

Kenai Peninsula Borough Planning Department

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*
Robert Ruffner, Planning Director *RR*

FROM: Aaron Hughes, Land Management Officer *AH*

DATE: June 25, 2026

SUBJECT: Ordinance 2026-19- 02, Appropriating Funds from the General Fund for Utilities, Maintenance, and Insurance Costs of the Nikolaevsk, Seward, Sterling, and Tustumena Surplus School Facilities for Fiscal Year 2027 (Mayor)

Funds are needed for operating, insurance, decommissioning, and related costs for the Sterling Elementary, Tustumena Elementary, and Seward Middle School facilities and campus, the Kenai Peninsula Borough School District (KPBSD) Board of Education (School Board) made a final decision to close on April 6, 2026. This ordinance provides that after the School Board's final surplus decision, formal 30 day notice received by KPB, and satisfactory review and final condition inspections, the properties will transfer back to the KPB and funds will be needed for operating, insurance, and related costs. Additionally, funds are necessary to cover operational costs related to the Nikolaevsk school facility, which was surplus by KPBSD in FY26.

KPB and KPBSD administrations will coordinate facility transfer and site control efforts if and when surplus transfer decisions are made by the School Board. The ordinance appropriates \$950,000 from the General Fund to provide for utilities, maintenance, insurance and other operating costs of the facilities for fiscal year 2027.

These funds will provide annual operating and maintenance costs for the facilities while a plan is developed regarding future use of the properties.

The KPB Administration will hold community meetings to discuss and gather input regarding use of the properties moving forward.

Your consideration is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>100.27910</u>
Amount:	<u>\$950,000</u>
By: <i>BH</i>	Date: <u>6/29/2026</u>