

**KENAI PENINSULA BOROUGH ROAD SERVICE AREA
RESOLUTION 2019-04**

**A RESOLUTION APPROVING THE PETITION REPORT
AND RECOMMENDING A BOROUGH MATCH FOR THE
RUSTIC AVENUE
ROAD IMPROVEMENT ASSESSMENT DISTRICT**

WHEREAS, the road service area (RSA) board authorized funding to obtain an engineer's estimate under KPB 14.31.050(E) for the Rustic Avenue Road Improvement Assessment District (RIAD) at its August 14, 2018, meeting; and

WHEREAS, the engineer's estimate is \$90,885.57 for the Rustic Avenue RIAD (includes construction costs of \$75,987.45, and other costs such as a 10 percent design & engineering cost of \$7,598.75, a 5 percent contract administrative and construction management cost of \$3,799.37, and utilities relocation from a public right-of-way cost of \$3,500); and

WHEREAS, in accordance with KPB 14.31.060(2)(a) a 10 percent project contingency cost of \$9,088.56, and a KPB administration fee of \$6,699.87 have been added to the engineers estimate bringing the total estimated project cost to \$106,674.00; and

WHEREAS, per KPB 14.31.050(I), the sponsor has provided the assessing department with written notice of intent to proceed with the project; and

WHEREAS, pursuant to KPB 14.31.060, the borough assessor or the assessor's designee, in consultation with RSA staff, has prepared and submitted a special assessment district Petition Report for the RSA board's consideration and approval prior to circulation; and

WHEREAS, pursuant to KPB 14.31.050(J), at least 10 days prior to the hearing date of this resolution, the KPB Assessing Department notified the proposed benefited parcel owners by general mail, describing the special assessment district and proposed improvement, providing a map of the proposed improvement, the date of the public hearing, and informing the recipients that the legal description of parcels within the proposed district as of the date the RSA board approves the resolution will be used to determine assessments, and any action to replat parcels within the proposed district must be completed and recorded before the date the RSA board approves the resolution; and

WHEREAS, KPB 5.20.170 established a borough match fund program for RIAD projects that upgrade existing roads. Pursuant to KPB 14.31.055(A), the RSA board may authorize up to 50 percent of the costs of a RIAD be defrayed from the borough match fund for any project that upgrades existing roads; and

WHEREAS, KPB 14.31.055(B) states a borough match may be considered on RIAD projects for: (1) pavement projects for existing roads which have been certified for borough maintenance, (2) pavement or gravel projects for existing roads, which do not meet

borough standards in order that the road will be brought to borough standards, and (3) pavement or gravel projects for existing substandard gravel roads, which have been certified for borough maintenance in order that the road will be brought to borough standards; and

WHEREAS, it is in the best interest of the road service area and borough residents to approve the petition report and recommend a borough match based on 14.31.055(D) criteria for the proposed RIAD and make a recommendation to the borough assembly regarding formation of the district;

NOW, THEREFORE, BE IT RESOLVED BY THE KENAI PENINSULA BOROUGH ROAD SERVICE AREA BOARD:

SECTION 1. The board approves the Petition Report for the proposed Rustic Avenue RIAD.

SECTION 2. The board recommends the assembly form and proceed with the Rustic Avenue RIAD as set forth in the attached Petition Report contingent upon the further requirements of KPB 14.31 being met. There are five (5) exhibits to the Petition Report which are also included. Those exhibits are:

- 1) Petition Information Sheet: provides a description of the proposed improvement, a description of the limitations on withdrawing a petition signature under KPB 14.31.070(E), and provides the name, address and daytime telephone number of the sponsors of the petition;
- 2) Estimated assessment roll: a spreadsheet listing the tax parcel number, legal description, the assessed valuation, the assessment-to-value ratio and any required prepayment of assessment as set forth in KPB 14.31.080(A)(1), maximum assessment, the name of the record owner, and any delinquencies or other special assessments liens of each parcel in the proposed district; additionally, the total estimate cost of the project, an estimate of the amount to be assessed to each parcel, and the total number of parcels to be assessed;
- 3) Map of the proposed RIAD district and boundaries;
- 4) Memorandum from the Finance Director stating the method of financing, interest rate to be paid, and setting forth the number and frequency of payments; and
- 5) Summary of construction cost estimates for the Rustic Avenue RIAD provided by McLane Consulting Inc., prepared January 18, 2019.

SECTION 3. The board approves expenditure of up to 50 percent (estimated to be \$53,337.00) from the RIAD Match Fund for the Rustic Avenue RIAD. This RIAD includes the gravel upgrade of a total of 750 linear feet of that portion of Rustic Avenue.

SECTION 4. The project scope of work provides gravel road upgrades to approximately 750 linear feet not currently on the Road Service Area maintenance list. This project will improve that portion of Rustic Avenue up to the current RSA Category III road standards so that the roadway may qualify for RSA road maintenance in the future.

SECTION 5. The board recommends that the borough proceed with the construction of the road improvement to a district encompassing 10 benefited parcels, as shown in Petition

Report Exhibit 3, the district map, contingent upon the further requirements of KPB Chapter 14.31 being met.

