



## **KENAI PENINSULA BOROUGH**

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**DAVID R. CAREY  
BOROUGH MAYOR**

February 24, 2011

The Honorable Kurt Olson  
State Capital, Room 110  
Juneau, Alaska, 99801

Re: Support for House Bill 155

Dear Representative Olson:

As Mayor of the Kenai Peninsula Borough, I would like to express my support for House Bill 155, as proposed. The Kenai Peninsula Borough Assembly has also adopted resolution 2010-097, supporting state legislation to amend the Alaska Little Davis Bacon Act. We believe by enacting this bill it will help residents of the Kenai Peninsula Borough by allowing for the tax payers dollar to be stretched further and at the same encourage more competition among its contractors.

Presently the borough pays contractors Little Davis Bacon rates for all projects, deemed not to be maintenance and in excess of \$2,000. In today's economy \$2,000 doesn't stretch very far and with the additional costs required to administer these types of contracts the borough is finding that the smaller contractors are unwilling to bid on projects that are subject to the Little Davis Bacon requirements.

As you are aware, the borough is approximately 25,000 square miles with many small communities. These communities can be remote and accessible only by boat or air and often have a small number of contractors. Contractors within these smaller communities often times choose not to participate in public projects which are subject to Little Davis Bacon requirements due to the complex paperwork requirements and additional administrative burden. This often creates a situation where, in an effort to meet the needs of the borough and complete even a \$2500 project, we are forced to use non-local contractors at a significantly higher cost to the borough.

It is my responsibility to support and advocate for a change in the Little Davis Bacon requirements, when we believe that all borough residents as well as its contractors will benefit from such a change.

Sincerely,

David R. Carey  
Mayor