Purchasing	_____
Other	_____
Date:	7-17-06

Kevin Lyon

The Purchasing and Contracting Department solicited and opened proposals for this capital project on February 27, 2006. The Request for Proposals was published in the Peninsula Clarion on November 22 & 29, 2005 and in the Homer News and the Seward Phoenix Log on December 1, 2005. One proposal was received and reviewed. The proposal was found to be responsive, fair and reasonable.

This project is final phase of the School Arsenic Compliance and consists of the arsenic treatment systems at Sterling Elementary, Tustumena Elementary and Nikiski High/Middle School. This work is required to meet the EPA arsenic regulations. Work is anticipated to be complete prior to the 2006 -2007 school year.

Resolution 2006-28 passed the Borough Assembly on April 4, 2006, awarding the contract to TecPRO Ltd. TechPRO Ltd. has unsuccessfully attempted to acquire bonding for this project, even at a reduced bonding amount of 50%. This is due to the use of the word "arsenic", not the financial condition of the company.

The current contracts are for three sites: Sterling Elementary, \$221,708.80; Tustumena, \$214,976.70; and Nikiski Middle/High, \$306,433.50. The assembly used two actions to award the contracts. Resolution 2006-28 allowed two separate awards: Sterling and Tustumena at \$436,685.50; and the second award for Nikiski Middle/High School for \$306,433.50, contingent on Ordinance 2005-19-48. Two contracts were generated, one after each assembly action.

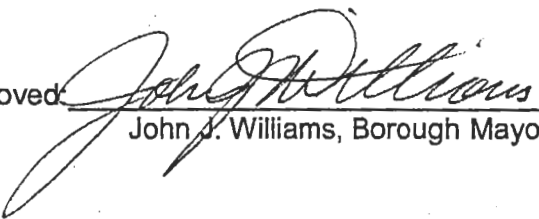
KPB 5.28.310.C states that the Mayor may waive the bonding as required by AS 36.25.010 under the conditions of AS 36.25.025. The bottom line is that these conditions cannot be waived for contracts exceeding \$400,000.

These are contracts resulting from one RFP and no bid bond was required. The RFP stated that one, two or three sites would be awarded and that additional sites could be awarded at later date. This was our only responsive proposal.

We need this equipment installed as soon as possible to meet the EPA's requirements. The installation at Nikiski has to start while school is out.

This memo is to approve the waiver the bonding requirements pursuant to KPB 5.28.310.C under the conditions of AS 36.25.010 and AS 36.25.025 for Nikiski and upon the successful installation at Nikiski the Contracts for Tustumena and Sterling will be issued.

Please call me if you have any questions regarding this request.

Approved:  Date: 7-17-06
John J. Williams, Borough Mayor

tecPRO Ltd

~ InTec-Alaska
Alaskan Woman Owned

Alaskans Serving Alaska Since 1985

cyndi@tecproltd.com ~ 907-346-8240

July 12, 2006

Mr. Kevin Lyon
Project Manager
Capital Projects Division
Kenai Peninsula Borough
47140 E. Poppy Lane
Soldotna, Alaska 99669

Re: Nikiski High School Arsenic Removal Project Contract

Dear Mr. Lyon:

This letter is to provide additional information supporting the request by Tec Pro Ltd. that the Kenai Peninsula Borough waive the bonding requirement for the above project.

First, as required in AS 36.25.025 (2), we hereby certify that Tec PRO, Ltd. has not defaulted on any contract awarded to it during the period of three years preceding the award of the above-described contract.

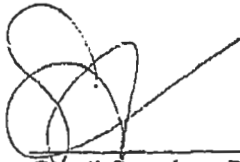
Second, as required in AS 36.25.025 (4), we hereby certify that the total amount of all contracts that Tec Pro anticipates performing during the term of performance of the above-described contract for which a bid is submitted does not exceed the net worth of Tec PRO Ltd. reported in the certified financial statement for the period ending December 31, 2005, by more than seven times.

We further certify that we are duly authorized to make the above certifications on behalf of TecPRO Ltd.

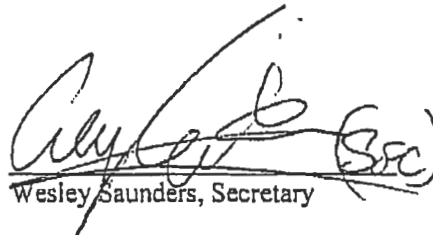
Thank you for your consideration.

Sincerely,

TecPRO Ltd.



Cyndi Saunders, President



Wesley Saunders, Secretary

**TEC PRO, LTD
(an S Corporation)**

**Reviewed Financial Statements and
Supplementary Information.**

**For the year ended
December 31, 2005**

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Shareholders
Tec Pro, Ltd
Anchorage, Alaska

We have reviewed the accompanying balance sheet of Tec Pro, Ltd (an S Corporation) as of December 31, 2005, and the related statements of operations, changes in shareholders' equity and retained earnings and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Tec Pro, Ltd.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The information included in the accompanying schedules of Completed and Uncompleted Contracts, Costs of Revenues and General and Administrative Expenses is presented only for supplementary analysis purposes. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto.

Alban & Company

Alban & Company, P.C.
Certified Public Accountants
March 23, 2006

TEC PRO, LTD.
(an S Corporation)
Balance Sheet
December 31, 2005

2005

ASSETS

Current Assets:

Cash	\$	4,545
Contract receivables		381,957
Prepaid Insurance		6,775
Costs and estimated profits in excess of billings		<u>22,358</u>
Total Current Assets		395,635

Construction equipment net of accumulated depreciation of \$98,901		<u>23,681</u>
--	--	---------------

TOTAL ASSETS		\$ <u>419,316</u>
---------------------	--	--------------------------

LIABILITIES AND SHAREHOLDER'S EQUITY

Current Liabilities:

Lines of Credit	\$	40,378
Current portion of long-term debt		6,952
Accounts payable		80,123
Billings in excess of costs and estimated profits		79,921
Accrued payroll taxes		<u>(2,395)</u>
Total Current Liabilities		214,979

Long-term debt, net of current portion		-
Due to shareholders		35,235

Shareholder's Equity:

Common stock, no par value, 10,000 shares authorized, 100 shares issued and outstanding		100
Retained earnings (deficit)		<u>169,002</u>
Total Shareholder's Equity		<u>169,102</u>

TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		\$ <u>419,316</u>
---	--	--------------------------

See Independent accountants' review report and the accompanying notes to the financial statements.

TEC PRO, LTD.
(an S Corporation)
Statement of Operations
for the year ended December 31, 2005

	<u>2005</u>
Contract Revenues	\$ 1,000,906
Cost of Revenues	<u>644,406</u>
Gross Profit	356,500
General and Administrative Expenses	<u>161,399</u>
Income From Operations	195,101
Other Income (Expense)	
Other income	11,587
Interest expense	<u>(7,824)</u>
Total Other Income (Expense)	<u>3,763</u>
Net Income	\$ <u>198,864</u>

See independent accountants' review report and the accompanying notes to the financial statements.

TEC PRO, LTD.
(an S Corporation)
Statement of Changes in Shareholders' Equity and Retained Earnings
for the year ended December 31, 2005

	<u>Total</u>	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>
Balance December 31, 2004	\$ (29,752)	\$ 100	\$ -	\$ (29,852)
Shareholder distributions	-	-	-	-
Net income	<u>198,864</u>	<u>-</u>	<u>-</u>	<u>198,864</u>
Balance December 31, 2004	<u>\$ 169,102</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ 169,002</u>

See independent accountants' review report and the accompanying notes to the financial statements.