SECTION 6. The board makes the following findings required by KPB 14.31.055(D):

1. Standard: Whether it is economically feasible to improve the road to RSA certification standards.

Finding: The entire project cost is estimated to be \$106,674.00. The project would provide gravel road upgrades to 750 linear feet not currently on the Road Service Area Maintenance list. This project will improve that portion of Rustic Avenue up to the current RSA Category III road standards. Considering these factors, along with the funds available for RIAD matches, the project is economically feasible.

2. Standard: To what extent do the assessed values of the benefited properties support the scope of work for the project.

Finding: Pursuant to KPB 14.31.080(A)(1), no lien may exceed 21 percent of the current assessed value of the parcel for pavement improvements. The attached spreadsheet, Petition Report Exhibit 2, shows that if the borough makes a 50 percent match, assessments for each parcel will be \$5,333.70. Parcels range in value from \$147,100 to \$229,500. There are no (zero) properties within this district in which the lien will exceed 21% of the current assessed value, therefore, no properties will be required to make any prepayments of assessment. The assessed values of the properties support the project.

3. Standard: The number of applications for projects received that year.

Finding: There have been a total of two (2) applications for projects received prior to the July 1, 2018, deadline.

4. Standard: The funds available in the Road Improvement Assessment District Match Fund.

Finding: The balance of the RIAD Match Fund is \$659,600.66, which is sufficient to cover the match costs.

5. Standard: Whether an application for district formation has been previously filed and whether conditions have changed to make the project more feasible than in past application years.

Finding: No application for district formation has been submitted for these roadways.

6. Standard: The number of residents served.

Finding: The proposed RIAD serves an estimated 14 residents.

7. Standard: The number of parcels served.

Finding: There are 10 parcels served.

8. Standard: The feasibility of the project's compliance with KPB 14.31.080(A) criteria regarding restrictions on formation.

Finding: The project meets all the following feasibility criteria:

1. *Does the assessment to assessed value ratio exceed 21 percent for gravel improvements to an existing road, or 25 percent for pavement improvements, or 40 percent for construction of a new road, of the current assessed value of the parcels?*

NO. There are no (zero) properties within this RIAD whose assessment to assessed value ratio exceeds the 21 percent for pavement improvements restriction.

2. *Are there parcels bearing more than 10 percent of the estimated costs of the improvement that are subject to unpaid, past-due borough property taxes?*

No. Presently there are no parcels within this RIAD which are delinquent in payment of borough real property taxes.

3. *Do unimproved parcels represent more than 40 percent of the assessed value within the district?*

No. All 10 parcels within this district are improved properties within a residential neighborhood.

4. *For construction of new roads, does one owner owns more than 40 percent of the parcels to be benefited?*


N/A.

9. Standard: Whether there is alternate access to properties serviced by the road and the condition of that alternate access.

Finding: There are no alternate accesses to this portion of Rustic Avenue.

SECTION 7. That this resolution takes effect immediately and a copy of this resolution be forwarded to the mayor and assembly.

ADOPTED BY THE KENAI PENINSULA BOROUGH ROAD SERVICE AREA BOARD ON THIS 12TH DAY OF MARCH, 2019.



Robert Ruffner, RSA Board Chairman

ATTEST:



DiL Uhlín, RSA Director



Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

CERTIFICATION OF PETITION

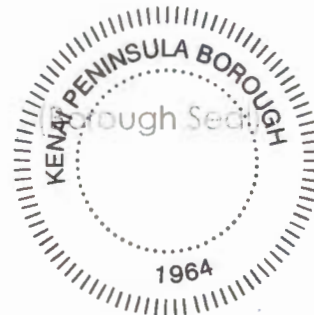
Rustic Avenue
Road Improvement Assessment District

A petition for formation of the Rustic Avenue Road Improvement Assessment District was received in the Office of the Borough Clerk on May 2, 2019. I hereby certify the petition as sufficient per the requirements set for in KPB 14.31.070(D). Signatures of owners of record of at least 60% of the total number of parcels subject to the assessment were required as well as at least 60% in value of the property to be benefited. Signatures of property owners of 6 (60%) parcels were validated representing 64% of the assessed value of the property being benefited.

A Check in the amount of \$1,000.00 was received by the Special Assessment Coordinator on November 9, 2018 as required by KPB 14.31.050(G).

Dated this 3rd day of May, 2019.

Johni Blankenship, MMC
Borough Clerk



Copies Provided to:

Michael Petrovich, P.O. Box 2356, Kenai, AK 99611 (RIAD Sponsor)
Marie Payfer, KPB Special Assessment Coordinator
KPB Assembly President Ogle and Members of the Assembly
KPB Mayor Charlie Pierce

Kenai Peninsula Borough

Assessing Department

MEMORANDUM

TO: Robert Ruffner, Road Service Area Board Chairman
Members, Kenai Peninsula Borough Road Service Area Board

FROM: Scott Griebel, Acting Road Service Area Director *for the*
Marie Payfer, Special Assessment Coordinator *MP*

DATE: August 14, 2018

RE: Rustic Avenue RIAD Engineer's Estimate RSA Staff Report

In accordance with KPB 14.31.050(D), the following staff report is provided to the road service area (RSA) board for its consideration in evaluating the application for petition and determining whether the engineer's estimates for the following road improvement assessment district (RIAD) project should be funded through the Engineer's Estimate Fund established under KPB 5.20.160. Applications must be received by July 1 of each year (KPB 14.31.040), and petitions must be reviewed by September 1 of each year for construction in the following year (KPB 14.31.050(E)). An application for the Rustic Avenue RIAD was received on June 29, 2018, see Attachment #1.

