

MEMORANDUM

TO: Michele Hartline, Road Service Area Board Chairman
Members, Kenai Peninsula Borough Road Service Area Board

FROM: Dil Uhlin, Road Service Area Director
Marie Payfer, Special Assessment Coordinator

DATE: June 14, 2022

RE: Rollins Way RIAD Engineer's Estimate RSA Staff Report

In accordance with KPB 14.31.050(D), the following staff report is provided to the road service area (RSA) board for its consideration in evaluating the application for petition and determining whether the engineer's estimates for the following road improvement assessment district (RIAD) project should be funded through the Engineer's Estimate Fund established under KPB 5.20.160. Applications must be received by July 1 of each year (KPB 14.31.040), and petitions must be reviewed by September 1 of each year for construction in the following year (KPB 14.31.050(E)). The application for the Rollins Way RIAD was received timely on June 4, 2022, see Attachment #1. This project will be scheduled for year of construction in 2023.

The following is an analysis of the criteria the board must consider when it determines whether to appropriate money from the fund:

SECTION 1. APPLICATION:

SPONSORS: Justin Arnold & Michael Veal

SUBJECT ROADS: Located within the RSA South Region, Unit 3, the proposed district would include Rollins Way, for a total road length of approximately 2,130 LF. Rollins Way is currently not certified for road maintenance. The proposed project would benefit eighteen (18) residential properties. See Attachment #2, District Map.

SCOPE: The application requests that the subject road be improved with gravel upgrade to meet RSA Standards.

SECTION 2. KPB 14.31.080(A)(3) & (4) RESTRICTIONS ON FORMATION:

Pursuant to KPB 14.31.050(D), staff must prepare an initial report for the RSA board to consider for approval of an order for the engineer's estimate regarding the proposed project, based on the proposed boundaries (see Attachment #2) and a review of 14.31.080(A)(3) and (4) restrictions on formation for the proposed project.

Date: June 14, 2022

To: Kenai Peninsula Borough Road Service Area Board

RE: Rollins Way RIAD Engineer's Estimate RSA Staff Report

14.31.080(A)(3) *Do unimproved parcels represent more than 40% of the assessed value within the district?*

No. There are nine (9) unimproved parcels in this proposed district, representing 10.86% of the total assessed value of district properties. An additional nine (9) parcels within this district are improved residential properties, for a total of eighteen (18) parcels.

14.31.080(A)(4) *If this project is for construction of new roads, does one owner own more than 40% of the parcels to be benefited?*

This project is not for construction for new roads.

SECTION 3. KPB 14.31.050(E) RSA BOARD CRITERIA:

Pursuant to KPB 14.31.050(E), the RSA board shall consider the following factors in evaluating petition applications and determining whether to approve an order for an engineer's estimate:

1. *Whether the roads are currently on the maintenance system.*
Rollins Way is currently not on the KPB maintenance system. The proposed project is to improve and gravel the roadway, and to bring the roadway up to Borough road standards.
2. *The number of petitions for projects received that year.*
This is the second petition (application) for projects received during the 2022 calendar year. If approved, this project would be constructed in 2023.
3. *The funds available in the RIAD Engineer's Estimate Fund established under KPB 5.20.160.*
It is estimated that the RIAD application fee of \$1,000 will cover the engineers estimate. The current balance in the RSA's Engineer's Estimate Fund is \$3,050.
4. *Whether an application for district formation has been previously filed and whether conditions have changed that make the project more feasible than in past application years.*
This project has not been subject to a previous application for a special assessment district formation.

RECOMMENDATION:

The sponsor has visited with the owners of several benefited parcels included in the proposed district and believes they will be able to obtain the required signature thresholds for support of the project.

Rollins Way RIAD appears to be viable based on the substantial support for the project. Code requirements have been satisfied in regards to unimproved parcel ratio and ownership restriction percentages. The assessed value of the parcels appears sufficient to support the maximum assessment lien the equivalent of which is 21% of a parcel's value for paving projects, but that cannot be confirmed until a preliminary cost estimate is obtained. As of this date, zero (0) parcels are delinquent in real property taxes, meeting 14.31.080(A)(2) requirements of less than 10% of cost. Therefore, it is recommended that the RSA board approve to order an engineer's estimate for this proposed project.

Your consideration is appreciated.

**KENAI PENINSULA BOROUGH ROAD SERVICE AREA
RESOLUTION 2023-007**

**A RESOLUTION APPROVING THE PETITION REPORT
AND RECOMMENDING A BOROUGH MATCH FOR THE
ROLLINS WAY
ROAD IMPROVEMENT ASSESSMENT DISTRICT**

WHEREAS, the road service area (RSA) board authorized funding to obtain an engineer's estimate under KPB 14.31.050(E) for the Rollins Way Road Improvement Assessment District (RIAD) at its June 14, 2022, meeting; and

WHEREAS, the engineer's estimate is \$250,724.51 for the Rollins Way RIAD (includes construction costs of \$217,077.50, a 5% construction contingency of \$11,939.26, and other costs such as a 10 percent design & engineering cost of \$21,707.75); and

WHEREAS, in accordance with KPB 14.31.060(2)(a) a 10 percent project contingency cost of \$25,072.45, a RIAD filing fee adjustment of \$6,122.00, and a KPB administration fee of \$7,259.68, have been added to the engineers estimate bringing the total estimated project cost to \$289,178.64; and

WHEREAS, per KPB 14.31.050(I), the sponsor has provided the assessing department with written notice of intent to proceed with the project; and

WHEREAS, pursuant to KPB 14.31.060, the borough assessor or the assessor's designee, in consultation with RSA staff, has prepared and submitted a special assessment district Petition Report for the RSA board's consideration and approval prior to circulation; and

WHEREAS, pursuant to KPB 14.31.050(J), at least 10 days prior to the hearing date of this resolution, the KPB Assessing Department notified the proposed benefited parcel owners by general mail, describing the special assessment district and proposed improvement, providing a map of the proposed improvement, the date of the public hearing, and informing the recipients that the legal description of parcels within the proposed district as of the date the RSA board approves the resolution will be used to determine assessments, and any action to replat parcels within the proposed district must be completed and recorded before the date the RSA board approves the resolution; and