TEC PRO, LTD.
(an S Corporation)
Statement of Cash Flows
for the year ended December 31, 2005

	<u>2005</u>
Cash Flows From Operating Activities:	
Net (loss) income	\$ 198,864
Adjustments to reconcile net income to cash provided by operating activities:	
Depreciation	8,055
Decrease (Increase) in:	
Accounts receivable	(337,048)
Costs & estimated profits in excess of billings	(22,358)
Prepaid insurance	2,842
Increase (Decrease) in:	
Accounts payable	59,347
Billings in excess of costs & estimated profits	79,921
Accrued payroll taxes payable	<u>(2,931)</u>
Net Cash Provided (Used) By Operating Activities	(13,308)
Cash Flows From Investing Activities:	
Purchase of equipment	<u>-</u>
Net Cash Provided (Used) By Investing Activities	-
Cash Flows from Financing Activities:	
Net draws (repayments) of line of credit	30,128
Repayment of shareholder loan	(3,416)
Shareholder distributions	-
Principal payments on long-term debt	<u>(6,519)</u>
Net Cash Provided (Used) By Financing Activities	<u>20,193</u>
Net Increase (Decrease) In Cash	6,885
Cash Balances-Beginning	<u>(2,341)</u>
Cash Balances-Ending	<u>\$ 4,545</u>
Supplemental Disclosure of Cash Flow Information:	
Cash paid during the period for:	
Interest expense	<u>\$ 7,825</u>

See independent accountants' review report and the accompanying notes to the financial statements.

TEC PRO, LTD.
(an S Corporation)
Notes to the Financial Statements
for the year ended December 31, 2005
(See independent accountants' review report)

Note 1 - Organization and Significant Accounting Policies

Tec Pro, Ltd. (an S Corporation) is an Alaskan corporation specializing in industrial control systems, UL Listed control panels, and industrial electrical construction services. The Company operated as a sole proprietor from 1997 until January 1, 2002, when it incorporated and elected to be taxed as an S Corporation.

Basis of Accounting. Assets and liabilities, and income and expenses are recognized on the accrual basis of accounting for financial statement purposes and on the cash basis for income tax reporting.

Revenue and cost recognition. Revenue from fixed-price construction contracts is recognized on the percentage of completion method and measured by the percentage of costs incurred to date to total estimated costs (the cost-to-cost method). This method is used because management considers it to be the best available measure of progress on these contracts.

Revenues on miscellaneous jobs are recognized when the Company has the right to bill for services provided.

Contract costs include all direct material, labor and subcontract costs, and those indirect costs related to contract performance such as indirect labor, supplies, tools, repairs, and depreciation costs. General and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determinable. An amount equal to contract costs attributable to claims is included in revenues when realization is probable and the amount can be reliably estimated. No claims are pending as of the date of these financial statements.

The asset, "Costs and estimated earnings in excess of billings on uncompleted contracts," represents revenues recognized in excess of the amounts billed. The liability, "Billings in excess of costs and estimated earnings on uncompleted contracts," represents billings in excess of revenues recognized. Contracts are considered complete upon acceptance by the owner.

Cash and Equivalents. Cash and equivalents consist of deposits in federally insured banks. The funds are immediately available.

Accounts Receivable. Accounts receivable represent billings on completed and uncompleted contracts. The Company does not believe an allowance for doubtful accounts is necessary because of their lien rights, loss experience and the financial strength of the customers.

Property and Equipment. Property and equipment acquired by the Company is carried at cost. Maintenance and repairs, including the replacement of minor items, are expensed as incurred. Depreciation of property and equipment is provided using straight line and accelerated methods over their estimated useful lives of the assets; usually five to seven years.

TEC PRO, LTD.
(an S Corporation)
Notes to the Financial Statements
for the year ended December 31, 2005
(See Independent accountants' review report)

Note 1 - Significant Accounting Policies, continued

Income taxes. The Company, with the consent of its shareholders, has elected to be an "S" Corporation under the Internal Revenue Code. Instead of paying corporate income taxes, the stockholders of an "S" Corporation are taxed individually on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal or state income taxes has been included in these financial statements.

Advertising. The Company expenses advertising costs as incurred. There were advertising expenses of \$900 for the year ended December 31, 2005.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Geographical dependence. The Company has operations only in Alaska. Accordingly, they are subject to cyclical fluctuations in the Alaskan economy.

Note 2 - Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of temporary cash investments and accounts receivable. The Company's cash balances may exceed the FDIC insured amount for short periods throughout the year. Concentrations of credit risk, with respect to receivables, are limited due to the Company's practice of filing statutory liens on all construction projects where collection problems are anticipated. The liens serve as collateral for contract receivables.

Note 3 - Property and Equipment

Property and equipment consists of the following components at December 31:

	<u>2005</u>
Vehicles	\$ 50,497
Tools and equipment	62,309
Office equipment	<u>9,783</u>
Total property and equipment	122,589
Accumulated depreciation	<u>98,908</u>
	\$ <u>23,681</u>

Depreciation expense charged against operations at December 31, 2005 was \$8,055.

TEC PRO, LTD.
(an S Corporation)
Notes to the Financial Statements
for the year ended December 31, 2005
(See independent accountants' review report)

Note 4 – Cost and estimated earnings in excess of billings on uncompleted contracts and billings in excess of costs and estimated earnings on uncompleted contracts

	<u>2005</u>
Costs incurred on uncompleted contracts	\$ 341,196
Estimated earnings on uncompleted contracts	<u>273,789</u>
	614,985
Less billings to date	<u>672,368</u>
	<u>\$ (57,383)</u>
Included in balance sheet captions as:	
Costs and estimated earnings in excess of billings on uncompleted contracts	\$ 22,538
Billings in excess of costs and estimated earnings on uncompleted contracts	<u>(79,921)</u>
	<u>\$ (57,383)</u>

Note 5 - Line of Credit

The Company has a borrowing agreement with First National Bank Alaska that permits borrowings to \$ 100,000. The borrowings bear interest at 2.0% over the prime rate. There was no amount borrowed on the line of credit at December 31, 2005.

Note 6 – Long Term Debt

	<u>2005</u>
Long term debt consists of the following at December 31:	
Note payable to First National Bank Alaska, secured by equipment, in monthly installments of \$517 including interest at 2% over prime, due February, 2007.	\$ <u>6,952</u>
	6,952
Less current portion of long-term debt	<u>6,952</u>
Long-term debt, net of current portion	<u>\$ _____</u>

TEC PRO, LTD.
(an S Corporation)
Notes to the Financial Statements
for the year ended December 31, 2005
(See independent accountants' review report)

Note 7 - Related Party Transactions

The Company is leasing shop space from the shareholders. The Company paid \$24,450 total rent to shareholders for the year ended December 31, 2005.

Note 8 - Fair Value of Financial Instruments

The estimated fair values of the Company's financial instruments at December 31, 2005 are as follows:

	<u>Carrying Amounts</u>	<u>Fair Value</u>
Cash	\$ 4,545	\$ 4,545
Accounts receivable	361,957	361,957
Line of Credit	40,378	40,378
Long-term debt	6,952	6,952

The following methods and assumptions were used by the Company in estimating its fair value disclosures for the financial statements:

Cash and cash equivalents. The carrying amount reported in the balance sheet approximates fair value because of its immediate availability at face value.

Accounts receivable. The fair value of accounts receivable approximates the carrying value because of their short-term availability at face value.

Line of Credit and long-term debt. The carrying amount reported in the balance sheet approximates fair value because it presents the notes at face value.

Note 9 - Common stock

The Company has only one class of common stock. All shares of common stock share equally in dividend, liquidation and voting rights and have preemptive rights to acquire additional shares of the Company. There are 1,000 shares authorized, of which 100 are issued and outstanding at December 31, 2005.

Note 10 - Backlog

The Company has the following backlog consisting of signed contracts as of December 31, 2005 of \$ 320,144.

TEC PRO, LTD.
(an S Corporation)
Schedule of Cost of Revenues
for the year ended December 31, 2005

	<u>2005</u>
Labor and burden	\$ 66,076
Materials and supplies	492,158
Subcontractors	34,844
Travel & Subsistence	12,804
Fuel	5,272
Bonding	714
Freight	9,368
Other job expenses	<u>23,172</u>
Total Cost of Revenues	\$ <u>644,408</u>

See independent accountants' review report and the accompanying notes to the financial statements.