The following is an analysis of the criteria the board must consider when it determines whether to appropriate money from the fund:

SECTION 1. APPLICATION:

SPONSOR: Michael L Petrovich

SUBJECT ROADS: That portion of Rustic Avenue, which is located within the RSA West Region, Unit 6. An application has been made for improving this portion of Rustic Avenue to meet RSA Standards. The total road length for the proposed project is approximately 750 linear feet, and would benefit ten (10) residential properties. See Attachment #2, District Map, and Attachment #3, for portion of Rustic Avenue.

SCOPE: The application requests that the subject road be improved and paved.

SECTION 2. KPB 14.31.080(A)(3) & (4) RESTRICTIONS ON FORMATION:

Pursuant to KPB 14.31.050(D), staff must prepare an initial report for the RSA board to consider for approval of an order for the engineer's estimate regarding the proposed project, based on the proposed boundaries (see attached map) and a review of 14.31.080(A)(3) and (4) restrictions on formation for the proposed project.

14.31.080(A)(3) *Do unimproved parcels represent more than 40 percent of the assessed value within the district?*

No. There are zero unimproved parcels in this proposed district. All ten parcels within this district are improved residential properties.

Date: August 14, 2018

To: Kenai Peninsula Borough Road Service Area Board

RE: Rustic Avenue RIAD Engineer's Estimate RSA Staff Report

14.31.080(A)(4) *If this project is for construction of new roads, does one owner own more than 40% of the parcels to be benefited?*

This project is not for construction for new roads.

SECTION 3. KPB 14.31.050(E) RSA BOARD CRITERIA:

Pursuant to KPB 14.31.050(E), the RSA board shall consider the following factors in evaluating petition applications and determining whether to approve an order for an engineer's estimate:

1. *Whether the roads are currently on the maintenance system.*
This portion of Rustic Avenue is not certified for KPB RSA maintenance system. The proposed project is to improve and pave the road and bring the road up to Borough road standards.
2. *The number of petitions for projects received that year.*
This is the second petition (application) for projects received for the 2018 calendar year.
3. *The funds available in the RIAD Engineer's Estimate Fund established under KPB 5.20.160.*
It is estimated that the RIAD application fee of \$1,000 will cover the engineers estimate. The current balance in the RSA's Engineer's Estimate Fund is \$2,000.
4. *Whether an application for district formation has been previously filed and whether conditions have changed that make the project more feasible than in past application years.*
This project has not been subject to a previous application for a special assessment district formation.

ADDITIONAL COMMENTS:

The sponsor has visited with the owners of several benefited parcels included in the proposed district and believes he will be able to obtain the required signature thresholds for support of the project.

The proposed improvement for Rustic Avenue will only include that portion of the roadway which is currently not maintained by the RSA. If the project is approved and completed, this improvement will connect the east and west sections of Rustic Avenue which are currently maintained by the RSA (refer to Attachment #3). The scope of the improvement would be to improve and pave this section of Rustic Avenue to meet borough road standards so that this section may qualify for RSA road maintenance in the future. The sponsor is aware that additional steps will need to be taken after completion of the improvement in order to certify this section of the Rustic Avenue.

It has been determined that three (3) properties whose boundaries touch the proposed improvement will not benefit from the proposed improvement as these parcels are currently being served to a greater degree by sections of Rustic Avenue which are on the RSA maintenance system: parcels numbers 131-320-61, 131-041-73, and 131-041-47, see Attachment #2, highlighted parcel numbers.

RECOMMENDATION:

Rustic Avenue RIAD appears to be viable based on the substantial support for the project. Code requirements have been satisfied in regards to unimproved parcel ratio and ownership restriction percentage. The assessed value of the parcels appears sufficient to support the maximum assessment lien the equivalent of which is 21 percent of a parcel's value, but that cannot be confirmed until a cost estimate is obtained. As of this date, zero parcels are delinquent in real property taxes. Therefore, it is recommended that the RSA board approve to order an engineer's estimate for this proposed project.

Your consideration is appreciated.

PETITION REPORT
RUSTIC AVENUE
ROAD IMPROVEMENT ASSESSMENT DISTRICT (RIAD)

In accordance to KPB Code Chapter 14.31, this petition proposes a road improvement assessment district (RIAD) be formed in the area of Kalifornsky, for the purpose of improving a total road length of 750 linear feet (LF) of that portion of the subject road of Rustic Avenue. A map showing the parcels to be assessed is attached to the Petition Report as Exhibit 3. The project would benefit 10 parcels.

