

Introduced by: Mayor  
Date: 08/06/24  
Action: Adopted  
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH  
RESOLUTION 2024-036**

**A RESOLUTION DECLARING THE KENAI PENINSULA BOROUGH'S OFFICIAL  
INTENT TO REIMBURSE ITSELF FROM PROCEEDS OF A TAX-EXEMPT  
FINANCING FOR CERTAIN EXPENDITURES MADE/OR TO BE MADE IN  
CONNECTION WITH CAPITAL IMPROVEMENTS TO THE SOUTH PENINSULA  
HOSPITAL AND CAMPUS, ALL LOCATED IN THE SOUTH KENAI PENINSULA  
HOSPITAL SERVICE AREA**

**WHEREAS**, on June 18, 2024, the Assembly of the Kenai Peninsula Borough (“Borough”) adopted Ordinance 2024-12 (“Borough Legislation”) which authorizes the submission to the qualified voters of the South Kenai Peninsula Hospital Service Area (“Service Area”) the question of the issuance of not to exceed \$38,500,000 of general obligation bonds to pay the costs of planning, designing, acquiring property for, renovating, construction and equipping facilities at the South Peninsula Hospital and campus, as more fully described in Appendix A hereto (“Capital Projects”); and

**WHEREAS**, an election is to be held on October 1, 2024, in and for the Service Area, for the purpose of submitting a general obligation bond proposition to the qualified voters of the Service Area as authorized by the Borough Legislation; and

**WHEREAS**, the Borough may pay on and after the date hereof certain capital expenditures (“Expenditures”) in connection with the Capital Projects; and

**WHEREAS**, the Assembly of the Borough has determined that the money to be advanced on and after the date hereof (or previously advanced no more than the 60 days prior to adoption of this resolution) to pay Expenditures are available only for a temporary period and it is necessary to reimburse the Borough for the Expenditures from proceeds of tax-exempt bonds (“Bonds”);

**NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH AS FOLLOWS:**

**SECTION 1.** The Borough hereby declares its official intent under Treas. Regs. Section 1.150-2 to reimburse the Borough with proceeds of Bonds for Expenditures with respect to the Capital Projects prior to the issuance of such Bonds. The Borough reasonably expects on the date hereof that it will reimburse such Expenditures with proceeds of Bonds.

**SECTION 2.** Each Expenditure was and will be of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure).

**SECTION 3.** The maximum principal amount of Bonds to be issued by the Borough to finance costs of the Capital Projects is expected to be no greater than \$38.5 million.

**SECTION 4.** The document title "Appendix A" is incorporated herein by reference.

**SECTION 5.** This resolution shall take effect immediately upon adoption and approval.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 6TH DAY OF AUGUST, 2024.**

*Brent Johnson*

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Brent Johnson, Assembly President

ATTEST:

*Michele Turner*

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Michele Turner, CMC, Borough Clerk



Yes: Cooper, Cox, Ecklund, Elam, Hibbert, Ribbens, Tunseth, Tupper, Johnson  
No: None  
Absent: None