

Introduced by:	Mayor
Date:	08/03/21
Hearing:	08/17/21
Action:	Enacted
Vote:	8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2021-19-08**

**AN ORDINANCE APPROVING AND ACCEPTING \$11,403,341 FROM THE U.S.  
DEPARTMENT OF TREASURY, CORONAVIRUS STATE AND LOCAL FISCAL  
RECOVERY FUNDS ESTABLISHED BY THE AMERICAN  
RESCUE PLAN ACT OF 2021**

- WHEREAS,** on May 10, 2021 U.S. Department of the Treasury (“Treasury”) announced the launch of the Coronavirus State and Local Fiscal Recovery Funds (“Funds”), established by the American Rescue Plan Act of 2021; and
- WHEREAS,** the Funds are governed by Sections 602 and 603 of the Social Security Act as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2; and
- WHEREAS,** the borough meets the qualifications to be a direct recipient of the Funds in the amount of \$11,403,341 of which the first 50 percent has been received, followed by the second deposit to be received in May 2022; and
- WHEREAS,** the Funds must be used to respond to the COVID-19 public health emergency or its negative economic impacts, including lost revenue as well as necessary investments in water, sewer and broadband infrastructure projects; and
- WHEREAS,** it is in the borough’s best interest to utilize the Funds for projects that may provide the greatest public benefit on an areawide basis; and
- WHEREAS,** the Treasury released the Interim Final Rule which provides guidance to determine eligibility for recouping lost revenue using a prescribed calculation to convert actual revenue to a counterfactual trend representing what could have plausibly been expected to occur in the absence of the pandemic; and
- WHEREAS,** \$2,000,000 of the Funds are allocated to educational services be transferred to the Kenai Peninsula Borough School District for education; and
- WHEREAS,** the \$2,000,000 educational allocation may provide additional funding to the School District making the total local education contribution for FY2022 \$50,000,000, unless this amount exceeds the maximum allowable local contribution per AS 14.17.410(b)(2); and

**WHEREAS**, if \$50,000,000 exceeds the maximum allowable local contribution per AS 14.17.410(b)(2), the amount in excess will reduce the general fund contribution to the extent that the total general fund contribution and the \$2,000,000 will equal the lesser of \$50,000,000 or the maximum allowable contribution for FY2022; and

**WHEREAS**, the Central Peninsula Landfill wastewater leachate system rehabilitation project (“Leachate Project”) is an eligible project under the water and sewer infrastructure program, which serves all borough communities on the road system and commercial waste; and

**WHEREAS**, \$6,000,000 of the Funds are allocated to the solid waste Leachate Project; and

**WHEREAS**, the Funds may be used to address “pay-go” new infrastructure projects such as roads; and

**WHEREAS**, \$3,403,341 of the Funds are allocated to “pay-go” infrastructure projects to be approved by the assembly; and

**WHEREAS**, it is in the best interest of the borough to utilize the Funds for projects that may provide the greatest public benefit on an areawide basis;

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

**SECTION 1.** That the mayor is authorized to accept grant funds totaling \$11,403,341 from the U.S. Department of the U.S. Treasury.

**SECTION 2.** That \$2,000,000 is appropriated to account 271.94910.SLF01.49999 to be transferred to account number 241.94910.SLF01.50241 the Kenai Peninsula School District for education by way of Memorandum of Agreement.

**SECTION 3.** That \$6,000,000 is appropriated to account 271.94910.SLF02.49999 to be transferred to account 411.32122.SLF02.49999 for the Central Peninsula Landfill wastewater leachate system rehabilitation project.

**SECTION 4.** That \$3,403,341 is appropriated to account 271.94910.SLF03.49999 to be transferred to 400.78050.SLF03.49999 for pay-go infrastructure projects to be approved by the assembly.

**SECTION 5.** That the mayor is authorized to negotiate, execute, and administer any other documents, agreements, and contracts required under or related to the grant agreement and any subsequent grant amendments.

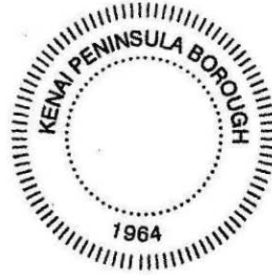
**SECTION 6.** That this ordinance shall be effective upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 17TH DAY OF AUGUST, 2021.**



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Brent Hibbert, Assembly President

ATTEST:

  
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Jonni Blankenship, MMC, Borough Clerk

Yes: Bjorkman, Carpenter, Chesley, Cox, Dunne, Elam, Johnson, Hibbert

No: None

Absent: Derkevorkian