Project proposal: The project proposes to improve approximately 750 LF of roadway. The engineer’s estimate for the total cost of construction is \$90,885.57, which includes the 2019 estimated construction cost of \$75,987.45, a 10 percent design and development cost of \$7,598.75, and a 5 percent contract administration and construction management cost of \$3,799.37, and an additional cost of \$3,500.00 for utility relocation. Added to the engineer’s estimate is a 10 percent project contingency cost of \$9,088.56 (in accordance with KPB 14.31.060(2)(a)), and a KPB Administration Fee cost of \$6,699.87. **The total estimated project cost is \$106,674.00.** Accordingly, after accounting for a maximum RSA Match of 50% (*if approved, and contingent on the availability of funds*), the total estimated project cost for the **benefited parcels is \$53,337.00.** The proposed method of cost allocation is by equal assessment to each of the 10 benefited parcels. **The allocated cost per parcel is estimated at \$5,333.70.** See Exhibit 2 of the Petition Report, estimate assessment roll, for project cost calculation.

This Petition Report is supported by the attached exhibits:

- 1) Petition Information Sheet: provides a description of the proposed improvement, a description of the limitations on withdrawing a petition signature under KPB 14.31.070(E), and provides the name, address and daytime telephone number of the sponsors of the petition;
- 2) Estimate assessment roll: a spreadsheet listing the tax parcel number, legal description, the assessed valuation, the assessment-to-value ratio and any required prepayment of assessment as set forth in KPB 14.31.080(A)(1), maximum assessment, the name of the record owner, and any delinquencies or other special assessment liens of each parcel in the proposed district, the total estimate cost of the project, an estimate of the amount to be assessed to each parcel, and the total number of parcels to be assessed; and
- 3) Map of the proposed RIAD district and boundaries;
- 4) Memorandum from the Finance Director stating the method of financing, interest rate to be paid, and setting forth the number and frequency of payments.
- 5) Summary of construction cost estimates for the RUSTIC Avenue RIAD provided by McLean Consulting, Inc., prepared January 18, 2019.

RIAD sponsor(s):

Michael Petrovich	PO Box 2356 Kenai AK 99611	(907) 229-3630	mpetrovich74@gmail.com
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**ROAD IMPROVEMENT ASSESSMENT DISTRICT (RIAD)
PETITION INFORMATION SHEET
RUSTIC AVENUE RIAD**

In accordance to KPB Code Chapter 14.31, this petition proposes a road improvement assessment district (RIAD) be formed in the area of Kalifornsky, for the purpose of improving a total road length of 750 linear feet (LF) of that portion of the subject road of Rustic Avenue. A map showing the parcels to be assessed is attached to the Petition Report as Exhibit 3. The project would benefit 10 parcels.

Project proposal: The project proposes to improve approximately 750 LF of roadway. The engineer's estimate for the total cost of construction is \$90,885.57, which includes the 2019 estimated construction cost of \$75,987.45, a 10 percent design and development cost of \$7,598.75, and a 5 percent contract administration and construction management cost of \$3,799.37, and an additional cost of \$3,500.00 for utility relocation. Added to the engineer's estimate is a 10 percent project contingency cost of \$9,088.56 (in accordance with KPB 14.31.060(2)(a)), and a KPB Administration Fee cost of \$6,699.87. **The total estimated project cost is \$106,674.00.** Accordingly, after accounting for a maximum RSA Match of 50% (*if approved, and contingent on the availability of funds*), the total estimated project cost for the **benefited parcels is \$53,337.00.** The proposed method of cost allocation is by equal assessment to each of the 10 benefited parcels. **The allocated cost per parcel is estimated at \$5,333.70.** See Exhibit 2 of the Petition Report, estimate assessment roll, for project cost calculation.

Additionally, with regard to each benefited parcel, Petition Report Exhibit 2 (the estimate assessment roll) contains the tax parcel number, name of record owner, legal description, assessed value, estimated amount of special assessment, the existence of other special assessment liens (if any), and any violations of the assessment to value ratio per KPB 14.31.080(A). The sponsor of this petition is Michael Petrovich, PO Box 2356, Kenai, AK 99611, (907) 229-3630.

What costs are covered: The estimated assessment will only cover the cost to improve the public right-of-way of the above-mentioned roadway, not the private driveways to individual benefited parcels. The proposed improvement includes only that portion of Rustic Avenue, approximately 750 LF, which is not currently on the Road Service Area maintenance list. This project will improve that portion of Rustic Avenue up to the current RSA Category III road standards so that the roadway may qualify for RSA road maintenance in the future. The district sponsor is aware that additional steps will need to be taken after completion of the improvement in order to certify this section of Rustic Avenue. See Petition Report Exhibit 3, the district map, for that portion of Rustic Avenue roadway which is included the district.

Assessment lien and lien restrictions: This cost will be assessed in the form of a lien on the benefited parcel. The lien will remain on the property until the assessment has been paid in full. In no case may a property be assessed an amount in excess of 21% of the current assessed value of the property for a paving improvement. For the purpose of this restriction, the estimated amount of the special assessment lien against a parcel will be reduced by the amount of a *prepayment* of the assessment for the parcel.

There are no parcels within this proposed RIAD which are affected by the assessment to value lien limit restriction.

Payment options: The cost assessed can be paid in full, or in 10 annual installments with interest to accrue on the unpaid amount of the assessment. The assessment may be paid at any time prior to the 10 year period without penalty. Interest will be added to any assessments not paid within 30 days of the date of mailing the Notice of Assessment. The interest rate charged is the ***prime rate plus 2%** (**as of the date the ordinance confirming the assessment roll is enacted by the assembly*), and is fixed for the life of the loan. The penalty for delinquent installment and assessment payments is the same as the penalty for delinquent real property taxes in effect on the date of the delinquency. The lien will remain on the parcel until the debt has been paid in full.

