

Introduced by: Mayor  
Date: 08/18/15  
Hearing: 09/01/15  
Action: Enacted  
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2015-19-09**

**AN ORDINANCE APPROPRIATING \$3,050,000 FROM THE CENTRAL PENINSULA HOSPITAL PLANT REPLACEMENT AND EXPANSION FUND AND DECLARING THE OFFICIAL INTENT TO ISSUE REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,050,000 TO PAY THE COST OF MEDICAL EQUIPMENT FOR THE SPECIALTY CLINIC BUILDING AT CENTRAL PENINSULA HOSPITAL**

**WHEREAS**, Resolution 2013-072 authorized the issuance of not to exceed \$43,000,000 Specialty Clinic Building Revenue Bonds for the purpose of providing amounts to engineer, design, construct, and equip a Specialty Clinic Building (“SCB”) in the Central Kenai Peninsula Hospital Service Area and Providing for the Details of the Bonds; and

**WHEREAS**, the borough elected to issue the debt in multiple phases with phase I issued in February 2014 in an amount of \$34,999,563 and phase II in June 2015 in the amount of \$3,200,000; and

**WHEREAS**, the Central Peninsula Hospital has requested that \$3,050,000 of the remaining authorized but unissued debt of \$4,800,437 be issued to purchase medical equipment for the SCB; and

**WHEREAS**, because the bond proceeds will not become available until at least November 2015, the hospital has requested that the medical equipment be purchased using funding from the Central Peninsula Hospital Plant Replacement and Expansion Fund, which would be reimbursed after the bonds are sold; and

**WHEREAS**, the borough plans to issue tax-exempt bonds to finance the equipment purchase;

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

**SECTION 1.** That \$3,050,000 is appropriated from Central Peninsula Hospital Plant Replacement and Expansion Fund to the Central Kenai Peninsula Capital Project Fund, account number 490.81110.14CPH.49999 to purchase medical equipment for the Specialty Clinic Building (“the Project”).

**SECTION 2.** That the appropriations made in this ordinance are of a project length nature and as such do not lapse at the end of any particular fiscal year.

**SECTION 3.** Official Intent. This ordinance is additionally enacted to satisfy the "official intent" requirements of Section 1.150-2 of the regulations adopted under the authority of the Internal Revenue Code of 1986, as amended, (the "Code") with respect to the Project, as described above. The Borough reasonably expects to issue up to \$3,050,000 principal amount of tax exempt bonds in one or more series (the "Bonds") for costs of the Project. The Borough intends to use all or a portion of the proceeds of the Bonds to finance costs of the Project, and certain other costs, which are eligible under the Code for financing with proceeds of tax-exempt bonds. Such costs incurred up to 60 days before the effective date of this ordinance will be eligible for reimbursement with proceeds of the Bonds. As of the date set forth below, the Borough reasonably expects that it will issue the Bonds and use the proceeds of the Bonds as described in this ordinance. That eligible costs incurred prior to the appropriation date will be charged to the projects.

**SECTION 4.** This ordinance takes effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 1ST DAY OF SEPTEMBER, 2015.**

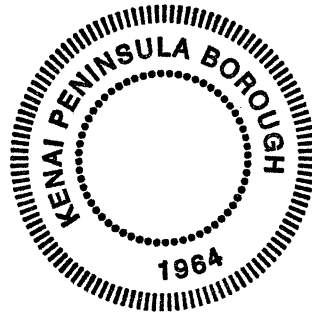
  
\_\_\_\_\_

Dale Bagley, Assembly President

ATTEST:

  
\_\_\_\_\_

John Blankenship, MMC, Borough Clerk



Yes: Cooper, Haggerty, Gilman, Johnson, McClure, Ogle, Welles, Wolf, Bagley  
No: None  
Absent: None