TEC PRO, LTD.
(an S Corporation)
Schedule of General and Administrative Expenses
for the year ended December 31, 2005

	<u>2005</u>
Advertising	\$ 900
Contributions	34
Depreciation	8,055
Dues and subscriptions	682
Employee benefits	22,555
Insurance	37,143
Bonding	500
Meals and entertainment	72
Miscellaneous	3,049
Office supplies	2,590
Professional fees	2,269
Rent	24,450
Repairs	1,898
Salaries and burden	45,229
Taxes and licenses	900
Training	150
Utilities and telephone	10,913
Vehicle expense	<u>10</u>
Total General and Administrative Expenses	<u>\$ 161,399</u>

See independent accountants' review report and the accompanying notes to the financial statements.

TEC PRO, LTD
SCHEDULE OF COMPLETED AND UNCOMPLETED CONTRACTS
 December 31, 2005

JOB TYPE	JOB NO	JOB NAME	ESTIMATED FINAL			PCT COMP	PROGRESS BILLINGS TO DATE	COSTS TO DATE	ESTIMATED COSTS TO COMPLETE
			CONTRACT PRICE	COSTS	GROSS MARGIN				
Completed Contracts									
TM	244	MWH AWWU SCADA / Design	147,583	103,956	43,827	100%	147,583	103,956	-
TM	480	Bristol Bay Camera Sales	45,284	37,488	7,778	100%	45,284	37,488	-
FP	489	Richmond Hills Booster	29,972	5,526	24,448	100%	29,972	6,628	-
FP	503	Central Region CBA2	11,544	9,482	2,062	100%	11,544	9,482	-
FP	504	Wash Re-Claim Controls	15,230	9,702	5,528	100%	15,230	9,702	-
TM	506	Nulgait	14,043	17,195	(3,152)	100%	14,043	17,195	-
FP	510	West Park Estates	170,078	159,187	10,891	100%	170,078	159,187	-
FP	520	Nepaskiak WTP Panels	48,908	15,784	33,125	100%	48,908	15,784	-
		Misc Jobs Under \$8,000	153,071	114,224	38,847	100%	153,071	114,224	-
Total Completed Contracts			635,684	469,544	166,150	-	635,684	469,544	-
Uncompleted Contracts									
FP	507	Palmer Hospital	44,391	20,791	23,600	78%	44,391	16,267	4,624
FP	518	BP Bout WW Mine Pt	115,746	52,865	63,081	79%	100,702	41,542	11,123
FP	518	Pressure Zone 411 Water Interfa	143,908	99,758	44,150	60%	77,276	50,125	49,633
FP	519	City of Dillingham	328,116	213,101	115,015	92%	283,904	195,224	17,877
FP	521	Palmer SW Util Extension	112,053	71,519	40,534	5%	-	3,735	67,784
FP	525	Wake Island Bldg 1553	84,277	28,845	57,832	49%	73,321	13,145	13,500
FP	528	Wake Island Bulk Receipt	108,637	32,878	73,759	64%	82,774	21,168	11,720
Total Uncompleted Contracts			835,126	517,357	417,771	-	672,368	341,188	176,181
TOTALS			1,670,822	986,901	583,921	-	1,308,062	810,740	176,181

TM = Time & Materials

FP = Fixed Price

See independent Accountants' Review Report and notes to Financial Statements.

ESTIMATED TOTAL COSTS	COSTS & ESTIMATED EARNINGS IN EXCESS OF BILLINGS	BILLINGS IN EXCESS OF COSTS & ESTIMATED EARNINGS	GROSS MARGIN RECOGNIZED		RECEIVABLES		GROSS MARGIN REMAINING	% G/M TO COSTS	
			TO DATE	PRIOR PERIODS	CURRENT PERIOD	RETENTION			PAYMENT ESTIMATES
103,856	-	-	43,827	31,525	12,002	-	-	42.0%	
37,488	-	-	7,778	13,297	(5,521)	-	-	20.7%	
6,526	-	-	24,446	13,555	10,891	-	-	442.4%	
8,482	-	-	2,062	-	2,062	-	-	21.7%	
8,702	-	-	5,528	-	5,528	-	-	87.0%	
17,185	-	-	(3,152)	-	(3,152)	-	-	-18.3%	
156,187	-	-	13,891	-	13,891	-	-	8.9%	
15,784	-	-	33,125	13,376	19,749	-	15,014	209.8%	
114,224	-	-	38,847	11,588	27,261	-	1,609	34.0%	
468,544	-	-	188,150	83,439	82,711	-	18,823	35.4%	
20,791	-	9,859	18,485	-	18,465	-	11,090	5,135	113.5%
52,665	-	9,401	49,759	-	49,769	-	29,673	13,323	119.8%
99,768	-	4,967	22,184	-	22,184	-	77,278	21,968	44.3%
213,101	16,886	-	105,368	-	105,368	-	81,200	9,549	64.0%
71,519	5,852	-	2,117	-	2,117	-	-	38,417	66.7%
26,646	-	31,744	28,432	-	28,432	-	73,321	28,200	216.3%
32,878	-	24,150	47,465	-	47,466	-	82,774	26,293	224.3%
617,357	22,538	78,921	273,789	-	273,789	-	345,334	143,883	80.8%
988,901	22,538	79,921	488,939	83,439	368,500	-	361,957	143,983	58.2%

See Independent Accountants' Review Report and Notes to Financial Statements.

PURCHASE AND SERVICE AGREEMENT

This Agreement is made on this 3rd day of July, 2006, by and between FUNNY RIVER EMERGENCY SERVICES, INC., an Alaska nonprofit corporation, whose address is P.O. Box 3557, Soldotna, Alaska 99669, ("FRES") and the KENAI PENINSULA BOROUGH, an Alaska municipal corporation, whose address is 144 North Binkley Street, Soldotna, Alaska 99669 ("KPB"), on behalf of Central Emergency Service Area, ("CES"), a service area of KPB pursuant to AS 29.35.450.

WHEREAS, FRES is a nonprofit corporation organized to provide fire and emergency medical services in the Funny River area; and

WHEREAS, FRES is the owner of that real property located in the Kenai Recording District, Third Judicial District, State of Alaska, and more particularly described as follows:

Lot 5 Salmon Bend Subdivision, FRVFD Addition, according to Plat No. 2002-24 (Tax Assessor No.066-170-31)

hereinafter "the Property"; and

WHEREAS, The Property includes a 6,400 square foot structure used to house emergency response vehicles; and

WHEREAS, during the regular October 2004 borough election the voters of the Central Emergency Service Area (CES) and the voters of the Funny River area approved passage of Proposition 5A and 5B which expanded the boundaries of CES to include the Funny River area; and

WHEREAS, KPB has offered to buy, and FRES is willing to sell, the Property, as evidenced by KPB Resolution 2006-058 adopted by the Assembly of the Kenai Peninsula Borough on June 20, 2006, and FRES by motion dated June 19, 2006, which is located within the expanded area of CES along with certain equipment and supplies as described in **Exhibit A**, attached hereto and incorporated herein by reference; and

WHEREAS, KPB and FRES have negotiated additional terms and conditions to ensure that the Property is used to provide fire and emergency medical services to the Funny River community, to house certain equipment, and that it will be manned full time; and

WHEREAS, KPB currently leases a portion of the building pursuant to a lease agreement dated October 7, 2003, and has pre-paid rent through December 15, 2007;

NOW THEREFORE, in consideration of the promises herein contained, FRES hereby agrees to sell to KPB, and KPB hereby agrees to buy from FRES, the Property and the

equipment described in Exhibit A and to use and operate the equipment and facility on the Property on the terms and conditions as set forth below.

