

Introduced by:	Mayor
Date:	11/15/22
Hearing:	12/13/22
Action:	Enacted
Vote:	9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2022-19-31**

**AN ORDINANCE APPROPRIATING \$1,625,000 FROM THE GENERAL FUND TO
PROVIDE INTERIM FUNDING FOR PRELIMINARY DESIGN AND DEVELOPMENT
OF THE BOND FUNDED SCHOOL PROJECTS AUTHORIZED BY BALLOT
PROPOSITION 2 AT THE OCTOBER 2022 ELECTION**

WHEREAS, at an election held in the Kenai Peninsula Borough, Alaska (“Borough”), on October 4, 2022, a majority of the qualified electors of the Borough voting thereon voted in favor of authorizing the issuance of educational capital improvement general obligation bonds of the Borough, in an aggregate principal amount not to exceed \$65,550,000 (“Bonds”), to finance costs of planning, designing, site preparations, construction, acquiring, renovating, installing, and equipping education capital improvements in the Borough (“Proposition No. 2”), as authorized by Ordinance No. 2022-20 of the Borough, passed and approved by the Borough Assembly on June 21, 2022 (the “Election Ordinance”); and

WHEREAS, issuance of a portion of the Bonds is anticipated to occur in the first quarter of calendar year 2023, subject to approval by the Borough Assembly; and

WHEREAS, to timely allow for the design and construction of certain educational capital improvements set forth in Proposition No. 2, preliminary expenditures prior to the issuance of the Bonds, incident to the commencement of construction in 2023 and 2024, are necessary; and

WHEREAS, it is the intent of the Borough to be reimbursed for these preliminary expenditures with proceeds of the Bonds; and

WHEREAS, funds used to finance these preliminary expenditures will be appropriated from the General Fund; and

WHEREAS, the estimated total cost for the initial design development work for the education capital improvement project is \$1,625,000.00;

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That funds in the amount of \$1,625,000.00 are hereby appropriated from the General Fund balance to account 401.78050.23SCH.49999 for preliminary design, development and other related expenditures for FY2023 for education capital improvement projects, as set forth in Proposition No. 2.

SECTION 2. That the appropriations made in this ordinance are of a project length nature and as such do not lapse at the end of any particular fiscal year.

SECTION 3. Official Intent. This ordinance is also adopted to satisfy the "official intent" requirements of Section 1.150-2 of the Treasury Regulations adopted under the authority of the Internal Revenue Code of 1986, as amended, (the "Code") with respect to the educational capital improvement projects described in Proposition No. 2, including the Soldotna Elementary Replacement, the Soldotna Preparatory Renovation, the School Student Drop-off, Seward and Nikiski High School Track and Field Improvements, the KPB/KPBSD Maintenance Shop, School Roof Repairs, Kenai Middle School Safety and Security Renovation, Kenai High School Field Restroom and Concession, Homer High School Front Entrance Improvements, Soldotna High School Siding, and similar educational improvements in the Borough (collectively, the "Projects").

The Borough reasonably expects to issue up to \$65,500,000 principal amount of Bonds, in one or more series, to finance costs of the Projects, which are eligible under the Code for financing with proceeds of tax-exempt bonds. Such costs incurred up to 60 days before the effective date of this ordinance will be eligible for reimbursement with proceeds of the Bonds. As of the date set forth below, the Borough reasonably expects that it will issue the Bonds, in one or more series, and use the proceeds of the Bonds as described in this section.

SECTION 4. This ordinance shall be effective immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 13TH DAY OF DECEMBER, 2022.


Brent Johnson, Assembly President

ATTEST:

Michele Turner, CMC, Acting Borough Clerk



Yes: Bjorkman, Chesley, Cox, Derkevorkian, Ecklund, Elam, Hibbert, Tupper, Johnson
No: None
Absent: None