

# Kenai Peninsula Borough Legal Department

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## MEMORANDUM

**TO:** Brent Hibbert, Assembly President  
Members, Kenai Peninsula Borough Assembly

**THRU:** Charlie Pierce, Mayor *CP*  
Colette Thompson, Borough Attorney *CT*

**FROM:** Sean Kelley, Deputy Borough Attorney *SK*

**DATE:** July 22, 2021

**RE:** Ordinance 2021-19-06, Appropriating Funds to the Legal Department for the Costs and Fees Associated with Hiring Outside Counsel to Represent the Kenai Peninsula Borough in an Appeal from an Administrative Agency (Mayor)

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On June 23, 2021, Furie Operating Alaska, LLC (Furie) filed an appeal, in the Anchorage Superior Court, of the State Assessment Review Board's (SARB) Certificate of Determination dated May 24, 2021. The SARB decision upheld the State of Alaska's assessment of the oil and gas production property under appeal

It is difficult to accurately predict the extent the borough will continue to be involved going forward but we estimate that up to \$150,000 in legal fees and costs may be required to protect the borough's interests. This appropriation would include fees associated with hiring potential expert witnesses in this matter. If additional funds are required the continued participation of the borough may be re-evaluated at that time.

The property subject of this appeal was assessed, pursuant to AS 43.56, by the assessor for the State of Alaska. The borough participated at the SARB hearing, and the borough's position before SARB was that the assessment performed by the State of Alaska was in-line with statutory and regulatory requirements and therefor should be upheld.

Your consideration of this ordinance is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>100.27910</u>
Amount:	<u>\$150,000.00</u>
By: <i>PP</i>	Date: <u>7/20/2021</u>
By: <i>BA</i>	