





KENAI PENINSULA BOROUGH

144 North Binkley Street
Soldotna, Alaska 99669-8250
BUSINESS: (907) 262-4910 or
DIRECT: (907) 262-2097
FAX: (907) 262-8603
EMAIL: swalden@borough.kenai.ak.us

JOHN WILLIAMS
MAYOR

Agenda Item L.O.C.
Committee _____
Page Number Lay down
(Lay down) Mayor's Report

MEMORANDUM

To: John J. Williams, Kenai Peninsula Borough Mayor 
From: Scott Walden, OEM Coordinator 
Date: December 4, 2006
Re: ERC Casework Change Order

Routed From
Mayor's Office to:
Clerk _____
Assembly X
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Date: 12-4-06

Since the amount of the change order is about 20% higher than what the Assembly resolution transferred SBB money for, Finance has asked that I submit a memo to you explaining and authorizing the difference prior to signing off on the change order. Here is the explanation, as you and I discussed with Finance last Friday:

Casework represented as a separate Additive Alternate during the construction award process was not awarded due to the over-budget extent of bids received at that time.

Post-construction, the Assembly approved a resolution to accommodate this need and provided \$43,800 to do so. The \$43,800 was allocated from account number 407-19010-07407.49999 and later transferred to account number 407.19010.07EOC.49999 to procure the casework, shelves, etc.

The original pre-bid estimate to provide these items was approximately \$73,000. By reducing the quantity and style, the end result was a proposed cost that was about \$30,000 less than planned during construction.

When this estimate was requested administratively for Assembly action, the Project Manager was unable to review. An attempt was made to reduce the scope of work to match available funds.

When project management got the actual costs from the contractor, the cost was about \$10,000 higher than I had estimated. Through existing building construction funds, adequate funding was made available to offset necessary costs.

There were no increases to appropriations necessary and the total amount remains approximately \$20,000 under original estimates during construction. The amount provided by resolution was not exceeded and the over-run was made up using existing construction funds.