WHEREAS, KPB 5.20.170 established a borough match fund program for RIAD projects that upgrade existing roads. Pursuant to KPB 14.31.055(A), the RSA board may authorize up to 50 percent of the costs of a RIAD be defrayed from the borough match fund for any project that upgrades existing roads; and

WHEREAS, KPB 14.31.055(B) states a borough match may be considered on RIAD projects for: (1) pavement projects for existing roads which have been certified for borough maintenance, (2) pavement or gravel projects for existing roads, which do not meet borough standards in order that the road will be brought to borough standards, and

(3) pavement or gravel projects for existing substandard gravel roads, which have been certified for borough maintenance in order that the road will be brought to borough standards; and

WHEREAS, it is in the best interest of the road service area and borough residents to approve the petition report and recommend a borough match based on 14.31.055(D) criteria for the proposed RIAD and make a recommendation to the borough assembly regarding formation of the district;

NOW, THEREFORE, BE IT RESOLVED BY THE KENAI PENINSULA BOROUGH ROAD SERVICE AREA BOARD:

SECTION 1. The board approves the Petition Report for the proposed Rollins Way RIAD.

SECTION 2. The board recommends the assembly form and proceed with the Rollins Way RIAD as set forth in the attached Petition Report contingent upon the further requirements of KPB 14.31 being met. There are five (5) exhibits to the Petition Report which are included. Those exhibits are:

- 1) Petition Information Sheet: provides a description of the proposed improvement, a description of the limitations on withdrawing a petition signature under KPB 14.31.070(E), and provides the name, address and daytime telephone number of the sponsor(s) of the petition;
- 2) Estimated assessment roll: a spreadsheet listing the tax parcel number, legal description, the assessed valuation, the assessment-to-value ratio and any required prepayment of assessment as set forth in KPB 14.31.080(A)(1), maximum assessment, the name of the record owner, and any delinquencies or other special assessments liens of each parcel in the proposed district; additionally, the total estimate cost of the project, an estimate of the amount to be assessed to each parcel, and the total number of parcels to be assessed;
- 3) Map of the proposed RIAD district and boundaries;
- 4) Memorandum from the Finance Director stating the method of financing, interest rate to be paid, and setting forth the number and frequency of payments; and
- 5) Summary of construction cost estimates for the Rollins Way RIAD provided by McLane Consulting Inc., prepared on August 14, 2023.

SECTION 3. The board approves expenditure of up to 50 percent (estimated to be \$144,589.32) from the RIAD Match Fund for the Rollins Way RIAD. This RIAD includes a gravel road improvement for Rollins Way for approximately 2,050 lineal feet of roadway.

SECTION 4. The project scope of work provides gravel road upgrades to approximately 2,050 linear feet not currently on the Road Service Area maintenance list. This project will improve Rollins Way up to the current RSA Category II road standards so that the roadway may qualify for RSA road maintenance in the future.

SECTION 5. The board recommends that the borough proceed with the construction of the road improvement to a district encompassing 18 benefited parcels, as shown in Petition

Report Exhibit 3, the district map, contingent upon the further requirements of KPB Chapter 14.31 being met.

SECTION 6. The board makes the following findings required by KPB 14.31.055(D):

1. Standard: Whether it is economically feasible to improve the road to RSA certification standards.
Finding: The entire project cost is estimated to be \$289,178.64. The project would provide a gravel upgrade to bring the roadway up to Borough road standards. Considering these factors, along with the funds available for RIAD matches, the project is economically feasible.
2. Standard: To what extent do the assessed values of the benefited properties support the scope of work for the project.
Finding: Pursuant to KPB 14.31.080(A)(1), no lien may exceed 21 percent of the current assessed value of the parcel for gravel improvements. The attached spreadsheet, Petition Report Exhibit 2, shows that if the borough makes a 50 percent match, assessments for each parcel will be \$8,032.74. Parcels range in value for 2023 from \$20,900 to \$379,100. Liens will exceed 21% of the current assessed value on ten (10) parcels within the proposed district. Partial prepayments of assessments (liens) will be required on these parcels. However, the overall assessed values support the project.
3. Standard: The number of applications for projects received that year.
Finding: This is the first of two applications received timely for application year 2023, pursuant to Ord. No. 2022-35, § 1, 9-6-22. This project is scheduled for a 2024 construction.
4. Standard: The funds available in the Road Improvement Assessment District Match Fund.
Finding: The balance of the RIAD Match Fund is \$0.00, which will require an appropriation from the Road Service Area Operating Fund (RSA) to cover the match costs for this project; there are currently sufficient funds in the RSA fund balance to support this transfer.
5. Standard: Whether an application for district formation has been previously filed and whether conditions have changed to make the project more feasible than in past application years.
Finding: No application for district formation has been submitted for these roadways.
6. Standard: The number of residents served.
Finding: Based on ownership, the proposed RIAD serves an estimated 16 residents.
7. Standard: The number of parcels served.
Finding: There are 18 parcels served.
8. Standard: The feasibility of the project's compliance with KPB 14.31.080(A) criteria regarding restrictions on formation.

Finding: The project meets all the following feasibility criteria:

1. *Does the assessment to assessed value ratio exceed 21 percent for gravel improvements to an existing road, or 25 percent for pavement improvements, or 40 percent for construction of a new road, of the current assessed value of the parcels?*

Yes. There are ten (10) properties within this RIAD whose assessment to assessed value ratio exceeds the 21 percent for gravel improvements restriction. Prepayments of assessments will be required, totaling \$25,433.40.

2. *Are there parcels bearing more than 10 percent of the estimated costs of the improvement that are subject to unpaid, past-due borough property taxes?*

No. Presently there are no parcels within this RIAD which are delinquent in payment of borough real property taxes.

3. *Do unimproved parcels represent more than 40 percent of the assessed value within the district?*

No. Of the 18 total properties within this residential neighborhood district, there are 9 parcels which are unimproved properties, a ratio of 13.34% of the district's assessed value.

4. *For construction of new roads, does one owner owns more than 40 percent of the parcels to be benefited?*

N/A.

9. Standard: Whether there is alternate access to properties serviced by the roads and the condition of that alternate access.

Finding: There are no alternate accesses to Rollins Way.

SECTION 7. That this resolution takes effect immediately and a copy of this resolution be forwarded to the mayor and assembly.