Legal description of parcels: The legal description of the parcels subject to the special assessment within the proposed RIAD was established as of the date of the RSA resolution to approve the petition report and recommend a borough match. **The RSA Board approved RSA Resolution 2019-03 on March 12, 2019.** Any action to replat parcels within the proposed RIAD must have been completed and recorded before the date the RSA board approved the resolution. No further subdivision, reversion of acreage, or lot line adjustment will be recognized for RIAD assessment purposes after the RSA board issues the resolution.

Important information regarding subdividing benefited properties: pursuant to KPB 14.31.080(B), if a property owner seeks to subdivide a benefited parcel after the date of the RSA resolution or after costs are assessed, the property owner will be required to pay off the remaining balance of the assessment – or prepay estimated costs if the final assessment has not been determined – prior to approval of the final plat pursuant to KPB 20.60.030. Refunds of prepayments of assessments for plat approvals may apply: (a) if the petition or project should fail for any reason; (b) if the final plat is not approved pursuant to KPB 20.60.030 and the subdividing property request a refund within 30-days of the final assessment; or, (c) for any amount in excess of the prepaid estimated cost over the final assessment. The subdividing property owner will be responsible for payment if the estimate costs are less than the final assessment due within 30-days of the final assessment approval. See the KPB Finance Department for additional information.

Deferral of Payment of Principle (only): A deferment (i.e., postponement) of payment of principle only, may be available to a qualifying owner of a benefited property. Some qualification are: • the property must be owned and occupied as the primary residence of the application; • the owner must be economically disadvantaged; and • interest will accrue and must be paid annually. Applications and annual renewals (to verify qualifying conditions continue to exist) must be submitted to the Finance Department by February 1. See the Finance Department for all restrictions and requirements for the deferment of principle option.

Petition signature thresholds: This petition proposes to assess all of the benefited parcels equally. In order to qualify, the petition must have the signatures of the owners of record of (a) at least 60% of the total number of parcels subject to assessment within the proposed RIAD *and* (b) at least 60% in value of the property to be benefited. **Approval of the project is signified by properly signing and dating the petition signature page.** Failure to secure enough signatures to meet these thresholds will cause the petition to fail.

Petition signature requirements: An owner's signature represents a **VOTE IN FAVOR** of the project. All signatures must be made in ink, dated properly, and the completed petition signature page must be returned to the RIAD sponsor in a timely manner to meet the petition deadline. For parcels with joint ownership *each owner of record must sign and date the petition*. If a joint owner is deceased a copy of the death certificate must be provided. Refer to page 2 of the ***Petition Signature Page*** for additional instructions.

Signature withdrawal, KPB 14.31.070(E): A signature on a petition may be withdrawn only by written notice from the signer submitted to the assessing department *prior* to the final filing of the petition signature pages by the sponsor. *A withdrawal is effective only if written notice of the withdrawal is submitted before the filing of the completed petition to the assessing department.* This restriction does not preclude the property owners from filing an objection as to the necessity of formation of the district as provided in KPB 14.31.090(D).

Deadline for signatures: The sponsor will be responsible to file the completed petition (signature pages) to the assessing department within *45 days of the date on which the assessing department distributes the final petition to the sponsor* for distribution to all property owners. Benefited property owners should **contact the RIAD sponsors** with any questions regarding the **petition deadline**.

Certification of petition: Once the sponsor files the completed petition with the assessing department, the borough clerk shall determine whether the petition contains sufficient signatures as required. If the petition meets the required signature thresholds, the borough clerk shall certify the petition and submit the petition to the mayor for preparation of a resolution to form the district and proceed with the improvement.

ONLY the *Petition Signature Page* needs to be returned to the RIAD sponsor(s):

Michael Petrovich	PO Box 2356 Kenai AK 99611	(907) 229-3630	mpetrovich74@gmail.com
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For additional information, contact:

Marie Payfer, KPB Special Assessment Coordinator

Direct: 907-714-2250 or Email: mpayfer@kpb.us

RUSTIC AVENUE RIAD ESTIMATE ASSESSMENT ROLL

Resolution to Form the District and Proceed with the Improvement

Non-Refundable Filing Fee: \$1,000 Per KPB 14.31.050(G) = <\$2M

Paid on: November 9, 2018

Estimated Gravel Construction Cost:	72,369.00
Construction Contingency (5%):	3,618.45
Construction Cost Subtotal:	75,987.45
Relocation of Utilities in ROW:	3,500.00
Engineering Design (10%):	7,598.75
Contract Admin. & Const. Mngt (5%):	3,799.37
Total Construction Cost:	90,885.57
RIAD Project Contingency (10%):	9,088.56
KPB Administration Cost:	6,699.87
Total Project Cost:	106,674.00
Less Road Service Area Match (50%):	53,337.00
Final Cost to Parcel Owners:	53,337.00
Number of Benefited Parcels:	10
Cost Per Parcel:	5,333.70

Total Estimate Project Cost:	53,337.00
Less any required pre-payment:	0.00
Total Estimate Assessments:	53,337.00

