Charlie Pierce Mayor

October 25, 2018

Dr. Michael Johnson Alaska Dept. of Education & Early Development 801 West 10th Street, Suite 200 PO Box 110500 Juneau, AK 99811-0500

Re: Kachemak Selo New K-12 School Construction, DEED #GR-17-001

Dear Dr. Johnson:

During the Kenai Peninsula Borough (KPB) regular municipal election held October 2, 2018, the qualified voters did not approve the Proposition No. 1, "General Obligation Bonds to Pay the Local Required Match Portion of the Costs of the Kachemak-Selo New K-12 School."

Regardless of the proposition's outcome, the borough's need has not changed in that three structures, former houses, do not have the operational capacity or useful facilities to conduct K-12 education. Under these conditions, providing a school for Kachemak-Selo students is still the number one priority. The State of Alaska clearly established this priority through the funding awarded under the DEED Capital Improvement Project Grant (29th Legislature, 2016 Fourth Special Session, Senate Bill 138).

KPB meets the requirements of AS 14.11.008(g)(1)-(4) for a time extension to provide the participating share for the Kachemak-Selo school project. Good cause for an extension exists because the failed ballot proposition has placed a time constraint on the project, as such it would be reasonable for the KPB to have additional time to pursue funding options. The extension will not jeopardize the successful completion of the project, but rather will ensure its success. The KPB is not asking for additional State funding, but is only requesting additional time to secure its participating share. The KPB has in good faith pursued match funding within the timeframe required by AS 14.11.017 by placing the local match funding on the ballot at the 2018 regular election. It is reasonable to expect that the participating share will be secured within the additional time requested in this letter.

It is the borough's intent to provide a quality facility for the K-12 students in Kachemak-Selo; therefore, the borough formally requests from DEED an

extension to provide the required participating share before July 1, 2026. (AS.14.11.008(g)).

Should you need additional information, please contact Brenda Ahlberg, Community & Fiscal Projects Manager at (907)714-2153 or bahlberg@kpb.us.

Respectfully,

Charlie Pierce

Mayor

cc: Kevin Lyon, KPB Project Manager Sean Dusek, KPBSD Superintendent Tim Mearig, DEED Facilities Architect