1. PURCHASE PRICE

The purchase price of the Property and equipment listed in Exhibit A is the balance remaining of the rent paid for the Property in advance pursuant to the lease agreement as of the date of closing and ONE dollar and NO cents (\$ 1.00) to be paid at the time of closing.

2. TITLE

Title to the real property shall be delivered at time of closing by warranty deed, which shall be issued to KPB. Title shall be subject to reservations, easements, rights-of-way, covenants, conditions, and restrictions of record. Title to personal property shall be delivered at time of closing by Bill of Sale or other applicable document.

3. ESCROW AND CLOSING COSTS

In addition to the purchase price, KPB agrees to pay for all closing costs in connection with this Agreement, including without limitation all escrow fees, title insurance charges, and recording fees. All costs must be paid in full at the time of closing.

4. CLOSING

Unless otherwise agreed in writing, closing will occur prior to July 1, 2006. At closing KPB will pay the purchase price and any remaining unpaid closing costs. Both parties will execute all documents required to complete the conditions of this Purchase Agreement.

5. POSSESSION

Possession shall be delivered to KPB at time of recording, provided that nothing herein shall be construed to reduce KPB's current right of possession of the portion of the premises leased from FRES.

6. APPARATUS

The parties acknowledge and agree that the FRES fire engine, VIN 1FVACYDJ55HU56733, which is being transferred to CES, was purchased with FEMA funds received through the 2003 Assistance to Firefighters Grant (EMW-2003-FG-08079). That grant requires that the fire engine be located at the Funny River Fire Station, 32530 Funny River Road, Soldotna, Alaska for the balance of its serviceable life. It is agreed that the fire engine shall be located at the Funny River Fire Station in accordance with the grant requirements, and that it may be

occasionally used outside of the Funny River area for emergencies when other vehicles are not reasonably available.

7. PERSONNEL

Upon execution of this agreement and for a period of not less than ten years thereafter, CES shall staff the FRES station with one full-time Engineer/EMT III ACLS position. Upon approval of the budget, and subject to the appropriation and availability of sufficient funds, CES shall provide two additional full-time Engineer/EMT III ACLS positions. Funding for these positions is proposed in the pending FY 2007 budget. With these three positions CES shall provide coverage of the FRES station twenty-four hours per day, seven days per week, for a period of not less than ten years after execution of this agreement, subject to the appropriation and availability of funds.

8. CONSTRUCTION OF IMPROVEMENTS

Upon closing KPB shall promptly begin construction of sleeping quarters adequate for such use by the personnel manning the FRES station.

9. GRAVEL

Upon execution of this agreement, KPB through CES shall excavate and fill the portions of the station driveway in need of gravel in order that the station may continue to be used as a fire and emergency medical station.

10. BREACH AND REMEDIES

In the event of a default in the performance or observance of any of the agreement terms, conditions, covenants and stipulations thereto prior to the closing of the sale, and such default continues thirty days after written notice of the default, the non-defaulting party may cancel the agreement or take any legal action for damages or recovery of the property.

In the event of a default in the performance or observance of any of the agreement terms, conditions, covenants and stipulations thereto after the closing of the sale, and such default continues thirty days after written notice of the default, the non-defaulting party may enforce the terms and conditions of this agreement through equitable remedies including specific performance and injunctive relief. In the case of default after closing, no improvements may be removed during the time that the contract is in default. This provision shall survive the execution of sale documents and shall continue in full force and effect until either the parties agree otherwise in writing, or ten years from the date of execution of this agreement, whichever shall occur first.

11. HAZARDOUS MATERIAL

- A. FRES covenants and agrees that no hazardous substances or wastes have been located on or stored on the property, or any adjacent property, nor shall any such substance be owned, stored, used, or disposed of on the property or any adjacent property by FRES, its agents, employees, contractors, or invitees, prior to KPB's ownership, possession, or control of the property.
- B. FRES covenants and agrees that if the presence of hazardous material on the property is caused or permitted by FRES, its agents, employees, contractors, or invitees, or if contamination of the property by hazardous material otherwise occurs on the property prior to closing, FRES shall defend, indemnify, and hold harmless KPB from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, but not limited to, sums paid in the settlement of claims, attorney's fees, consultant fees and expert fees) which may arise as a result of such contamination. This defense and indemnification includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state or local government on or under the property. As used herein, the term "hazardous material" means any hazardous or toxic substance, material, or waste which is or becomes regulated by any local government authority, the State of Alaska, or the United States Government.

12. ENTIRE AGREEMENT

This Agreement and the documents referred to herein contain the entire agreement of the parties with respect to the subject matter hereof. Any changes, additions or deletions hereto must be made in writing and signed by both KPB and FRES or their respective successors in interest. Provisions of this agreement, unless inapplicable on their face, shall be covenants constituting terms and conditions of the sale and of the agreement to operate the station, and shall continue in full force and effect until the agreement is terminated.

13. MISCELLANEOUS

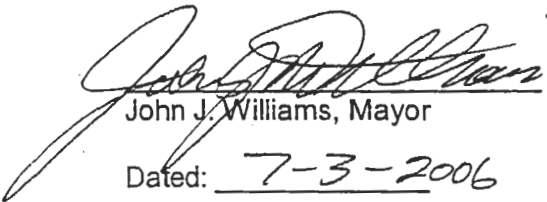
- A. Not Residential Property. The parties mutually agree that this transfer will not be covered by the Residential Real Property Transfers Act, AS 34.70.010 et. seq.
- B. Time. Time is of the essence in performance of this Agreement.
- C. Cancellation. This agreement, while in good standing, may be canceled in whole or in part, at any time, upon mutual written agreement by the parties. This purchase agreement is subject to cancellation in whole or in part if improperly issued through error in procedure or with respect to material facts.

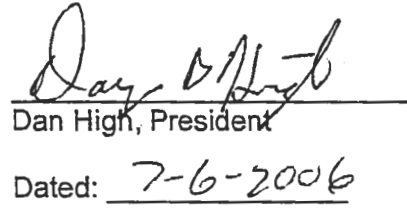
- D. Notice. Any notice or demand, which under the terms of this agreement or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address shown on the contract. However, either party may designate in writing such other address to which such notice or demand shall thereafter be so given, made, or mailed. A notice given hereunder shall be deemed received when deposited in a U.S. general or branch post office by the addressor.
- E. Written Waiver. Failure of either party to enforce any covenant or provision therein contained shall not discharge or invalidate such covenants or provision or affect the right of that party to enforce the same in the event of any subsequent breach or default.
- F. Construction. This Agreement shall be deemed to have been jointly drafted by both parties. It shall be constructed according to the fair intent of the language as a whole, not for or against any party. The interpretation and enforcement of this Agreement shall be governed by the laws of the State of Alaska. The titles of sections in this Agreement are not to be construed as limitations of definitions but are for identification purposes only.

This Agreement has been executed by the parties on the day and year first above written.

KENAI PENINSULA BOROUGH:

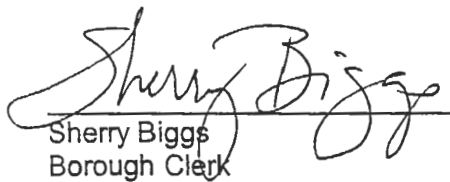
FUNNY RIVER EMERGENCY SERVICES, INC.

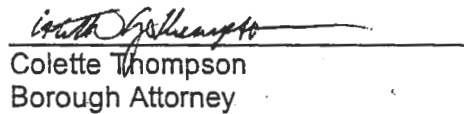

 John J. Williams, Mayor
 Dated: 7-3-2006


 Dan High, President
 Dated: 7-6-2006

ATTEST:

APPROVED AS TO FORM
 AND LEGAL SUFFICIENCY:

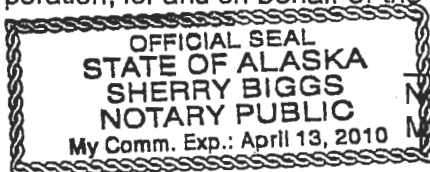

 Sherry Biggs
 Borough Clerk


 Colette Thompson
 Borough Attorney

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 3rd day of July 2006, by John J. Williams, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

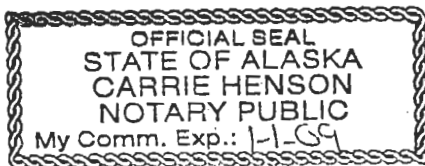


Sherry Biggs
Notary Public in and for Alaska
My commission expires: 4-13-2010

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 6th day of July 2006, by Dan High, President of Funny River Emergency Services, Inc., an Alaska non-profit corporation, for and on behalf of the corporation.



