

Kenai Peninsula Borough
Community & Fiscal Projects

MEMORANDUM

TO: Wayne Ogle, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Brandi Harbaugh, Finance Director *BH*
Kevin Lyon, Capital Projects Administrator *KL*

FROM: Brenda Ahlberg, Community & Fiscal Projects Manager *BA*

DATE: July 5 2018

RE: Ordinance 2018-19-02, Accepting and Appropriating \$10,010,000 from the State of Alaska Department of Education & Early Development for the Kachemak Selo New K-12 School Construction Project Subject to Voter Approval of the Bonds for the Local Match (Mayor)

The Kachemak Selo New School K-12 Construction project began on July 9, 2011 when a petition was submitted by the local residents to the school board requesting a public school facility. The school currently functions out of three leased, residential-type facilities that have deteriorated to the point that they are no longer viable as educational facilities.

The Educational Specification plan for the new school was funded by a community development block grant in 2013 and approved by the school board on April 14, 2014. The project was submitted to the Department of Education and Early Development (DEED) during the FY17 grant application process and awarded funding through the State of Alaska 2016/2017 Capital Budget [HCS CSSB 138(FIN) am H -DEED "School Construction Fund;" page 3, line 24-25].

The project has been approved for funding as shown below:

\$10,010,000	65% DEED Approved Grant (state share)
\$5,390,000	35% Local Participation Share (bond upon voter approval)
\$60,000	Bond Expenses
<u>\$15,460,000</u>	Total Project Costs

This project will construct a new 15,226 square foot K-12 school. The scope of work includes site acquisition, site development, design and construction. This facility will allow the school district to provide adequate educational opportunities in the geographically isolated Kachemak Selo attendance area located at the head of Kachemak Bay, approximately 30 miles east of Homer Alaska.

This ordinance will become effective only if the voters approve the ballot proposition in ordinance 2018-21, approving the issuance of up to \$5,450,000 of general obligation bonds. Those bond funds would be used to pay the local match if approved.

Kevin Lyon, Capital Projects Administrator, is the project manager.

FINANCE DEPARTMENT GRANT/ACCOUNT VERIFIED	
Acct. No.	<u>400.71065.KSELO.49999</u>
Amount:	<u>N/A</u>
By: <u>pp</u>	Date: <u>7/3/18</u>