



KENAI PENINSULA BOROUGH

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**DAVID R. CAREY
BOROUGH MAYOR**

MEMORANDUM

TO: Gary Knopp, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: David Carey, Mayor *D. Carey*
Craig Chapman, Finance Director *C. Chapman*
Mark Fowler, Purchasing & Contracting Officer *M. Fowler*

FROM: Jack Maryott, Solid Waste Director *J. Maryott*

DATE: December 21, 2010

SUBJECT: Ordinance 2010-19-28, appropriating an additional \$291,000 to cover the cost in excess of budgeted amount for the completion of the design and construction cost estimate for the new Homer Transfer Facility

The Kenai Peninsula Borough approved funding of \$323,736 through Ordinance 2009-19 for the design of a new Homer Transfer Facility on the current landfill property and to develop a complete construction and equipment cost estimate for bond issuance. In November 2009 a request for proposals ("RFP") was issued and four proposals were received; the successful proposed cost exceeded the appropriated amount.

The project was rebid reducing the scope of services to only complete a schematic level design and cost estimate. Two proposals were received for this work. CH2M Hill was the low cost responsive proposer at \$150,360. This project was completed in July 2010. Total expenditures to date on this project are \$168,016 and approximately \$155,720 remains of the original appropriation.

Based on the schematic design, the estimated cost of the project is in the range of \$10,000,000 - \$12,000,000 and the total design cost is estimated to be \$614,736. An additional \$291,000 is needed to supplement the original appropriation of \$323,736 to take the schematic level design to design completion and construction cost estimate.

FINANCE DEPARTMENT FUNDS VERIFIED \$291,000.00	
ACT # 100.27900 (FB)	
BY: <i>C. B. W.</i>	DATE: 12/22/10