Carrie Henson
Notary Public in and for Alaska
My commission expires: 1-1-09

**EXHIBIT A to
PURCHASE AND SERVICE AGREEMENT**

Funny River Emergency Services, Inc.

Station and Equipment Inventory

- Fire Engine VIN 1FVACYDJ55HU56733
- 105 folding Chairs
- 14 folding Tables
- 22 rolls of 2.5" hose
- 13 rolls of 1.5" hose
- 1000 gallon heating fuel tank
- 16 in-ground helicopter landing pad light fixtures
- 16 FAA approved helicopter landing pad lights
- Miscellaneous helicopter landing zone fixtures and equipment
- Miscellaneous (old) hose adapters, fittings and nozzles
- Miscellaneous assortment of (old) Nomex firefighting pants and jackets
- Miscellaneous assortment of (old) firefighting boots (various sizes)
- Miscellaneous assortment of firefighting helmets

BILL OF SALE

Funny River Emergency Services, Inc., Seller, of P.O. Box 3557, Soldotna, Alaska, 99669 for and in consideration of the payment of the sum of Ten dollars (\$10.00), receipt of which is hereby acknowledged, does hereby sell and transfer to the Kenai Peninsula Borough on behalf of Central Emergency Service Area, Buyer, of 144 N. Binkley Street, Soldotna, Alaska 99669 its successors and assigns, the following described personal property located at 32530 Funny River Road, Soldotna, Alaska 99669 in the Third Judicial District, State of Alaska:

- Fire Engine VIN 1FVACYDJ55HU56733
- 105 folding Chairs
- 14 folding Tables
- 22 rolls of 2.5" hose
- 13 rolls of 1.5" hose
- 1000 gallon heating fuel tank
- 16 in-ground helicopter landing pad light fixtures
- 16 FAA approved helicopter landing pad lights
- Miscellaneous helicopter landing zone fixtures and equipment
- Miscellaneous (old) hose adapters, fittings and nozzles
- Miscellaneous assortment of (old) Nomex firefighting pants and jackets
- Miscellaneous assortment of (old) firefighting boots (various sizes)
- Miscellaneous assortment of firefighting helmets

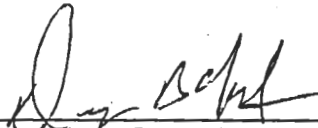
Seller warrants that it is the lawful owner in every respect of all of the described property and that the property is free and clear of all liens, security agreements, encumbrances, claims, demands, and charges of every kind whatsoever, except that the fire engine is subject to the terms and conditions of grant agreement #EMW-2003-FG-08079 (2003 Assistance to Firefighters Grant) with FEMA.

Seller binds Seller, its successors and assigns, to warrant and defend the title to all of the described property to Buyer, its successors and assigns, forever against every person lawfully claiming the described property or any part of it.

This Bill of Sale shall be effective as to the transfer of all property listed in it as of June 30, 2006.

IN WITNESS WHEREOF, this Bill of Sale is executed on 7-6-2006
[date].

FUNNY RIVER EMERGENCY SERVICES, INC:

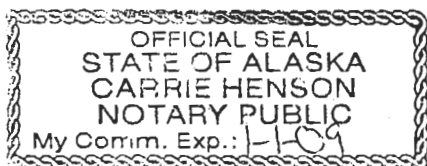


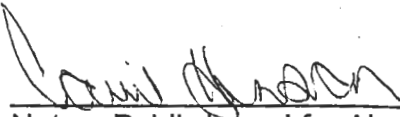
Dan High, President

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 6th day of July, 2006, by Dan High, President of Funny River Emergency Services, Inc, an Alaska corporation, for and on behalf of the corporation.





Notary Public in and for Alaska
My commission expires: 1-1-09

2006-007032-0

Recording Dist: 302 - Kenai
7/7/2006 1:52 PM Pages: 1 of 3

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S
K
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WARRANTY DEED

The GRANTOR, FUNNY RIVER EMERGENCY SERVICES, INC, an Alaska corporation, whose address is P.O. Box 3557, Soldotna, Alaska 99669, for ten dollars (\$10.00) and other good and valuable consideration receipt of which is hereby acknowledged, conveys and warrants unto the GRANTEE, KENAI PENINSULA BOROUGH, an Alaska municipal corporation, whose address is 144 North Binkley Street, Soldotna, Alaska 99669, the following described real property:

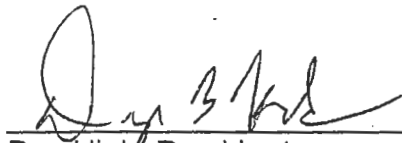
Lot Five (5), Salmon Bend Subdivision, FRVFD Addition, according to Plat No. 2002-24, Kenai Recording District, Third Judicial District, State of Alaska.

TOGETHER WITH all the improvements thereon, if any, and all rights of the Grantor to any and all hereditaments and appurtenances hereto, and

SUBJECT TO any taxes and assessments, exceptions, reservations, restrictions, conditions, covenants, easements, rights-of-way, encroachments either of record or ascertainable by physical inspection.

Dated this 7 day of July, 2006

FUNNY RIVER EMERGENCY SERVICES, INC:



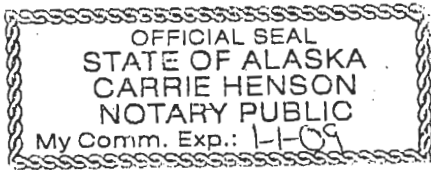
Dan High, President

Dated: 6-7-2006

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 6th day of July, 2006, by Dan High, President of Funny River Emergency Services, Inc, an Alaska corporation, for and on behalf of the corporation.



Carrie Henson
Notary Public in and for Alaska
My commission expires: 1-1-09

Please return to:

Kenai Peninsula Borough
Planning Department
144 N. Binkley Street
Soldotna AK 99669



CORPORATE RESOLUTION

On June 19, 2006 the Board of Directors of FRES, held a special meeting at office or normal meeting place located at Soldotna, Alaska.

Whereas the following Resolutions were unanimously passed by those present which constituted a quorum in accordance with our articles and by-laws:

BE IT RESOLVED that the Corporation, the Seller, sell the real property and appurtenances thereto, to Kenai Peninsula Borough the Purchasers, for the amount of \$ 1.00, which real property is more particularly described as follows:

LEGAL DESCRIPTION: T05N R08W 517 KN 2002024
Lot 5 Salmon Bend Subdivision, FR VFD Addition,
according to Plat No. 2002-24 (Tax Assessor No. 066-170-31)

FURTHER BE IT RESOLVED that Danny High being the President respectively of the Corporation and have been duly appointed and authorized to negotiate, bargain, bind, sell, convey and sign all necessary documents to complete the above mentioned transaction.

ATTEST:

Danny High, President
Rene Marie Hallmark
Byron L. Bondurant

Contractor's Printed Name: **SODERSTROM ARCHITECTS, P.C.**
 Contractor's Federal Tax Identification Number: **68-0540786**
 Job/Service Provided: **Professional Services**



PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
 THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
 SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

PURCHASING DEPARTMENT
 144 North Binkley Street
 Soldotna, AK 99669
 907-262-4441

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S)

Peer Review of 2006 South Peninsula Hospital East Addition project per proposal dated July 10, 2006. Coordinate with State of Alaska Health & Social Services as well as the design architect of record.

