



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

TO: Dale Bagley, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Borough Mayor *MN*
Tom Anderson, Director of Assessing *TEA*

FROM: Marie Payfer, Special Assessment Coordinator *MP*

DATE: March 26, 2015

SUBJECT: Resolution 2015-017, A Resolution Approving the Petition Application for the Formation of the Birch Park Utility Special Assessment District for Construction of a Natural Gas Main Line

An application has been received for the purpose of forming a Utility Special Assessment District (USAD) in the southwest area of Fritz Creek, including that portion of East End Road, Birch Park Drive, and Reinhart Lane (Birch Park USAD, hereinafter "USAD"). The project would benefit 18 parcels.

This is the first step in a four-step process requiring assembly review and action: resolution approving the petition application; resolution to form the district and proceed with the improvement; ordinance appropriating funds; and ordinance of assessment.

The total project cost for the 2015 construction season is estimated at \$130,863.78. The proposed method of cost allocation is by equal assessment to each of the 18 benefited parcels. The per-parcel cost is estimated to be \$7,270.21. If the project is approved by July 15, 2015, Enstar will attempt to construct the project in 2015. If the project is delayed beyond that date, another engineering estimate will be required with updated construction costs for the proposed year of construction.

As required by KPB 5.35.070(D) no lien for this project may exceed 21 percent of the fair market value of the property after giving effect to the estimated benefit from the improvement. Within this proposed district there are no lots that exceed the 21 percent limitation, therefore, require no pre-payments.

KPB 5.35.070(E) states a special assessment district may not be approved where properties which will bear more than ten percent of the estimated costs of the improvement are delinquent in payment of borough property taxes from the tax year immediately preceding the initiation of