


Kenai Peninsula Borough

Purchasing & Contracting

MEMORANDUM

TO: Brent Johnson, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor 

FROM: Brandi Harbaugh, Finance Director *BH*
John Hedges, Purchasing & Contracting Director *JH*
Rachel Chaffee, Community and Fiscal Project Manger *RC*

DATE: May 26, 2022

RE: Ordinance 2021-19-58, Appropriating Funds for the Costs of Distributing Information about the Ballot Proposition Seeking Voter Approval for the Issuance of Bonds to Pay for Capital Improvements for Borough Schools to Ensure Compliance with Legal Restrictions on the Use of Borough Funds and Assets Related to Ballot Propositions (Mayor)

It is anticipated that at its regularly scheduled June 21, 2022 meeting, the Assembly will hold a public hearing on an ordinance providing for the submission to the qualified voters of the Kenai Peninsula Borough the question of the issuance of not-to-exceed sixty-five million five hundred fifty thousand dollars (\$65,550,000) of general obligation bonds of the Kenai Peninsula Borough (Borough) to pay the costs of educational capital improvements in the Borough at the election on October 4, 2022.

Alaska Statute (AS) 15.13.145 and KPB 4.10.100 prohibits the use of public funds to influence the outcome of an election, except that AS 15.13.145(b) allows public funds to be used to influence the outcome of an election if specifically appropriated for that purpose by municipal ordinance. The Borough's administration requests an appropriation of \$25,000 by the assembly to cover the costs informing the public of the needs and impacts associated with the "School Bond" proposition, to ensure compliance with Borough code and State law.

The materials and information that will be distributed will be factual, and address the needs and impacts associated with the School Bond proposition. The material will be distributed through online platforms, print publications, and presentations throughout the borough.

This ordinance would enact a notwithstanding exception to KPB 4.10.1100 to allow for Borough employees' in-kind services to promote the passage of ballot

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propositions and authorize the management and transfer of information necessary to adequately inform the public of the justification and need for the issuance of the bonds. While the administration believes the distribution of this information would not violate the code, this ordinance would resolve any potential legal issues by authorizing the dissemination of any prepared materials.

If this ordinance is enacted it is the Administration's intent to hire a professional consultant to conduct a public information effort on behalf of the Borough to provide the details for the needs and impacts driving the bond initiative.

It is in the best interests of the Borough to ensure that the public is adequately informed of the needs and the impacts of the School Bond proposition.

Your consideration of this ordinance is appreciated.

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| FINANCE DEPARTMENT FUNDS VERIFIED | |
| Acct. No. <u>100.27910</u> | _____ |
| Amount: _____ | _____ |
| By: _____ <i>BA</i> _____ | Date: <u>5/26/2022</u> |