ADOPTED BY THE KENAI PENINSULA BOROUGH ROAD SERVICE AREA BOARD ON THIS 14TH DAY OF NOVEMBER, 2023.

Michele Hartline

Michele Hartline, Road Service Area Board Chair

ATTEST:

Scott Griebel

Scott Griebel, Roads Service Area Director

Finding: The project meets all the following feasibility criteria:

1. *Does the assessment to assessed value ratio exceed 21 percent for gravel improvements to an existing road, or 25 percent for pavement improvements, or 40 percent for construction of a new road, of the current assessed value of the parcels?*

Yes. There are ten (10) properties within this RIAD whose assessment to assessed value ratio exceeds the 21 percent for gravel improvements restriction. Prepayments of assessments will be required, totaling \$25,433.40.

2. *Are there parcels bearing more than 10 percent of the estimated costs of the improvement that are subject to unpaid, past-due borough property taxes?*

No. Presently there are no parcels within this RIAD which are delinquent in payment of borough real property taxes.

3. *Do unimproved parcels represent more than 40 percent of the assessed value within the district?*

No. Of the 18 total properties within this residential neighborhood district, there are 9 parcels which are unimproved properties, a ratio of 13.34% of the district's assessed value.

4. *For construction of new roads, does one owner owns more than 40 percent of the parcels to be benefited?*

N/A.

9. Standard: Whether there is alternate access to properties serviced by the roads and the condition of that alternate access.

Finding: There are no alternate accesses to Rollins Way.

SECTION 7. That this resolution takes effect immediately and a copy of this resolution be forwarded to the mayor and assembly.

ADOPTED BY THE KENAI PENINSULA BOROUGH ROAD SERVICE AREA BOARD ON THIS 14TH DAY OF NOVEMBER, 2023.

Michele Hartline

Michele Hartline, Road Service Area Board Chair

ATTEST:

Scott Griebel

Scott Griebel, Roads Service Area Director



Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Michele Turner, CMC
Borough Clerk

CERTIFICATION OF PETITION

Rollins Way Road Improvement Assessment District

A petition for formation of the Rollins Way Road Improvement Assessment District was received in the Office of the Borough Clerk on Friday, January 5, 2024.

SIGNATURE REQUIREMENT: Signatures of owners of record of at least 60% of the total number of parcels subject to the assessment are required as well as at least 60% in value of the properties benefited.

SUFFICIENT SIGNATURES: The petition included signatures of the owners of record of 11 parcels (61.11%) and were all validated. The 11 parcels represent 68.41% of the assessed value of the properties benefited.

NON-REFUNDABLE FILING FEE: \$1,000 received on July 1, 2022

I, Michele Turner, Clerk of the Kenai Peninsula Borough hereby certify the referenced petition is sufficient per the requirements set forth in KP.B 14.31.070.

Dated this 9th day of January, 2024.

Michele Turner, CMC
Borough Clerk



Copies Provided to:

Petition Sponsors: Justin Arnold and Mike & Tracy Veal
Marie Payfer, KP.B Special Assessment Coordinator
KP.B Assembly President Johnson and Assembly Members
KP.B Mayor Peter A. Micciche

**PETITION SIGNATURE PAGE
ROLLINS WAY RIAD**

Road Improvement Assessment District

NOTICE TO PETITION SIGNERS:

1. Signed petition pages **must be returned to the SPONSOR(S)**
2. Signatures must be in ink.
3. See Page 2 for **important information**: deadline for signatures and signature requirements.
4. **Your signature(s) represents a VOTE IN FAVOR** of the project for the parcel listed below. If you are in favor of the project, you must sign and date your approval for each parcel you own which is included within the district. A signature on a petition may be withdrawn only by written notice from the signer submitted to the assessing department *prior* to the final filing of the completed petition signature pages by the sponsor. *A withdrawal is effective only if written notice of the withdrawal is submitted before the filing of the completed petition to the assessing department.* This restriction does not preclude the property owners from filing an objection as to the necessity of formation of the district as provided in KPB 14.31.090(D).
5. This Petition consists of the following:
 - A. This Petition Signature Page; and
 - B. Petition Report, and the following exhibits:
 - (1) **Petition Information Sheet**: provides a description of the proposed improvement, a description of the limitations on withdrawing a petition signature under KPB 14.31.070(E), and provides the name, address and daytime telephone number of the sponsor(s) of the petition;
 - (2) **Estimate assessment roll**: a spreadsheet listing the tax parcel number, legal description, the assessed valuation, the assessment-to-value ratio and any required prepayment of assessment as set forth in KPB 14.31.080(A)(1), maximum assessment, the name of the record owner, and any delinquencies or other special assessment liens of each parcel in the proposed district, the total estimate cost of the project, an estimate of the amount to be assessed to each parcel, and the total number of parcels to be assessed; and
 - (3) **Map** of the proposed RIAD district and boundaries;
 - (4) **Memorandum** from the Finance Director stating the method of financing, interest rate to be paid, and setting forth the number and frequency of payments.
 - (5) **Summary of construction cost estimates** for the Rollins Way RIAD provided by McLane Consulting, Inc., prepared August 14, 2023.
6. RIAD Sponsor(s):

Justin Arnold	PO Box 577, Homer AK 99603	(907) 244-1933	AkJustinArnold@Gmail.com
Mike & Tracy Veal	PO Box 341, Homer AK 99603	(907) 399-6245	Mikee5star@Yahoo.com

THE OWNER(S) OF RECORD, BY HIS/HER SIGNATURE ACKNOWLEDGES THAT HE/SHE HAS HAD THE OPPORTUNITY TO READ THE DOCUMENTS COMPRISING THE PETITION LISTED IN #5 ABOVE AND APPROVES THE PROPOSED ROAD IMPROVEMENT ASSESSMENT DISTRICT.

Owner(s) of Record

«Name»
«Addr1»
«Addr2»

Parcel No.: «PIN»
Assessed Value: «AV»
Legal: «Legal»

Signature: _____ Date _____

Signature: _____ Date _____

IMPORTANT INFORMATION
RIAD Petition Signature Page

IN ORDER FOR THE SPONSOR TO MEET THE DEADLINE FOR SIGNATURE OF THE COMPLETED PETITION:

It is important to coordinate the timing of the distribution of the petitions to the property owners, and the signing & collection of the completed petition signature pages.

