

# KENAI PENINSULA BOROUGH PROPOSITION SUMMARY

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## PROPOSITION NO. 3 CENTRAL EMERGENCY SERVICE AREA GENERAL OBLIGATION BONDS AND APPROVAL OF PROJECT

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*(To be voted on by all Central Emergency Service Area voters)*

**BACKGROUND:** Central Emergency Services Soldotna Fire Station #1 (CES Station 1) was constructed in 1956 as a community hall. Subsequent additions in 1964-1967, 1973 and 1984, converted this building to the current fire station it is today. Even with these additions, the station has failed to keep up with today's operations and demands, and all reasonable measures for station expansion to meet safety services have been exhausted. CES Station 1 is the busiest fire station on the Kenai Peninsula, responding to over 2,500 calls for emergency response throughout the Central Emergency Service Area (CES). CES Station 1 is the primary fire response station, centrally located, and staffed to provide initial and supplemental support to the four other CES fire stations serving the approximately 25,000 service area residents. The Kenai Peninsula Borough (Borough) has completed a preliminary engineering report and study that documented many issues indicating that the current CES station 1 is undersized, has structural and building code deficiencies, and lacks storage, living, office, fire truck and ambulance space. Through the study, it was determined that CES Station 1 is inadequate for the daily operations, emergency response, workload, and staffing to meet the demands of the CES fire service area. The Central Emergency Service Area Board has determined that replacing the current CES Station 1 is its top priority to improve response capabilities. Increasing safety services to the residents with a new fire station is in the public's best interest. A replacement fire station will also provide space for emergency responder staffing and adequate storage for fire, ambulance, and rescue equipment, all necessary to meet today's and future emergency response demands. The completion of the replacement fire station is also expected to result in lower operating and maintenance costs for the service area in addition to reducing energy consumption. The replacement fire station will allow administration, training and emergency responders to be under one headquarters fire station, which will improve operational cohesion and communication while also reducing current overhead costs incurred by the service area due to staff located at multiple Borough facilities. The Central Emergency Service Area has purchased land for the replacement fire station.

**FISCAL NOTE:** The estimated cost to build and equip the replacement fire station does not exceed sixteen million five hundred thousand dollars (\$16,500,000). An estimated .36 mill rate increase throughout the Central Emergency Service Area will be required to pay debt service on the \$16,500,000 bond indebtedness. Voter approval for this proposition authorizes for each \$100,000 of assessed real and personal property value in the Central Emergency Service Area (based on the estimated FY2023 service area assessed valuation) an annual tax increase of approximately \$36 to retire the debt. No additional staff will be required to operate the replacement fire station.

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### BALLOT LANGUAGE

*As approved by Ordinance 2022-24*

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#### PROPOSITION NO. 3 CENTRAL EMERGENCY SERVICE AREA STATION BONDS AND APPROVAL OF PROJECT

Shall the Kenai Peninsula Borough incur indebtedness and issue up to \$16,500,000 of general obligation bonds of the Central Emergency Service Area?

The bond proceeds will be used to pay the costs of planning, designing, acquiring property for, site preparation, constructing, installing and equipping new Central Emergency Services Fire Station located within the Central Emergency Service Area and pay costs of issuing the bond.

The indebtedness will be repaid from ad valorem taxes levied on all taxable property located within the Central Emergency Service Area. The Central Emergency Service Area will pledge its full faith and credit for repayment of the indebtedness.

Voter approval for this proposition authorizes for each \$100,000 of assessed real and personal property value in the Central Emergency Service Area (based on the estimated FY2023 service area assessed valuation) an annual tax increase of approximately \$36 to retire the debt.

YES     A “Yes” vote approves the issuance of bonds.

NO     A “No” vote opposes the issuance of bonds.