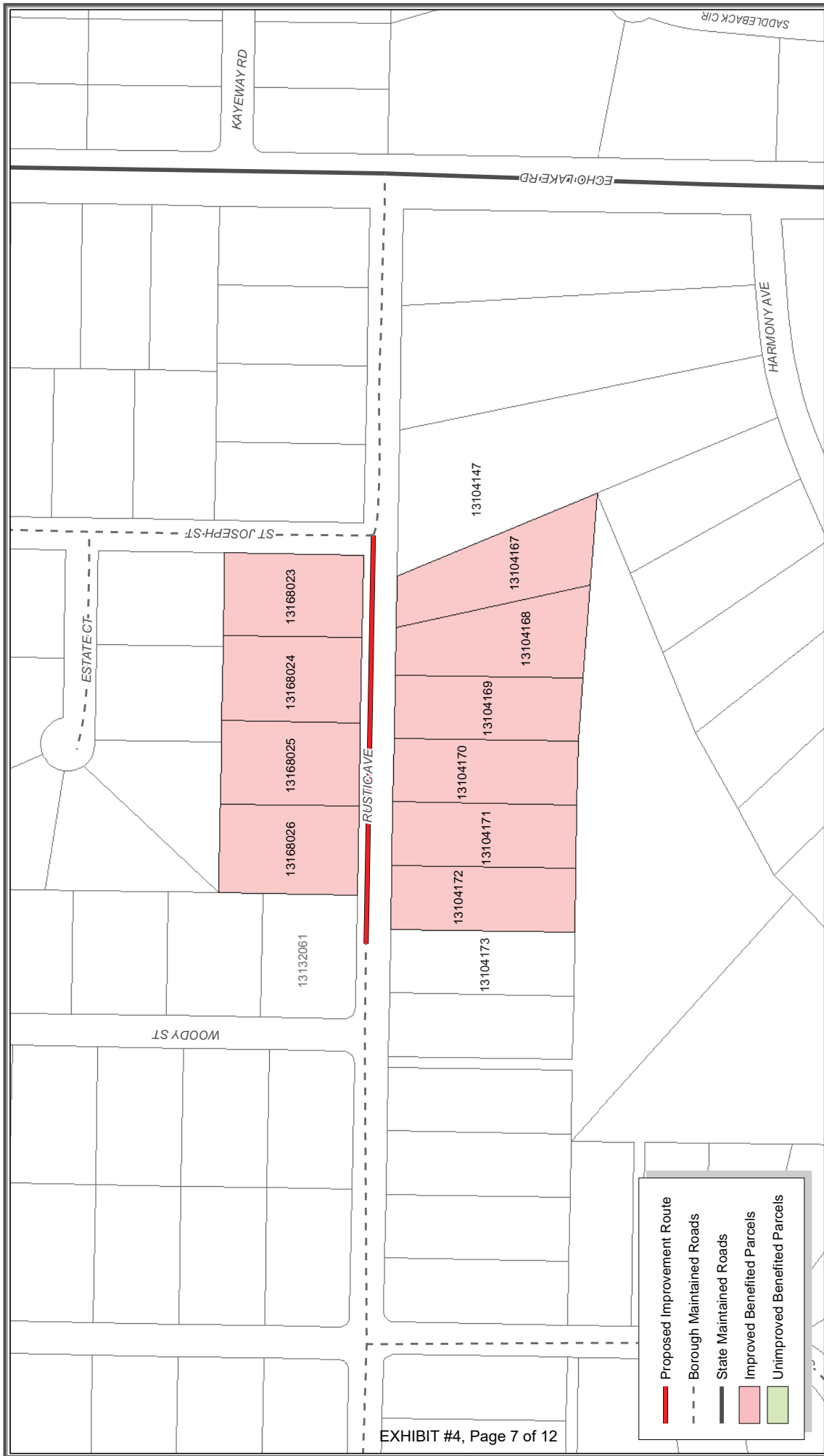
Total number of parcels in district:	10
Total number parcels in favor of project:	6
Percentage of parcels in favor of project:	60.0%
Percentage of parcels in favor, 2018 assessed value:	64.0%
<i>Restrictions, 14.31.080:</i>	
KPB 14.31.080(A), Lien Limit <25%, # Parcels	0
14.31.080(A)(2), Delinquent RP Tax <10%:	0.00%
14.31.080(A)(3), Unimprv/Impvwd AV <40%:	0.00%