KPB 14.31.070(C): Deadline for Signature. Upon receiving a copy of the petition, the sponsor is responsible for distributing the petition to all property owners within the approved boundaries and collecting the signatures of those property owners who support the formation of the RIAD. Completed petition signature page(s) must be filed with the assessing department within 45 days of the date the assessing department distributes the petitions to the sponsor.

IMPORTANT: Contact the sponsors regarding the deadline for signatures

Justin Arnold	PO Box 577, Homer AK 99603	(907) 244-1933	AkJustinArnold@Gmail.com
Mike & Tracy Veal	PO Box 341, Homer AK 99603	(907) 399-6245	Mikee5star@Yahoo.com

KPB 14.31.070(D): Signature requirements. The petition must contain the signatures of the owners of record of (a) at least 60 percent of the total number of parcels subject to assessment within the proposed district and (b) at least 60 percent in value of the property to be benefited, in order to be considered by the assembly for formation.

1. **Multiple owners:** When a parcel is owned by more than one person or entity, signatures for each record owner are required in order for the parcel to count towards the signature thresholds. All signatures shall be consistent with the requirements listed in KPB 14.31070(D)(2)-(6), as applicable. *[If the joint owner is deceased a copy of the death certificate must be provided with the petition signature page.]*
2. **Signature by Proxy:** Signatures by proxy will not be accepted by the clerk.
3. **Power of Attorney:** The signature of a power of attorney will only be accepted by the borough if the signature is accompanied by a copy of the Power of Attorney document providing authority for such signatures.
4. **Business entities:**
 - a. **Corporations:** Where a parcel is owned by a corporation, the petition shall be signed by two individuals, one of whom is the chairman of the board, the president, or the vice president, and the other of whom is the secretary or treasurer, or by another person or persons who have been given authority via corporate resolution.
 - b. **Limited liability companies:** Where a parcel is owned by a LLC, the petition must be signed by a member if the LLC is member-managed, or by the manager, if a manager has been designated.
 - c. **Other business owners:** Where a parcel is owned by another type of business entity, only those persons who have signatory authority to bind the business entity under Alaska Statutes may sign the petition as owner.
5. **Trusts:** Where a parcel is owned by a trust, only the trustee may sign as the property owner. If there are co-trustees, a majority must sign the petition in order for the parcel to count towards the signature thresholds unless otherwise provided in the trust document. The signature of the trustee(s) shall be accepted by the clerk if it is accompanied by a copy of the trust document.

KPB 14.31.070(E): Signature withdrawal. A signature on a petition may be withdrawn only by written notice from the signer submitted to the assessing department prior to the final filing of the petition signatures by the sponsor. A withdrawal is effective only if notice of the withdrawal is submitted before the filing of the completed petition.

PETITION REPORT ROLLINS WAY ROAD IMPROVEMENT ASSESSMENT DISTRICT (RIAD)

In accordance to KPB Code Chapter 14.31, this petition proposes a road improvement assessment district (RIAD) be formed in the area of Anchor Point, for the purpose of a gravel improvement for a total road length of 2,050 linear feet (LF) of the subject roadway of Rollins Way. A map showing the parcels to be assessed is attached to the Petition Report as Exhibit 3. The project would benefit 18 parcels.

Project proposal: This RIAD includes gravel improvement for Rollins Way for approximately 2,050 total lineal feet of roadway. The engineer's estimate for the total cost of construction is \$250,724.51, which includes the 2024 estimated construction cost of \$217,077.50, a 5 percent construction cost of \$11,939.26, a 10 percent design and development cost of \$21,707.75. Added to the engineer's estimate is a 10 percent project contingency cost of \$25,072.45 (in accordance with KPB 14.31.060(2)(a)), a RIAD Filing Fee adjustment of \$6,122.00, and a KPB Administration Fee cost of \$7,259.68. **The total estimated project cost is \$289,178.64.** Accordingly, after accounting for a maximum RSA Match of 50% (*contingent on the availability of funds, and Assembly approval*), the total estimated project cost for the **benefited parcels is \$144,589.32.** The proposed method of cost allocation is by equal assessment to each of the 18 benefited parcels. **The allocated cost per parcel is estimated at \$8,032.74.** See Exhibit 2 of the Petition Report, estimate assessment roll, for project cost calculation.

This Petition Report (PR) is supported by the attached exhibits:

- 1) **Petition Information Sheet:** provides a description of the proposed improvement, a description of the limitations on withdrawing a petition signature under KPB 14.31.070(E), and provides the name, address and daytime telephone number of the sponsor(s) of the petition;
- 2) **Estimate assessment roll:** a spreadsheet listing the tax parcel number, legal description, the assessed valuation, the assessment-to-value ratio and any required prepayment of assessment as set forth in KPB 14.31.080(A)(1), maximum assessment, the name of the record owner, and any delinquencies or other special assessment liens of each parcel in the proposed district, the total estimate cost of the project, an estimate of the amount to be assessed to each parcel, and the total number of parcels to be assessed; and
- 3) **Map** of the proposed RIAD district and boundaries;
- 4) **Memorandum** from the Finance Director stating the method of financing, interest rate to be paid, and setting forth the number and frequency of payments.
- 5) **Summary of construction cost estimates** for the ROLLINS WAY RIAD provided by McLane Consulting, Inc., prepared August 14, 2023.

RIAD sponsor(s):

Justin Arnold	PO Box 577, Homer AK 99603	(907) 244-1933	AkJustinArnold@Gmail.com
Mike & Tracy Veal	PO Box 341, Homer AK 99603	(907) 399-6245	Mikee5star@Yahoo.com

For additional information, contact:

Marie Payfer, KPB Special Assessment Coordinator

(907) 714-2250 or Email: mpayfer@kpb.us

PETITION INFORMATION SHEET ROLLINS WAY ROAD IMPROVEMENT ASSESSMENT DISTRICT (RIAD)

In accordance to KPB Code Chapter 14.31, this petition proposes a road improvement assessment district (RIAD) be formed in the area of Kalifornsky, for the purpose of improving and paving a total road length of 4,805 linear feet (LF) of the subject roads of South Bend Bluff Estates. A map showing the parcels to be assessed is attached to the Petition Report (PR) as PR Exhibit 3. The project would benefit 51 parcels.