This is a State of Alaska Health and Human Services required independent third party review per the latest AIA "Hospital and Health Care Facilities Guidelines".

Referred From Mayor's Office to
 Clerk *Regina*
 Assembly
 Legal
 Finance
 Assessing
 Planning
 Roads
 SBB
 Purchasing
 Other
 Date: *7-20-06* *Rob Robson*

ACCOUNT DISTRIBUTION: 401.81211.04SHB.43011 DEPARTMENT/SERVICE AREA: Capital Projects Division

Contractor's compensation will be: Eight thousand one hundred and thirty Dollars

Not to exceed 8,130.00

Insurance, if required: Auto \$ CGL \$ E & O \$ 1,000,000

Time schedule for performance will be: 8 weeks from contract signature date.

The following attachments are incorporated herein by reference: Letter dated July 10, 2006

BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT INCLUDING THE PROVISIONS CONTAINED ON THE REVERSE OF THIS FORM

CONTRACTOR SIGNATURE *X [Signature]* DATE 7/14/06

CONTRACTOR ADDRESS & PHONE NUMBER:
 Soderstrom Architects, P.C.
 1200 NW Naito Parkway, Suite 410
 Portland, OR 97209

RECOMMENDED BY: *[Signature]* DATE 7/14/06
 DEPARTMENT DIRECTOR OR DESIGNEE
 PURCHASING & CONTRACTING

ACCEPTANCE BY KENAI PENINSULA BOROUGH:
 PURCHASE ORDER NO. *70215416*
[Signature] DATE 7-20-06
 MAYOR OR DESIGNATED OFFICIAL

REV: 4/10/03



KENAI PENINSULA BOROUGH - FINANCE DEPARTMENT

TO: Ron Long, President
Kenai Peninsula Borough Assembly Members

THRU: John J. Williams, Mayor *[Signature]*

FROM: Craig C. Chapman, Finance Director *J.C. for CC*

DATE: 7/17/2006

SUBJECT: Investment Portfolio Report

Attached is a report on the Borough's investment portfolio as of June 30, 2006. The report shows the type of securities owned, percentage of each type, maturity of the securities, and average yield.

Investment Portfolio

Securities			
Agencies	\$ 93,203,942	66.59%	
Corporate Bonds	5,459,070	3.90%	
Total Securities	<u>102,561,712</u>	<u>73.27%</u>	
Cash and Cash Equivalents			
Repurchase Account	7,222,439	5.16%	
Certificates of Deposit	-	0.00%	
Union Bank of California Money Market Sweep	137,473	0.10%	
AMLIP	5,285	0.00%	
2006 CES Bonds	2,504,997	1.79%	
2003 School Bonds (SEWARD)	3,274,338	2.34%	
2004 CPGH Bonds	7,998,294	5.71%	
2004 SPH Bonds	14,598,400	10.43%	
2000 School Bonds	147,616	0.11%	
2003 Solid Waste Bonds	819,885	0.59%	
Total Cash and Cash Equivalents	<u>36,708,726</u>	<u>26.23%</u>	
			Portfolio Yield
USAD's / RIAD's			
Robinson Loop	11,614	0.01%	<u>10.50%</u>
Kenai Keys	6,970	0.00%	10.25%
Island Lake	9,926	0.01%	9.75%
Moose Range Meadows	2,061	0.00%	11.50%
Ross Road	1,440	0.00%	10.50%
Timberland Terrace	4,484	0.00%	11.50%
K-Beach Subdivision	119,207	0.09%	6.25%
Inglebrook	10,329	0.01%	7.00%
Otter Trail	17,626	0.01%	7.00%
Tote Road and Echo Lake Road	153,923	0.11%	6.25%
Char Subdivision	73,518	0.05%	6.75%
Tustamena Subdivision	111,941	0.08%	7.75%
Pollard Loop	89,134	0.06%	9.25%
Scoter Landing	87,380	0.06%	9.25%
Total USAD's / RIAD's	<u>699,554</u>	<u>0.50%</u>	<u>7.55%</u>
Total Investment Portfolio	<u>\$ 139,969,992</u>	<u>100.00%</u>	
Maturity			
Less than one year	67,007,372	47.87%	4.48%
One to five years	72,263,066	51.63%	4.07%
USAD's	699,554	0.50%	7.55%
TOTAL	63 \$ 139,969,992	100.00%	4.286%

INVESTMENT PORTFOLIO

June 30, 2006

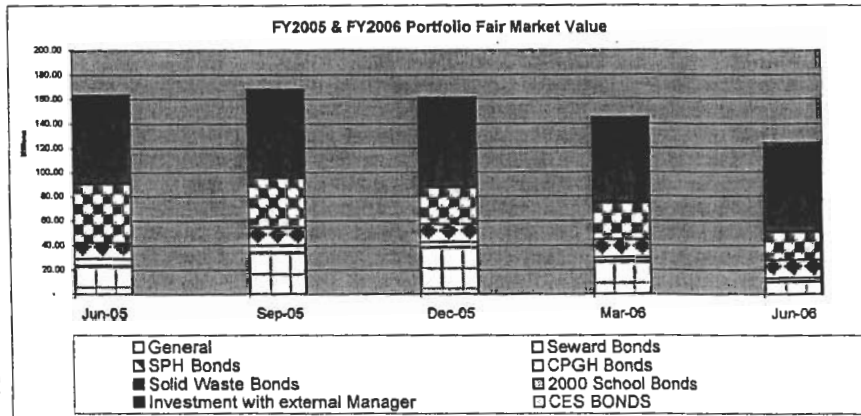
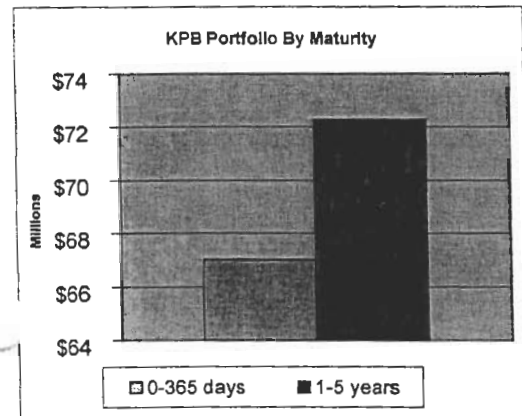
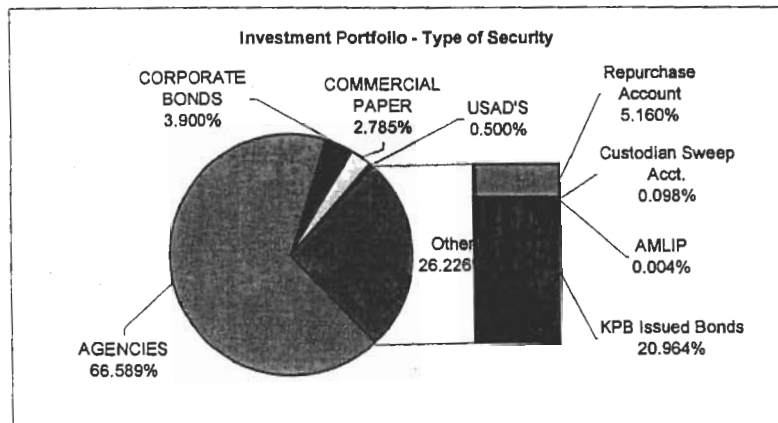
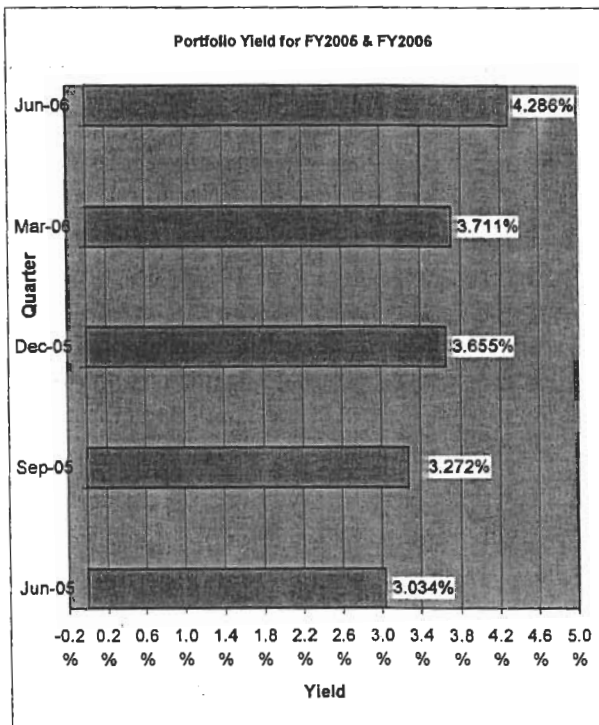
Purchase Date	Maturity Date	Security Description	Par Value	Coupon Rate	Yield	Purchase Price	Fair Value 6/30/06
05/05/06	08/03/06	PEFCPP Comm Paper	1,000,000.00	0.000%	5.153%	987,350.00	995,450.00
05/05/06	09/28/06	FHLB	1,000,000.00	3.750%	5.187%	994,330.00	995,940.00
05/22/06	10/30/06	Countrywide Home	2,000,000.00	7.200%	5.380%	2,015,610.00	2,009,600.00
05/09/06	11/22/08	Key Corp	1,500,000.00	3.050%	5.352%	1,481,970.00	1,484,400.00
05/19/06	12/14/06	GECC Comm Paper	3,000,000.00	0.000%	5.245%	2,911,349.17	2,926,350.00
06/27/06	12/15/06	FHLMC	5,000,000.00	2.875%	5.550%	4,939,035.00	4,942,200.00
05/09/06	02/15/07	Countrywide Home	2,000,000.00	2.875%	5.467%	1,961,490.00	1,966,660.00

