



KENAI PENINSULA BOROUGH

Finance Department

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**MIKE NAVARRE
BOROUGH MAYOR**

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Borough Mayor *MN*

FROM: Craig Chapman, Finance Director *BJ fa cc*

DATE: November 9, 2016

SUBJECT: Resolution 2016-*0108*, Authorizing the Issuance and Sale of General Obligation Bonds of the Kenai Peninsula Borough in the Principal Amount Not to Exceed \$6,000,000 to Finance the Costs of Solid Waste Improvements in the Borough as Authorized by Ordinance No. 2016-14 of the Borough and Ratified by the Borough's Voters at an Election Held on October 4, 2016, Fixing Certain Details of Such Bonds, and Pledging the Full Faith and Credit of the Borough to the Payment Thereof (Mayor)

The attached resolution authorizes the issuance of up to \$6,000,000 in general obligation bonds through the Alaska Municipal Bond Bank Authority. A majority of borough residents voting in the October 4, 2016 election approved the issuance of these bonds. As described in the proposition, the total amount is authorized to finance costs of planning, designing, site preparation, constructing, and equipping the solid waste facility. The resolution authorizes the borough mayor, finance director and clerk to execute the documents and agreements necessary to complete the sale of the bonds. Based on current interest rates for tax-exempt municipal debt, it is anticipated that the true interest rate of the bonds will be between 1.5 percent and 2.5 percent. The actual rate of interest is subject to market conditions as of the actual sale date.