Project proposal: This RIAD includes gravel improvement for Rollins Way for approximately 2,050 total lineal feet of roadway. The engineer's estimate for the total cost of construction is \$250,724.51, which includes the 2024 estimated construction cost of \$217,077.50, a 5 percent construction cost of \$11,939.26, a 10 percent design and development cost of \$21,707.75. Added to the engineer's estimate is a 10 percent project contingency cost of \$25,072.45 (in accordance with KPB 14.31.060(2)(a)), a RIAD Filing Fee adjustment of \$6,122.00, and a KPB Administration Fee cost of \$7,259.68. **The total estimated project cost is \$289,178.64.** Accordingly, after accounting for a maximum RSA Match of 50% (*contingent on the availability of funds, and Assembly approval*), the total estimated project cost for the **benefited parcels is \$144,589.32.** The proposed method of cost allocation is by equal assessment to each of the 18 benefited parcels. **The allocated cost per parcel is estimated at \$8,032.74.** See Exhibit 2 of the Petition Report, estimate assessment roll, for project cost calculation.

Additionally, with regard to each benefited parcel, PR Exhibit 2 (the estimate assessment roll) contains the tax parcel number, name of record owner, legal description, assessed value, estimated amount of special assessment, the existence of other special assessment liens (if any), and any violations of the assessment to value ratio per KPB 14.31.080(A).

The sponsor of this RIAD petition is:

Justin Arnold	PO Box 577, Homer AK 99603	(907) 244-1933	AkJustinArnold@Gmail.com
Mike & Tracy Veal	PO Box 341, Homer AK 99603	(907) 399-6245	Mikee5star@Yahoo.com

What costs are covered: The estimated assessment will only cover the cost to improve the public right-of-way of the above-mentioned roadway, not the private driveways to individual benefited parcels.

Assessment lien and lien restrictions: The cost will be assessed in the form of a recorded lien on the benefited parcel. The lien will remain on the property until the assessment has been paid in full. In no case may a property be assessed (liened) an amount in excess of 21% of the current assessed value of the property for a paving improvement. For the purpose of this restriction, the estimated amount of the special assessment against a parcel will be reduced by the amount of a partial *prepayment* of the assessment, to reduce the assessment (lien amount) to less than or equal to 21% of the property's assessed value.

Within this district, there are ten (10) parcels which are affected by the assessment to value lien limit restriction. See PR Exhibit 2, Estimate Assessment Roll, for those parcels affected by this restriction, under column headed "Prepayment Required".

Payment options: The cost assessed can be paid in full, or in 10 annual installments with interest to accrue on the unpaid amount of the assessment. The assessment may be paid at any time prior to the 10-year period without penalty. Interest will be added to any assessments not paid within 30 days of the date of mailing the Notice of Assessment (occurs after

construction). The interest rate charged is the ***prime rate plus 2%** (**as of the date the ordinance confirming the assessment roll is enacted by the assembly*), and is fixed for the life of the loan. The penalty for delinquent installment and assessment payments is the same as the penalty for delinquent real property taxes in effect on the date of the delinquency. The lien will remain on the parcel until the debt has been paid in full.

Legal description of parcels: The legal description of the parcels subject to the special assessment within the proposed RIAD was established as of the date of the RSA resolution to approve the petition report and recommend a borough match. **The RSA Board approved RSA Resolution 2023-007 on November 14, 2023.** Any action to replat parcels within the proposed RIAD must have been completed and recorded before the date the RSA board approved the resolution. No further subdivision, reversion of acreage, or lot line adjustment will be recognized for RIAD assessment purposes after the RSA board issues the resolution.

Important information regarding subdividing benefited properties: pursuant to KPB 14.31.080(B), if a property owner seeks to subdivide a benefited parcel after the date of the RSA resolution or after costs are assessed, the property owner will be required to pay off the remaining balance of the assessment – or prepay estimated costs if the final assessment has not been determined – prior to approval of the final plat pursuant to KPB 20.60.030. Refunds of prepayments of assessments for plat approvals may apply: (a) if the RIAD petition or project should fail for any reason; (b) if the final plat is not approved pursuant to KPB 20.60.030 and the subdividing property request a refund within 30-days of the final assessment; or, (c) for any amount in excess of the prepaid estimated cost over the final assessment. The subdividing property owner will be responsible for payment if the estimate costs are less than the final assessment due within 30-days of the final assessment approval. See the KPB Finance Department for additional information.

Deferral of Payment of Principle (only): A deferment (e.g., postponement or delay) of payment of principle only, may be available to a qualifying owner of a benefited property. Some qualifications are: • the property must be owned and occupied as the primary residence of the application; • the owner must be economically disadvantaged; and • interest will accrue and must be paid annually. Applications and annual renewals (to verify qualifying conditions continue to exist) must be submitted to the Finance Department by February 1. See the Finance Department for all restrictions and requirements for the deferment of principle option.

Petition signature thresholds: This petition proposes to assess all benefited parcels equally. In order to qualify, the petition must have the signatures of the owners of record of (a) at least 60% of the total number of parcels subject to assessment within the proposed RIAD, *and* (b) at least 60% in value of the property to be benefited. **Approval of the project is signified by properly signing and dating the Petition Signature Page.** Failure to secure enough signatures to meet these thresholds will cause the petition to fail.

Petition signature requirements: An owner's signature represents a **VOTE IN FAVOR** of the project. All signatures must be made in ink, dated properly, and the completed Petition Signature Page must be returned to the RIAD sponsor in a timely manner to meet the petition deadline. For parcels with joint ownership *each owner of record must sign and date the petition*. If a joint owner is deceased a copy of the death certificate must be provided. Refer to page 2 of the **Petition Signature Page** (included) for additional instructions.

Signature withdrawal, KPB 14.31.070(E): A signature on a petition may be withdrawn only by written notice from the signer submitted to the Assessing Department *prior* to the final filing of the completed petition signature pages by the sponsor. *A withdrawal is effective only if written notice of the withdrawal is submitted before the filing of the completed petition to the assessing department.* This restriction does not preclude the property owners from filing an objection as to the necessity of formation of the district as provided in KPB 14.31.090(D).

