

Introduced by: Mayor
Date: 02/20/18
Hearing: 04/03/18
Action: Enacted as Amended
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2017-19-18**

**AN ORDINANCE APPROPRIATING \$100,000 FROM THE SOLID WASTE CAPITAL
PROJECT FUND TO FUND A GRANT TO ALASKA ELECTRIC ENERGY
COOPERATIVE, INC. FOR LANDFILL GAS TO ENERGY PROJECT AND
ENACTING KPB 10.04.100**

- WHEREAS,** AS 29.35.050 and AS 29.35.210(a)(4) authorizes the Kenai Peninsula Borough (“borough”) to exercise the power to provide for garbage and waste collection and disposal in the area outside of the cities; and
- WHEREAS,** pursuant to KPB 10.04.080 the borough accepted the transfer of waste disposal powers from the first class and home rule cities within the borough; and
- WHEREAS,** pursuant to federal regulations the borough will be required to collect and “destroy” landfill gas through flaring, or burning, the gas; and
- WHEREAS,** the borough seeks to comply with state and federal landfill regulations in a way that is economically beneficial to the borough by exploring the potential to use landfill gas for energy production; and
- WHEREAS,** the borough and Alaska Electric and Energy Cooperative (“AEEC”) desire to jointly investigate the feasibility of developing a project to recover landfill gas from the borough’s Central Peninsula Landfill (“CPL”) for use by AEEC; and
- WHEREAS,** at present, landfill gas is being generated from the CPL’s closed lined landfill and from Cell 1 of the active landfill and the borough intends to collect gas from Cells 2 thru 5 and future cells; and
- WHEREAS,** the borough currently concentrates approximately 1,500,000 gallons of leachate each year, using natural-gas fuel, and in lieu of using natural gas, waste heat from the combustion generator(s) could provide a similar amount of energy to operate the leachate concentrator; and
- WHEREAS,** the borough and AEEC agree in furtherance of the project to develop or fund the development of the Conceptual Design, Cost Estimate, and Financial Feasibility Analysis; and

WHEREAS, the borough and AEEC agree to share cost on the items outlined on a 50% / 50% basis to a maximum total value of \$200,000; and

WHEREAS, the parties desire to enter into a grant agreement wherein the borough will grant its 50% share of the cost described above to AEEC, subject to the timeline of deliverables established in the grant agreement, to develop the Conceptual Design, Cost Estimate, and Financial Feasibility Analysis for the project; and

WHEREAS, the grant funding provided to AEEC is contingent upon AEEC providing a 50% match of all funds provided; and

WHEREAS, the grant agreement would provide the borough necessary input and oversight of the project while also providing the AEEC necessary flexibility to efficiently develop the Conceptual Design, Cost Estimate, and Financial Feasibility Analysis aspects of the project; and

WHEREAS, a grant agreement would be consistent with the goals of KPB 10.04 to provide, among other things, a site or facility utilized for the recovery, reduction, recycling, reclamation, consolidation, conversion, processing or disposal of solid waste; and

WHEREAS, the authority for the borough to enter into such a grant agreement is an implied power vested in its power to provide solid waste disposal sites and facilities in compliance with state and federal regulations; and

WHEREAS, it is appropriate to amend the Kenai Peninsula Borough Code to specifically authorize such a grant agreement or any future similar grant agreements; and

WHEREAS, assembly action is needed to appropriate \$100,000 necessary to begin the partnership and to authorize the borough to grant the funds to AEEC to begin the project;

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

SECTION 1. That \$100,000.00 in the Solid Waste Capital Project Fund Balance is appropriated to account 411.32122.18GAS.49999 for costs associated with the Landfill Gas to Energy Project;

SECTION 2. That KPB 10.04.100 is hereby enacted as follows:

10.04.100. Grants.

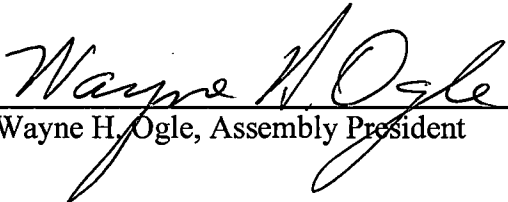
Subject to the appropriation and availability of funds, the borough may provide for grant funding to a utility or energy provider to assist, study, and/or develop solid waste services or facilities or secondary products generated by solid waste activities as provided in this chapter. An

applicant seeking funding under this chapter must submit a grant application no later than March 15 of each year on forms provided by the borough.

SECTION 3. That the mayor is authorized to award to AEEC a grant of \$100,000 to help fund the conceptual cost, cost estimate and financial feasibility analysis components of the project described in the ordinance upon receipt of a completed acceptable application from AEEC, and the March 15, 2018, deadline to submit this grant application for the grant is hereby waived.

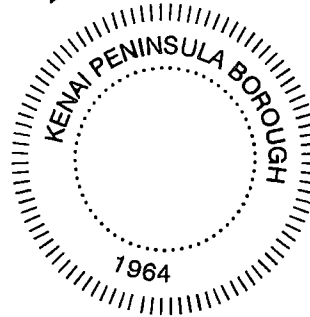
SECTION 4. That this ordinance takes effect immediately upon its enactment

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 3RD DAY OF APRIL, 2018.


Wayne H. Ogle, Assembly President

ATTEST:


John Blankenship, MMC, Borough Clerk



Yes: Bagley, Blakeley, Carpenter, Dunne, Fischer, Hibbert, Smalley, Ogle
No: None
Absent: None