

Introduced by:	Mayor
Date:	09/19/23
Hearing:	10/10/23
Action:	Enacted
Vote:	9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2023-19-19**

**APPROPRIATING FUNDS TO THE LEGAL DEPARTMENT FOR LITIGATION FEES
AND COSTS RELATED TO AN OIL AND GAS PROPERTY TAX APPEAL**

WHEREAS, on June 23, 2021, Furie Operating Alaska, LLC (“Furie”) filed an appeal in the Anchorage Superior Court of the State Assessment Review Board’s Certificate of Determination dated May 24, 2021, regarding Furie’s appeal of the assessed tax value of oil and gas production property within the borough for the 2021 assessment year (“Furie Appeal”);

WHEREAS, the assessment of oil and gas production property is a State of Alaska function under the State’s Department of Revenue;

WHEREAS, the Kenai Peninsula Borough (“Borough”) is a party to the appeal because the property is within the Borough’s boundaries; and

WHEREAS, the Borough retained the law firm of Dillon & Findley, PC to represent it in the Furie Appeal; and

WHEREAS, subsequently Furie appealed the 2022 assessed tax value of its oil and gas production property; and

WHEREAS, the Superior Court consolidated the 2021 and 2022 appeals into a single case; and

WHEREAS, this case involves complex legal and property valuations issues with numerous out-of-state experts; and

WHEREAS, an eight day trial was held in Anchorage commencing on July 24, 2023 requiring the continued services and expertise of Dillon & Findley to adequately represent the Borough’s interest in this matter; and

WHEREAS, funds in the amount of \$56,419.01 are needed to pay for the legal services and costs through conclusion of this matter incurred by outside counsel on behalf of the Borough;

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

SECTION 1. The sum of \$56,419.01 is hereby appropriated from the General Fund's fund balance to account number 100.11310.22FUR.49999 for fees and expenses associated with hiring outside counsel and necessary experts for the Furie Appeal.

SECTION 2. That the appropriations made in this ordinance are of a project length nature and as such do not lapse at the end of any particular fiscal year.

SECTION 3. This ordinance shall be effective retroactively to July 1, 2023.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 10TH DAY OF OCTOBER, 2023.

Brent Johnson

Brent Johnson, Assembly President

ATTEST:

Michele Turner

Michele Turner, CMC, Borough Clerk



Yes: Chesley, Cox, Derkevorkian, Ecklund, Elam, Hibbert, Ribbens, Tupper, Johnson

No: None

Absent: None