Deadline for signatures: The sponsor will be responsible to file the completed petition (signed & dated *Petition Signature Pages*) to the assessing department within *45 days of the date on which the assessing department distributes the final petition to the sponsor* for distribution to all property owners. Benefited property owners should **contact the RIAD sponsor(s)** with any questions regarding the **petition deadline**.

Certification of petition: Once the sponsor files the completed petition with the assessing department, the borough clerk shall determine whether the petition contains sufficient signatures as required. If the petition meets the required signature thresholds, the borough clerk shall certify the petition and submit the petition to the mayor for preparation of a resolution to form the district and proceed with the improvement.

ONLY the *Petition Signature Page* needs to be returned to the RIAD sponsor(s):

Justin Arnold	PO Box 577, Homer AK 99603	(907) 244-1933	AkJustinArnold@Gmail.com
Mike & Tracy Veal	PO Box 341, Homer AK 99603	(907) 399-6245	Mikee5star@Yahoo.com

For additional information, contact:

Marie Payfer, *KPB Special Assessment Coordinator*

Direct: 907-714-2250 or Email: *mpayfer@kpb.us*

ROLLINS WAY RIAD - ESTIMATED ASSESSMENT ROLL

Resolution to Form the District and Proceed with the Improvement

Preliminary Estimate	
Construction Cost:	217,077.50
Contingency (5%):	11,939.26
Construction Cost Subtotal:	229,016.76
Engineering Design (10%):	21,707.75
Total Estimated Construction Cost:	250,724.51
RIAD Project Contingency (10%):	25,072.45
RIAD Filing Fee Adjustment:	6,122.00
RPB Administration Cost:	7,259.68
Total Estimated Project Cost:	289,178.64
Less Road Service Area Match (50%):	144,589.32
Estimated Cost to Parcel Owners:	144,589.32
Number of Benefited Parcels:	18
Estimated Cost Per Parcel:	8,032.74

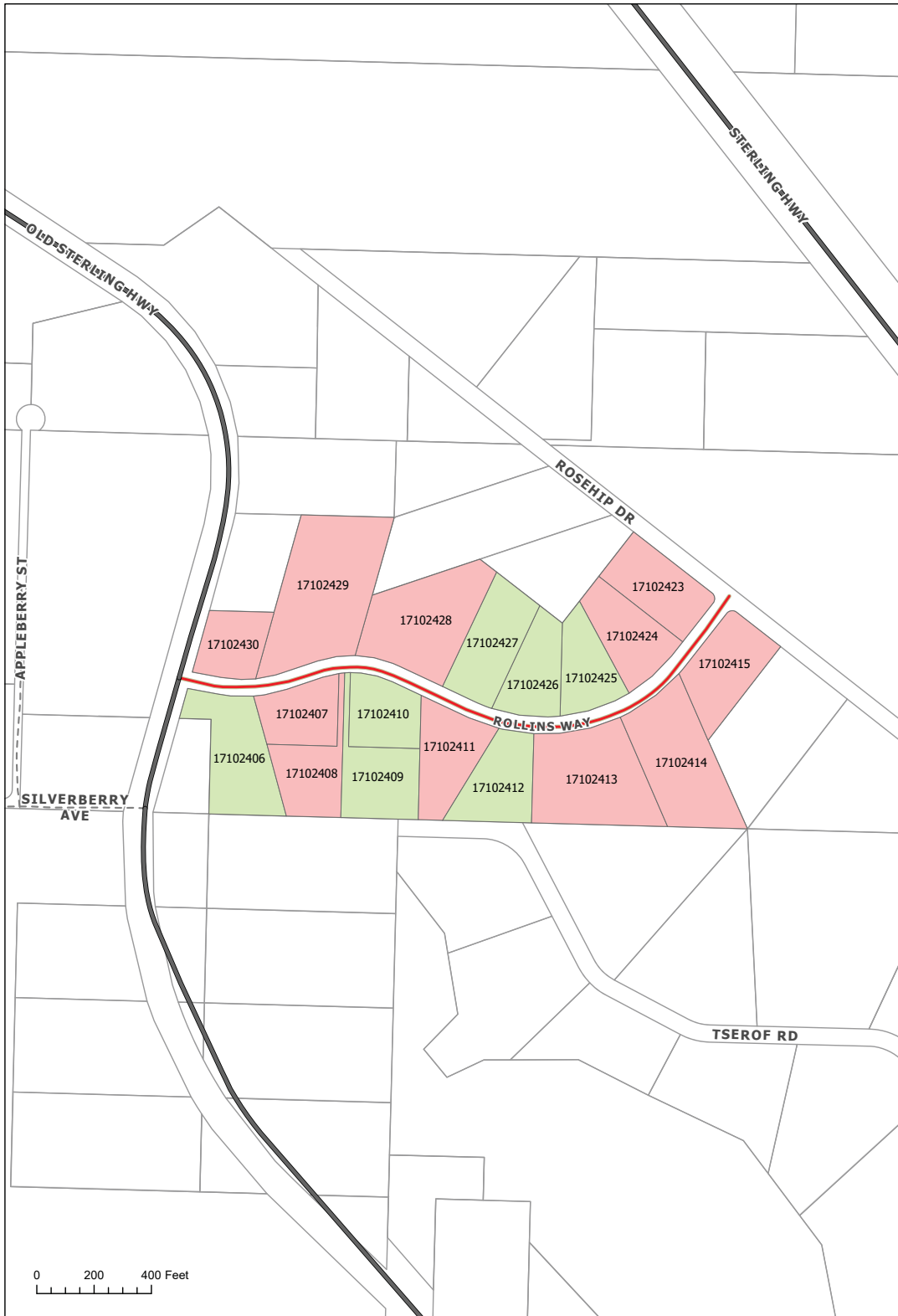
Costs	
Construction Cost:	217,077.50
Contingency (5%):	11,939.26
Construction Cost Subtotal:	229,016.76
Engineering Design (10%):	21,707.75
Total Estimated Construction Cost:	250,724.51
RIAD Project Contingency (10%):	25,072.45
RIAD Filing Fee Adjustment:	6,122.00
RPB Administration Cost:	7,259.68
Total Estimated Project Cost:	289,178.64
Less Road Service Area Match (50%):	144,589.32
Estimated Cost to Parcel Owners:	144,589.32
Number of Benefited Parcels:	18
Estimated Cost Per Parcel:	8,032.74