PARCEL ID	LEGAL	2018 ASSESSED VALUE	MAXIMUM ASSESSMENT	REQUIRED PREPAYS	OWNER	ADDRESS	CITY ST ZIP	2018 DEL TAX	OTHER SPC ASSMT	VOTED IN FAVOR	ASSESSED VALUE IN FAVOR
131-041-67	T 4N R 11W SEC 10 SEWARD MERIDIAN KN 2013021 MYSTIC FIELDS SUB PHASE 1 LOT 1 BLOCK 1	192,100	5,333.70	0.00	RICHMOND KODY S	PO BOX 2585	KENAI, AK 99611	NO	NO		0
131-041-68	T 4N R 11W SEC 10 SEWARD MERIDIAN KN 2013021 MYSTIC FIELDS SUB PHASE 1 LOT 2 BLOCK 1	180,700	5,333.70	0.00	BRASHEAR DEANNA L	325 GEMINI DR	SATELLITE BEACH, FL 32937	NO	NO	X	180,700
131-041-69	T 4N R 11W SEC 10 SEWARD MERIDIAN KN 2013021 MYSTIC FIELDS SUB PHASE 1 LOT 3 BLOCK 1	229,500	5,333.70	0.00	BRIDGE CHERYL L	48185 RUSTIC AVE	SOLDOTNA, AK 99669	NO	NO	X	229,500
131-041-70	T 4N R 11W SEC 10 SEWARD MERIDIAN KN 2013021 MYSTIC FIELDS SUB PHASE 1 LOT 4 BLOCK 1	217,500	5,333.70	0.00	PETROVICH ROSALIND M & MICHAEL	PO BOX 2356	KENAI, AK 99611	NO	NO	X	217,500
131-041-71	T 4N R 11W SEC 10 SEWARD MERIDIAN KN 2013021 MYSTIC FIELDS SUB PHASE 1 LOT 5 BLOCK 1	189,000	5,333.70	0.00	LEAKE JOHN M Jr	PO BOX 874	SOLDOTNA, AK 99669	NO	NO	X	189,000
131-041-72	T 4N R 11W SEC 10 SEWARD MERIDIAN KN 2013021 MYSTIC FIELDS SUB PHASE 1 LOT 6 BLOCK 1	225,500	5,333.70	0.00	STRAUME TIFFANY R & KARL J	PO BOX 2124	SOLDOTNA, AK 99669	NO	NO	X	225,500
131-680-23	T 4N R 11W SEC 3 SEWARD MERIDIAN KN 0860140 GORESEN ESTATES SUB NO 2 TRACT 40	147,100	5,333.70	0.00	MOFFIS NICOLE A	2241 BEAVER LOOP RD	KENAI, AK 99611	NO	NO		0
131-680-24	T 4N R 11W SEC 3 SEWARD MERIDIAN KN 0860140 GORESEN ESTATES SUB NO 2 TRACT 4P	186,100	5,333.70	0.00	CONDON LINDA A & TODD L	48186 RUSTIC AVE	SOLDOTNA, AK 99669	NO	NO		0
131-680-25	T 4N R 11W SEC 3 SEWARD MERIDIAN KN 0860140 GORESEN ESTATES SUB NO 2 TRACT 4Q	151,700	5,333.70	0.00	SAVELY TROY D	48204 RUSTIC AVE	SOLDOTNA, AK 99669	NO	NO		0
131-680-26	T 4N R 11W SEC 3 SEWARD MERIDIAN KN 0860140 GORESEN ESTATES SUB NO 2 TRACT 4R	161,700	5,333.70	0.00	HUNT CHRISTINE & JOSHUA	48230 RUSTIC AVE	SOLDOTNA, AK 99669	NO	NO	X	161,700
10		1,880,900	53,337.00	0.00						6	1,203,900
<i>as of 5/29/2019</i>											
# Parcels All Improved Properties											
Total AV											

The following three parcels are not included in the RUSTIC AVENUE road improvement assessment district:


REASON: It has been determined that the following three (3) properties whose boundaries touch the proposed improvement will not benefit from the proposed improvement as these parcels are currently being served to a greater degree by sections of Rustic Avenue which are currently on the RSA maintenance system.

PARCEL ID	LEGAL	2018 ASSESSED VALUE	MAXIMUM ASSESSMENT	REQUIRED PREPAYS	OWNER	ADDRESS	CITY ST ZIP	PHYSICAL ADDRESS	ACREAGE
131-041-47	T4N R 11W SEC 10 SEWARD MERIDIAN KN 2003103 MYSTIC RIDGE ESTATES PART 1 LOT 3 BLK 1	421,800	-	-	LACOMBE JOHN A	48020 HARMONY AVE	SOLDOTNA, AK 99669	48020 HARMONY AVE	3.10
131-041-73	T4N R 11W SEC 10 SEWARD MERIDIAN KN 2013021 MYSTIC FIELDS SUB PHASE 1 LOT 7 BLOCK 1	225,100	-	-	STAFFORD KATIE M STAFFORD KEVIN D	PO BOX 1141 PO BOX 210262	SOLDOTNA, AK 99669 AUIKE BAY, AK 99821	48275 RUSTIC AVE	0.92
131-320-61	T4N R 11W SEC 3 SEWARD MERIDIAN KN 0790061 ALASKA RUSTIC ESTATES SUB LOT 1 BLK 3	8,400	-	-	OLIVER, AMEND III JOSEPH, CHONG HYE	PO BOX 583 PO BOX 304	KENAI, AK 99611 SILVERDALE, WA 98383		0.92

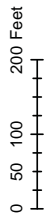


- Proposed Improvement Route
- - - - - Borough Maintained Roads
- State Maintained Roads
- Improved Benefited Parcels
- Unimproved Benefited Parcels

The information depicted hereon is for a graphical representation only. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.