CPGH Bonds:

01/21/04	07/21/06	Freddie Mac	4,975,000.00	2.625%	2.038%	5,003,761.72	4,967,885.75
04/12/04	08/11/06	Federal Home Loan Bank	5,000,000.00	2.430%	2.396%	5,003,750.00	4,984,400.00
02/13/04	11/13/06	Federal Home Loan Bank	5,000,000.00	2.710%	2.710%	5,000,000.00	4,951,550.00

Investment with External manager:	72,272,686.16	4.070%	72,263,065.75	70,145,087.56
	102,747,686.16	2.694%	102,561,711.64	100,369,523.31

Investment Portfolio - Purchase Price	\$ 102,561,711.64
Investment Portfolio - Fair Value 6/30/06	100,369,523.31
Fair Value Adjustment - 6/30/06	(2,192,188.33)
Fair Value Adjustment - 07/01/2005	(1,284,868.91)
Change in Fair Value FY2006	\$ (907,319.42)





KENAI PENINSULA BOROUGH - FINANCE DEPARTMENT

To: Ron Long, Assembly President
Members of the Kenai Peninsula Borough Assembly

Thru: John J. Williams, Borough Mayor

From: Craig C. Chapman, Finance Director *C.C. Chapman*

Date: July 20, 2006

Subject: Budget Revisions –June 2006

The attached report reflects budget revisions made during June 2006. The list contains only budget revisions between major expenditure categories (i.e., maintenance & operations and capital outlay) and transfer of budget between completed capital projects and those previously authorized by the borough assembly. In addition to those appearing on the attached, other minor transfers were processed between sub-object within major expenditure categories.

INCREASE DECREASE

Nikiski Fire Service Area: To increase advertising line item for the Nikiski Paramedic position.

206.51110.43310 (Advertising)	2,000.00	
206.51110.48750 (Minor Medical Equipment)		2,000.00

Central Emergency Services: Move funds for additional expense through Year End.

211.51610.40110 (Regular Wages)		3,770.00
211.51610.42120 (Computer Software)		90.00
211.51610.42310 (Repair & Maintenance)		2,250.00
211.51610.43780 (Building & Grounds Maintenance)		3,615.00
211.51610.48710 (Minor Office Equipment)		780.00
211.51610.48750 (Minor Medical Equipment)		1,436.00
211.51610.48760 (Minor Fire Fighting Resuce Equipment)		8,400.00
211.51610.42210 (Operating Supplies)	360.00	
211.51610.42220 (Medical Supplies)	1,297.00	
211.51610.42222 (Fire Prevention Supplies)	131.00	
211.51610.42360 (Motor Vehicle Repair Supplies)	400.00	
211.51610.42410 (Small Tools Supplies)	8,190.00	
211.51610.43110 (Communications)	1,069.00	
211.51610.43210 (Travel and Subsistence)	904.00	
211.51610.43750 (Vehicle Maintenance)	6,500.00	
211.51610.43920 (Dues and Subscriptions)	680.00	
211.51610.48720 (Minor Office Furniture)	810.00	

Nikiski Fire Service Area: To purchase and install a new radio repeaters, to replace failing ones not previously budgeted.

206.51110.48311 (Machinery & Equipment)	42,000.00	
206.51110.40110 (Temporary Wages)		42,000.00

Public Works/Major Projects Division: For computer software upgrade for printer/plotter shared by all Poppy Lane departments

100.31110.42120 (Software)	1,100.00	
100.31110.48710 (Minor Office Equipment)		1,100.00

Road Service Area: Shared cost between four departments for purchase of KIP300 large format copier

236.33950.48710 (Minor Office Equipment)	301.00	
236.33950.43011 (Contract Services)		301.00

Finance: Move funds for additional expense through year end.

100.11440.43210 (Transport/Subsistence)	253.65	
100.11440.43931 (Recording Fees)	4,813.00	

100.11440.48710 (Minor Office Equipment)	851.48	
100.11440.48720 (Minor Office Furniture)	103.90	
100.11440.43932 (Litigation Reports)		6,022.03

CEDD: Purchase a new printer.

100.11225.48710 (Minor Office Equipment)	1,600.00	
100.1125.43011 (Contract Services)		1,600.00

Planning-Land Management: Year end balancing. Need to do revision to balance accounts.

250.21210.40130 (Overtime Wages)	64.46	
250.21210.40410 (Leave)	1,076.55	
250.21210.40110 (Regular Wages)		1,141.01
250.21210.43920 (Dues & Subscriptions)	165.25	
250.21210.42110 (Office Supplies)		165.25

Roads: Transfer funds to balance various accounts to a zero balance.

236.33950.40110 (Regular Wages)	7,499.51	
236.33950.40111 (Special Pay)	75.00	
236.33950.40210 (FICA)	488.21	
236.33950.40221 (PERS)	224.16	
236.33950.40321 (Health Insurance)	4,793.28	
236.33950.40322 (Life Insurance)	59.15	
236.33950.40410 (Leave)	8,376.11	
236.33950.40511 (Other Benefits)	72.00	
236.33950.42120 (Computer Software)	1,000.00	
236.33950.42230 (Fuels, Oil, Lubricants)	936.65	
236.33950.46910 (Road Maintenance)	5,525.82	
236.33950.48310 (Vehicles)		29,049.89

Nikiski Fire Service Area: Purchase two office chairs

206.51110.48720 (Minor Office Equipment)	518.00	
206.51110.42210 (Operating Supplies)		518.00

Solid Waste: Transfer funds to balance accounts and cover additional administration personnel costs due to leave payout.