Total Assessed Value: 2023 Certified Values
 Lien limit per parcel: <21% of AV for Growl Projects
 144,589.32
 Less any pre-payments paid: **(25,433.42)** *RPB 14.31.080(A)(1), Growl <21%*
Total Estimated Project Cost: 119,155.90

Total Estimated Assessments:
 18
 11
 61.11% *RPB 14.31.070(D)(6), 60%*
 68.41% *RPB 14.31.070(D)(6), 60%*
 0% *RPB 14.31.080(A)(2), <10%*
 13.34% *RPB 14.31.080(A)(3), <40%*

*Total number of parcels in district:
 Total number parcels in Favor:
 Percentage of parcels Assessed Value in Favor:
 Percentage of parcels w/Delinquent RP Taxes:
 Unimproved parcels AV / District AV:*

PARCEL ID	LEGAL	2023 ASSESSED VALUE	Lien Limit <21% AV	Maximum Assessment (If necessary)	Prepayment Required #991432.000(A)(2)	Prepayment Amount Paid	Date of Prepayments	OWNER	MALING ADDRESS	CITY STATE ZIP	PHYSICAL ADDRESS	SPC ASSMT	2023 DEL TAX	IN FAVOR YES	IN FAVOR AV	
171-024-06	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 14	32,300	24.87%	6,783.00	1,249.74	1,249.74	5/5/2024 #1109/ARNOLD	KRISHER, JOHN R	PO BOX 460	PUTNEY, VT 05346	69431 ROLLINS WAY	NO	NO		0	
171-024-07	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 16	126,300	6.36%	8,032.74	0.00			FLOREZ, KARENA LIVING TRUST	3930 N DIAMOND DR	KINGMAN, AZ 86409		NO	NO		0	
171-024-08	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 15	73,700	10.90%	8,032.74	0.00			KRISHER, JOHN R	PO BOX 460	PUTNEY, VT 05346	69715 ROLLINS WAY	NO	NO	YES	29,500	
171-024-09	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 18	29,500	27.23%	6,194.99	1,837.75	1,837.75	4/4/2024 #1150	MAZEN, STEVE & BRENDA	69655 ROLLINS WAY	ANCHOR POINT, AK 99556	69646 ROLLINS WAY	NO	NO	YES	29,500	
171-024-10	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 17	27,000	29.75%	5,670.00	2,362.74	2,362.74	4/25/2024 CC 0167104435	GHERMAN, DINA	40700 OLD STERLING HWY	ANCHOR POINT, AK 99556	69588 ROLLINS WAY	NO	NO	YES	134,900	
171-024-11	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 19	134,900	5.95%	8,032.74	0.00			MAZEN, STEVE & BRENDA	69655 ROLLINS WAY	ANCHOR POINT, AK 99556		NO	NO	YES	21,800	
171-024-12	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 20	21,800	36.85%	4,577.99	3,454.75	3,454.75	4/4/2024 #1150	MAZEN, STEVEN M & BRENDA D	69655 ROLLINS WAY	ANCHOR POINT, AK 99556		NO	NO	YES	31,300	
171-024-13	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 21	31,300	25.66%	6,573.00	1,459.74	1,459.74	5/5/2024 #857	OSTERWISE, DAN M	PO BOX 2651	HOMER, AK 99603	40856 OLD STERLING HWY	NO	NO	YES	93,600	
171-024-14	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 22	93,600	8.58%	8,032.74	0.00			ARNOLD, JUSTIN	PO BOX 577	HOMER, AK 99603		NO	NO	YES	158,600	
171-024-15	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 23	158,600	5.06%	8,032.74	0.00			VEAL COMMUNITY PROPERTY TRUST	PO BOX 341	HOMER, AK 99603	69675 ROLLINS WAY	NO	NO	YES	31,000	
171-024-23	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 5	31,000	25.91%	6,510.00	1,522.74	1,522.74	4/22/2024 #318	RATE, JOHN E	PO BOX 1058	ANCHOR POINT AK 99556		NO	NO	YES	23,800	
171-024-24	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 6	23,800	33.75%	4,998.00	3,034.74	3,034.74	4/22/2024 #318	RATE, JOHN E	PO BOX 1058	ANCHOR POINT AK 99556	69655 ROLLINS WAY	NO	NO	YES	20,900	
171-024-25	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 7	20,900	38.43%	4,389.00	3,643.74	3,643.74	4/22/2024 #318	RATE, JOHN E	PO BOX 1058	ANCHOR POINT AK 99556		NO	NO	YES	0	
171-024-26	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 8	21,100	38.07%	4,431.00	3,601.74	3,601.74	4/25/2024 CC 0167104435	GHERMAN, DINA	40700 OLD STERLING HWY	ANCHOR POINT, AK 99556	69477 ROLLINS WAY	NO	NO	NO	0	
171-024-27	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 9	22,700	35.39%	4,767.00	3,265.74	3,265.74	5/5/2024 #1101/ARNOLD	CRAGG, HAYLEY M & WILLIAM CODY	1570 SE RAMSAY RD	BEND, OR 97702		NO	NO	NO	0	
171-024-28	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 10	379,100	2.12%	8,032.74	0.00			FRANK, MARISA LAUREN & KEVIN MITCHELL	69588 ROLLINS WAY	ANCHOR POINT, AK 99556		NO	NO	YES	379,100	
171-024-29	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 11	256,700	3.13%	8,032.74	0.00			FOUKERT, MARICEL A	PO BOX 1368	ANCHOR POINT, AK 99556	69404 ROLLINS WAY	NO	NO	YES	256,700	
171-024-30	T55 R 14W SEC 19 SEWARD MERIDIAN HM 0860070 STERLING ACRES SUB UNIT 1 LOT 13	242,300	3.32%	8,032.74	0.00			JOHNSON, JIM & VELLE, SHELIA	40856 OLD STERLING HWY	ANCHOR POINT, AK 99556	69345 ROLLINS WAY	NO	NO	NO	0	
18		1,726,600		119,155.90	25,433.42	25,433.42						0	11		1,181,200	
														# Parcels	10	# Parcel w/yp



ROLLINS WAY RIAD

- Proposed Improvement Route
- Borough Maintained Roads
- State Maintained Roads
- Improved Benefited Parcels
- Unimproved Benefited Parcels

