

Introduced by:	Mayor
Date:	05/15/18
Hearing:	06/05/18
Action:	Enacted as Amended
Vote:	9 Yes, 0 No, 0 Absent
Date:	10/02/18
Date Certified:	10/09/18
Action:	Defeated by the Voters
Vote:	5253 No 3763 Yes

**KENAI PENINSULA BOROUGH
ORDINANCE 2018-21**

**AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED
VOTERS OF THE KENAI PENINSULA BOROUGH THE QUESTION OF THE
ISSUANCE OF NOT TO EXCEED FIVE MILLION FOUR HUNDRED FIFTY
THOUSAND DOLLARS (\$5,450,000) OF GENERAL OBLIGATION BONDS OF THE
KENAI PENINSULA BOROUGH TO PAY THE LOCAL REQUIRED MATCH
PORTION OF THE COSTS OF THE KACHEMAK-SELO NEW K-12 SCHOOL
CONSTRUCTION PROJECT AT AN ELECTION IN AND FOR THE KENAI
PENINSULA BOROUGH ON OCTOBER 2, 2018**

WHEREAS, the Kachemak-Selo New K-12 School Construction project began July 9, 2011 when a petition was submitted to the school board by local residents requesting a public school facility; and

WHEREAS, kindergarten through twelfth grade classes are currently housed in three leased residential facilities that have deteriorated beyond useful capacity; and

WHEREAS, the educational specifications for the new school were funded by a Community Development Block grant in 2013 and subsequently approved by the Department of Education and Early Development (“DEED”) during the FY2017 grant application process and awarded \$10,010,000 in funding through the State of Alaska 2016-2017 Capital Budget under the School Construction grant program; and

WHEREAS, the \$10,010,000 DEED grant requires a 35% match of \$5,390,000 be provided by the Kenai Peninsula Borough (“Borough”); and

WHEREAS, the project scope includes planning, design, site acquisition, preparation and development, construction and equipping the Kachemak-Selo K-12 school; and

WHEREAS, this facility will allow the school district to provide kindergarten through twelfth grade education in the geographically isolated Kachemak attendance area located at the head of Kachemak Bay, approximately 30 miles east of Homer Alaska; and

WHEREAS, it is expected that the estimated cost of this construction project will not exceed \$15,460,000; and

WHEREAS, the Kenai Peninsula Borough Board of Education at its June 4, 2018, meeting recommended approval;

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

SECTION 1. It is hereby determined to be for a public purpose and in the public interest of the Kenai Peninsula Borough, Alaska (the "Borough") to incur general obligation bonded indebtedness in an amount not to exceed five million four hundred fifty thousand dollars (\$5,450,000), for the purpose of paying the costs of planning, land acquisition, designing, site preparation, constructing, acquiring, renovating, installing, and equipping the Kachemak-Selo New K-12 School Construction project. The Borough will not issue bonds in a principal amount greater than the total estimated cost of projects approved by the State of Alaska Department of Education and Early Development. Upon completion of the projects, any unexpended bond proceeds, including interest income generated through investment of the bond funds, may be used to fund any other educational capital improvement projects chosen by the borough and approved by the Department of Education and Early Development.

SECTION 2. The sum of not to exceed five million four hundred fifty thousand dollars (\$5,450,000) shall be borrowed by, for and on behalf of the Borough for the education capital improvements described above and shall be evidenced by the issuance of general obligation bonds of the Borough. The bond proceeds shall be used only for capital improvements and costs of issuance of the bonds. The full faith and credit of the Borough is pledged for the payment of the principal of and interest on the bonds, and *ad valorem* taxes upon all taxable property in the Borough shall be levied without limitation as to rate or amount to pay the principal of and interest on the bonds when due.

SECTION 3. An election is to be held on October 2, 2018, in and for the Kenai Peninsula Borough, for the purpose of submitting a general obligation bond proposition to the qualified voters of the Borough for approval or rejection. The proposition must receive a majority vote of those in the Borough voting on the question to be approved. The proposition shall be substantially in the following form:

Yes: Bagley, Blakeley, Carpenter, Cooper, Dunne, Fischer, Hibbert, Smalley, Ogle

No: None

Absent: None