290.32010.40110 (Regular Wages)	1,760.62	
290.32010.40130 (Overtime Wages)	175.22	
290.32010.40221 (PERS)	391.63	
2910.32010.40321 (Health Insurance)	175.22	
290.32010.40410 (Annual Leave)	2,784.09	
290.30210.40411 (Sick Leave)	107.34	
290.32010.42230 (Fuels, Oil & Lubricants)	18.84	
290.32010.42310 (Repair & Maint supplies)		2,000.00
290.32010.43011 (Contract Services)		1,600.00
290.32010.43110 (Communications)		1,102.31

290.32010.43140 (Postage)		500.00
290.32010.43210 (Transportation & Subsistence)	317.39	
290.32010.43510 (Insurance Premium)	1,471.96	
290.32010.43720 (Office Equipment Maintenance)		2,000.00

Bear Creek Fire Service Area: To move funds for overages in payroll for fiscal year end.

207.51210.40120 (Temporary Wages)	764.21	
207.51210.40210 (FICA)	375.47	
207.51210.42120 (Computer Software)		110.12
207.51210.42310 (Repair & Maintenance Supplies)		126.07
207.51210.43260 (Training)		291.00
207.51210.43310 (Advertising)		200.00
207.51210.48514 (Firefighting Equip)		412.49

Finance - Financial Services: Replace failing PO Printer - not budget.

100.11430.48710 (Minor Office Equipment)	497.41	
100.11430.43210 (Transportation & Subsistence)		497.41

Finance - Administration: To move funds to cover FY06 expenditures

100.11410.40110 (Regular Wages)	2,855.25	
100.11410.43011 (Contract Services)		2,855.25

Anchor Point Fire Service Area: To adjust deficiency in personnel funds for FY06

209.51410.48760 (Minor Firefighting Equipment)		4,833.82
209.51410.40110 (Regular Wages)	4,833.82	

General Services-MIS & Custodial: Year end balancing

100.11231.40321 (Health Insurance)	5,202.00	
100.11231.43019 (Software Licensing)		5,202.00
100.11235.43011 (Contract Services)	538.00	
100.11235.40110 (Regular Wages)	9,025.00	
100.11235.43260 (Training)		9,563.00



KENAI PENINSULA BOROUGH - FINANCE DEPARTMENT

To: Ron Long, Assembly President
Members of the Kenai Peninsula Borough Assembly

Thru: John J. Williams, Borough Mayor

From: Craig C. Chapman, Finance Director *1.c. for CC.*

Date: July 20, 2006

Subject: Revenue -Expenditure Report – June 2006

Attached is the Revenue-Expenditure Report of the General Fund for the month of June 2006. Please note that although 100.00% of the year elapsed, the revenues and expenditures shown are preliminary. Additional accrual of revenue and expenditures may be necessary as part of the normal year-end process and should be completed by the end of August. The final amounts will be reflected in the Borough's Comprehensive Annual Financial Statement.

KENAI PENINSULA BOROUGH
REVENUE REPORT
FOR THE PERIOD JUNE 1, 2006 THROUGH JUNE 31, 2006

ACCOUNT NUMBER	DESCRIPTION	ESTIMATED REVENUE	YTD RECEIPTS	PTD RECEIPTS	VARIANCE	% COLLECTED
31104	TOTAL REAL TAX	24,178,284	23,985,820	44,069	(192,464)	99.20%
31203	TOTAL PERS TAX	1,819,121	1,788,209	6,663	(30,912)	98.30%
31303	TOTAL OIL TAX	3,681,483	3,654,148	-	(27,335)	99.26%
31400	MOTOR VEHICLE TAX	975,000	905,579	329,228	(69,421)	92.88%
31510	PROPERTY TAX PENALTY & INTEREST	456,640	446,531	13,538	(10,109)	97.79%
31610	SALES TAX	16,140,957	15,269,683	501,431	(871,274)	94.60%
33110	IN LIEU PROPERTY TAX	1,850,000	1,890,932	-	40,932	102.21%
33117	OTHER FEDERAL REVENUE	75,000	96,594	31,996	21,594	128.79%
34110	SCHOOL DEBT REIMBURSEMENT	2,603,186	2,603,186	632,393	-	100.00%
34138	SOA PERS PAYMENT	268,680	268,680	-	-	100.00%
34221	ELECTRICITY AND TELEPHONE REVENUE	150,000	150,000	150,000	-	100.00%
34222	FISH TAX REVENUE SHARING	475,000	488,888	475,000	13,888	102.92%
36541	E911 SERVICE FEES	455,500	560,774	68,541	105,274	123.11%
37350	INTEREST ON INVESTMENTS	1,760,000	1,109,826	39,621	(650,174)	63.06%
38000	TRANSFER FROM OTHER FUNDS	1,627,877	1,627,877	-	-	100.00%
39000	OTHER LOCAL REVENUE	339,500	215,881	44,997	(123,619)	63.59%
TOTAL REVENUES		\$56,856,228	\$ 55,062,607	\$2,337,475	\$(1,793,621)	96.85%

KENAI PENINSULA BOROUGH
EXPENDITURE REPORT
FOR THE PERIOD JUNE 1, 2006 THROUGH JUNE 30, 2006

DESCRIPTION	REVISED BUDGET	YTD EXPENDED	PTD EXPENDED	AMOUNT ENCUMBERED	AVAILABLE BALANCE	% EXPENDED
ASSEMBLY ADMINISTRATION	353,834	304,368	29,715	14,949	34,517	86.02%
ASSEMBLY CLERK	424,955	376,971	53,911	3,329	44,655	88.71%
ASSEMBLY ELECTIONS	157,484	126,639	765	16,873	13,972	80.41%
ASSEMBLY RECORDS MANAGEMENT	178,358	161,143	15,261	8,102	9,113	90.35%
MAYOR ADMINISTRATION	333,953	327,266	38,271	111	6,576	98.00%
COMMUNITY & ECONOMIC DEVELOPMENT	385,285	373,304	44,156	377	11,604	96.89%
PURCHASING AND CONTRACTING	149,377	139,063	23,587	938	9,376	93.10%
GENERAL SERVICES	386,535	367,741	33,944	3,062	15,732	95.14%
GENERAL SERVICES - MIS	1,565,289	1,455,815	189,806	42,592	66,882	93.01%
GENERAL SERVICES - GIS	494,013	434,061	42,898	3,047	56,905	87.86%
GENERAL SERVICES - PRINT/MAIL	236,231	217,968	20,155	82	18,181	92.27%
GENERAL SERVICES - CUSTODIAL MAINT	105,535	97,699	15,808	3,169	4,667	92.57%
EMERGENCY MANAGEMENT	364,968	310,911	45,156	1,586	52,471	85.19%
911 COMMUNICATIONS	870,366	822,377	83,172	11	47,979	94.49%
LEGAL ADMINISTRATION	708,780	616,885	80,040	30,666	61,229	87.03%
FINANCE - ADMINISTRATION	422,413	371,251	23,980	1,138	50,024	87.89%
FINANCIAL SERVICES	664,963	620,551	92,775	3,426	40,986	93.32%
FINANCE - PROPERTY TAX AND COLLECTION	707,027	636,117	97,888	21,892	49,018	89.97%
FINANCE - SALES TAX	352,736	330,373	27,854	1,520	20,843	93.66%
ASSESSING ADMINISTRATION	758,838	687,990	80,253	30,061	40,786	90.66%
ASSESSING APPRAISAL	1,264,503	1,163,540	144,098	31,057	69,906	92.02%
RESOURCE PLANNING ADMINISTRATION	994,661	904,201	115,121	14,620	75,840	90.91%
COASTAL ZONE MANAGEMENT	39,130	25,076	4,672	-	14,054	64.08%
MAJOR PROJECTS - ADMINISTRATION	117,506	51,886	7,277	1,847	63,773	44.16%
SENIOR CITIZENS GRANT PROGRAM	398,322	397,080	30,102	1,242	(0.00)	99.69%
NON-DEPARTMENTAL	47,536,602	47,224,499	459,939	28,227	283,876	99.34%
TOTAL EXPENDITURES	\$ 59,971,665	\$ 58,544,776	\$ 1,800,604	\$ 263,925	\$ 1,162,964	97.62%