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Brent Johnson, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Peter A. Micciche, Kenai Peninsula Borough Mayor *PAM*
Brandi Harbaugh, Finance Director *PH*

FROM: Nolan Scarlett, Property Tax & Collections Manager *NS*

DATE: 10/12/2023

RE: Rollins Way Road Improvement Assessment District (RIAD) Financing

The borough plans to provide the funds necessary to finance the Rollins Way RIAD from internal sources. KPB 5.10.040 allows the investment of borough monies in special assessment districts that are authorized under KPB 14.31. The total of such investments is limited to not more than \$5,000,000 at the end of any fiscal year. As of October 12, 2023, the borough has \$635,426 invested in special assessment districts; South Bend Bluff Estates RIAD is pending billing for \$385,082; Oxford Ave USAD has been previously approved for \$48,057; Jubilee Street USAD and Princess Lake Estates USAD are awaiting approval for \$670,137. If the Rollins Way RIAD is approved, the projected \$289,179 will increase the total special assessment district investment to approximately \$2,027,881.

The owners of property located within the RIAD will be required to make principal and interest payments each year for a ten-year period to retire the indebtedness to the borough. The rate of interest will be equal to the prime rate (currently 8.50%) plus 2.00% or 10.50%. Property owners can avoid or reduce the interest charge by making accelerated payments on the principal. Penalties will not be imposed for accelerated payments. The assessment constitutes a lien on each parcel within the district.

Kenai Peninsula Borough

Currently Proposed USAD/RIAD Projects
10/12/2023

	Appropriated Proposal		Outstanding Proposals	
Max Allowed	\$	5,000,000	\$	5,000,000
Current Balance (100.10706) as of:				
10/12/2023		635,426		635,426
Previously Approved Projects:				
South Bend Bluff Estates RIAD		385,082		385,082
Oxford Avenue USAD		48,057		48,057
<hr/>				
Projects Awaiting Approval:				
Jubilee Street USAD				42,562
Princess Lake Estates USAD				627,575
Rollins Way RIAD				289,179
Total	\$	1,068,565	\$	2,027,881

6.0 COST ESTIMATING

6.1 Construction Cost

Itemized construction costs are provided in standard ADOT format. Unit prices are based work completed in southcentral Alaska during the 2022 & 2023 construction season.

6.2 Cost Adjustments

This report includes a minimal inflation factor, as well as a recommended contingency factor. The inflation factor is applied to the individual unit prices. The contingency factor is applied to the total estimated cost, not individual unit prices.

6.3 Utility Conflicts

This report details few utility conflicts as utility locates were limited to test hole locations and visual inspection of overhead utilities. Several minor utility conflicts should be expected as described in section 3.5. There may be several effective measures for dealing with the potential conflicts from actual relocation or lowering/raising to design modifications. For the purpose of this estimate utility relocations costs have been excluded.

7.0 ENGINEER'S ESTIMATED COST

Description	Cost
RIAD Subtotal: Estimated Construction Cost	\$217,077.50
KPB Subtotal: Estimated Design, Inspection & Project Administration, 10% of Estimated Construction Cost	\$21,707.75
Project Subtotal:	\$238,785.25
Contingency, 5%:	\$11,939.26
TOTAL ESTIMATED CONSTRUCTION COST	\$250,724.51

Attach: RIAD Map
Unit Cost Schedule
Typical Sections
Soil Analysis, Test Hole Logs & Map

Rollins Way RIAD

2023 RIAD PROGRAM

ENGINEER'S ESTIMATE CONSTRUCTION COST 8/10/2023

Pay Item No.	Pay Item Description	Pay Unit	Quantity	Unit Bid Price	Pay Item Total
BASIC BID					
110(1)	Existing Utilities In Construction Zone	Lump Sum	All Required	(LUMP SUM)	\$ 3,500.00
110(2)	Pot Hole Underground Utility Line	Each	4	\$ 200.00	\$ 800.00
201(3B)	Clearing & Grubbing (Approx. 1.3 Acres)	Lump Sum	All Required	(LUMP SUM)	\$ 9,500.00
202(4)	Remove Culvert Pipe	Linear Foot	50	\$ 15.00	\$ 750.00
203(9)	Roadbed Widening, 22' Wide	Station	22.5	\$ 1,650.00	\$ 37,125.00
203(13)	Cul-De-Sac Construction 3,850 SF	Each	1	\$ 12,400.00	\$ 12,400.00
302(9B)	Subgrade Modification, 22' Wide, 12" Depth	Station	12	\$ 2,740.00	\$ 32,880.00
302(9A)	Subgrade Modification, 22' Wide, 18" Depth	Station	8.5	\$ 5,560.00	\$ 47,260.00
603(1-15)	15 Inch Corrugated Steel Pipe	Linear Foot	220	\$ 70.00	\$ 15,400.00
603(1-24)	24 Inch Corrugated Steel Pipe	Linear Foot	80	\$ 90.00	\$ 7,200.00
610(1A)	Ditch Lining	Linear Foot	150	\$ 10.00	\$ 1,500.00
618(1)	Seeding - Hydraulic Method (Approx. 0.5 Acres)	Lump Sum	All Required	(LUMP SUM)	\$ 4,500.00
630(1)	Non-Woven Geotextile, Separation Grade	Square Yard	5950	\$ 2.75	\$ 16,362.50
639(1)	Residence Approach	Each	11	\$ 400.00	\$ 4,400.00
640(1)	Mobilization And Demobilization	Lump Sum	All Required	(LUMP SUM)	\$ 1,000.00
641(1)	Erosion and Pollution Control Administration	Lump Sum	All Required	(LUMP SUM)	\$ 6,500.00
641(2)	Temporary Erosion and Pollution Control	Contingent Sum	All Required	(CONTINGENT SUM)	\$ 2,500.00
643(2)	Traffic Maintenance	Lump Sum	All Required	(LUMP SUM)	\$ 3,500.00
650(1)	Miscellaneous Work	Contingent Sum	All Required	(CONTINGENT SUM)	\$ 10,000.00
RIAD TOTAL ESTIMATED COST OF CONSTRUCTION				\$	217,077.50

Prepared By:



Gina DeBardelaben, P.E.

McLane Consulting, Inc.

ginadebar@mcLANECG.com

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