

Introduced by: Mayor, Assembly
Date: 02/27/24
Action: Adopted
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2024-008**

A RESOLUTION REQUESTING THE STATE LEGISLATURE TRANSFER A GRANT AWARDED TO THE KENAI PENINSULA BOROUGH FOR CONSTRUCTION OF A SCHOOL FACILITY IN KACHEMAK-SELO FROM THE DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT TO THE DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT

WHEREAS, the process to build a new school facility for the Kachemak-Selo community began in 2012 when Kachemak-Selo residents submitted a petition to KPBSD Board of Education requesting improved school facilities; and

WHEREAS, in 2016, following the enactment of Senate Bill 138, the Kenai Peninsula Borough (KPB) was awarded a grant by the State of Alaska (State) through the Department of Education and Early Development (DEED) for the planning, design, construction and equipping of a new K-12 school facility in Kachemak-Selo under AS 14.11.005; and

WHEREAS, the State initially approved an eligible amount of \$16,719,236 including a State grant of \$10,867,503 and a required local match of \$5,851,733 pursuant to AS 14.11.008; and

WHEREAS, DEED reduced the grant award to \$10,010,000 due to student population projections; and

WHEREAS, pursuant to AS 14.11.008, DEED requires a 35 percent match of \$5,390,000 through cash, in-kind or a combined contribution; and

WHEREAS, Ordinance 2018-19-02 approved and appropriated the DEED grant subject to voters' approval of the ballot proposition in Ordinance 2018-21 seeking voter approval to issue \$5,450,000 of general obligation bonds to pay the required local match;

WHEREAS, the ballot proposition to pay the local required match failed at the regular election on October 2, 2018; and

- WHEREAS,** the KPB then pursued a performance period extension of seven years to secure the required 35 percent match; and
- WHEREAS,** Ordinance 2018-19-25, accepted and appropriated the State funds and authorized the Mayor to execute the grant agreement in order to pursue an extension per DEED requirements; and
- WHEREAS,** the deadline to obtain local funds is currently June 29, 2024; and
- WHEREAS,** in its Fiscal Year 2023 budget the KPB appropriated \$3,000,000 in local match funds for the Kachemak-Selo School Facility Construction Project; and
- WHEREAS,** the KPB Administration is actively pursuing a facility campus through a land purchase agreement that will go before the Assembly for acquisition approval; and
- WHEREAS,** due to unique circumstances and challenges related to providing a K-12 school facility in Kachemak-Selo, the KPB requests the State Legislature transfer the grants funds from DEED to the Department of Commerce, Community & Economic Development (DCCED); and
- WHEREAS,** the remote location, with no dedicated legal access and seasonally limited access by water, combined with DEED standards and requirements for building a school, results in high construction and equipping costs; and
- WHEREAS,** the KPB is limited in its ability to satisfy the DEED local match requirements and is unable to build a school facility in Kachemak-Selo that meets the DEED school design and construction standards; and
- WHEREAS,** transferring the grant funds to DCCED would remove the required 35 percent local match and allow the KPB to construct a community center facility that will be used for educational purposes; and
- WHEREAS,** transferring the grant funds to DCCED is in the best interests of the Kachemak-Selo K-12 aged students and the community by ensuring the ability to move forward with construction of a community center that serves the area's community and educational needs; and
- WHEREAS,** transferring the grant funds to DCCED is in the best interests of KPB constituents in that it will provide a mechanism to construct a community center that can be used for educational purposes in manner that is cost effective while still providing an appropriate educational environment;

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

SECTION 1. That the Assembly requests the Alaska State Legislature transfer grant GR-17-001 (Kachemak Selo New K-12 School Construction) from the Department of Education and Early Development (DEED) to the Department of Commerce, Community & Economic Development (DCCED).

SECTION 2. The Mayor is hereby authorized to execute all documents and make all agreements deemed necessary to effectuate the intent of this resolution.

SECTION 3. That the Clerk will provide a copy of this resolution to the State Legislature.

SECTION 4. This resolution shall become effective immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 27TH DAY FEBRUARY 2024.

Brent Johnson

Brent Johnson, Assembly President

ATTEST:

Michele Turner

Michele Turner, CMC, Borough Clerk



Yes: Cooper, Cox, Ecklund, Elam, Hibbert, Ribbens, Tunseth, Tupper, Johnson

No: None

Absent: None