RUSTIC AVE RIAD



Date: 7/13/2018

MEMORANDUM

TO: Wayne Ogle, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Charlie Pierce,
Kenai Peninsula Borough Mayor

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: 2/26/19

RE: Rustic Ave Road Improvement Assessment District ("RIAD") Financing

The Borough plans to provide the funds necessary to finance the Rustic Ave RIAD from internal sources. KPB 5.10.040 allows the investment of borough monies in special assessment districts that are authorized under KPB 14.31. The total of such investments is limited to not more than \$5,000,000 at the end of any fiscal year. As of February 26, 2019, the borough has \$1,309,356 invested in special assessment districts. If approved, the \$106,574 projected for the Rustic Ave RIAD will increase the total special assessment district investment to approximately \$1,415,930. There is 1 additional project pending for \$485,832.

The owners of property located within the RIAD will be required to make principal and interest payments each year for a ten-year period to retire the indebtedness to the borough. The rate of interest will be equal to the prime rate (currently 5.50%) plus 2% or 7.50%. Property owners can avoid or reduce the interest charge by making accelerated payments on the principal. Penalties will not be imposed for accelerated payments. The assessment constitutes a lien on each parcel within the district.

Kenai Peninsula Borough
 Currently Proposed USAD/RIAD Projects
 02/26/2019

		Current Proposal	Outstanding Proposals
Max Allowed		\$ 5,000,000	\$ 5,000,000
Current Balance(100.10706) as of:			
	02/26/2019	1,309,356	1,309,356
Previously Approved Projects:			
None			
Projects Awaiting Approval:			
Silver Weed / Daisy Road Improvement			485,832
Rustic Ave Road Improvement		106,574	106,574
Total		<u>\$ 1,415,930</u>	<u>\$ 1,901,762</u>

**STATEMENT OF PROBABLE COST
KENAI PENINSULA BOROUGH PURCHASING AND CONTRACTING DEPARTMENT**

Project Name: Rustic Ave RIAD

Date: 02/20/19

Description: The project scope of work provides gravel road upgrades to approximately 750 linear feet not currently on the Road Service Area maintenance list. This project will improve that portion of Rustic Ave up to the current RSA Category III road standards. The work includes but is not limited to excavation, embankment improvements, road widening, culvert installation, and ditching.

A/E Firm: Mclane Consulting

Project Manager: John Hedges

Funding: RIAD

Account Number: N/A

PROJECT COST ESTIMATE

Total Construction Cost:		\$75,987.45
2. Utilities in R.O.W.	\$3,500.00	
A. Design and Development (includes CA)	\$7,598.75	
B. Contract Admin. & Const. Mngt. 5%	\$3,799.37	
C. Permits:		
D. Land Purchase		
Total Other Costs:	\$14,898.12	
3. Subtotal Project Cost:		\$90,885.57
Total Project Cost:		\$90,885.57

RECEIVED

FEB 20 2019

KPB ASSESSING DEPT.

Rustic Avenue	
Project No.	2018 RIAD PROGRAM

ENGINEER'S ESTIMATED CONSTRUCTION COST - 1/18/2019

Pay Item No.	Pay Item Description	Pay Unit	Quantity	Unit Bid Price	Amount Bid
RIAD BASIC BID					
110(1)	Existing Utilities in Construction Zone	Lump Sum	All Required	(LUMP SUM)	\$ 750.00
203(9)	Roadbed Widening, 1+00 - 8+35 A/D1, 24' Wide	Station	7.35	\$ 650.00	\$ 4,777.50
302(2)	Subgrade Modification, 1+00 to 8+35, 24' Wide, 24" Depth	Station	7.35	\$ 3,650.00	\$ 26,827.50
603(1-15)	15 Inch Corrugated Steel Pipe	Linear Foot	358	\$ 45.00	\$ 16,110.00
603(1-18)	18 Inch Corrugated Steel Pipe	Linear Foot	36	\$ 53.00	\$ 1,908.00
615(2)	Remove and Relocate Existing Sign	Each	1	\$ 225.00	\$ 225.00
618(1)	Seeding (Hydraulic Method)	Lump Sum	All Required	(LUMP SUM)	\$ 1,500.00
630(1)	Geotextile, Separation Grade	Square Yard	2614	\$ 1.50	\$ 3,921.00
639(1)	Gravel Residence Driveway Transition	Each	9	\$ 650.00	\$ 5,850.00
639(5A)	Paved Driveway	Each	1	\$ 1,000.00	\$ 1,000.00
640(1)	Mobilization And Demobilization	Lump Sum	All Required	(LUMP SUM)	\$ 4,000.00
643(2)	Traffic Maintenance	Lump Sum	All Required	(LUMP SUM)	\$ 1,500.00
650(1)	Miscellaneous Work	Contingent Sum	All Required	(CONTINGENT SUM)	\$ 4,000.00
RIAD TOTAL ESTIMATED COST OF CONSTRUCTION				\$	72,369.00

Prepared By:



Cody R. McLane, P.E.
McLane Consulting, Inc.
cmclane@mcLANEcg.com

Description	Cost
RIAD Subtotal: Estimated Construction Cost	\$72,369.00
Contingency, 5%:	\$3,618.45
TOTAL ESTIMATED CONSTRUCTION COST	\$75,987.45

Attach: Unit Cost Schedule
 RIAD Map
 Survey Control
 Existing Conditions Basemap
 Typical Sections
 Test Hole Sample Sieve Analysis