

Introduced by: Mayor  
Date: 09/05/17  
Action: Adopted  
Vote: 8 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH  
RESOLUTION 2017-051**

**A RESOLUTION TO FORM THE SOUTH KASILOF UTILITY SPECIAL  
ASSESSMENT DISTRICT AND PROCEED WITH THE IMPROVEMENT  
OF A NATURAL GAS MAIN LINE**

- WHEREAS,** KPB Chapter 5.35 authorizes the formation of utility special assessment districts within the Kenai Peninsula Borough; and
- WHEREAS,** an application for a petition to form a utility special assessment district ("USAD") was received from the property owners within the proposed district; and
- WHEREAS,** on July 3, 2017, the mayor approved the administrative review of the Petition Report, pursuant to KPB 5.35.105 requirements, for the formation of the South Kasilof USAD for construction of a natural gas main line; and
- WHEREAS,** KPB 5.35.107(C) requires signatures of the owners of record of at least 60 percent of the total number of parcels subject to assessment within the proposed district and at least 60 percent in value of the property to be benefited in order to be considered by the assembly for formation, and the owners of record of 79.49 percent of the total number of parcels and 89.80 percent in value of the property to be benefited have signed the petition; and
- WHEREAS,** the petition was submitted timely by the sponsor, and on July 24, 2017, the borough clerk determined that the petition received bears sufficient signatures meeting the signature thresholds as required by KPB 5.35.107, and acknowledged receipt of a filing fee for \$1,000 as required by KPB 5.35.030(D); and
- WHEREAS,** the borough clerk gave notice of the public hearing for this resolution by certified mail, return receipt requested, mailed not less than 35 days before the date of the hearing, to each record owner of a parcel in the proposed district; and
- WHEREAS,** the clerk further gave notice by publication once a week for two consecutive weeks in a newspaper of general circulation in the borough, with the first publication appearing not less than 30 days before the date of the hearing; and

**WHEREAS,** more than 35 days have passed since the mailing of the notice of the public hearing to each record owner of a parcel in the proposed district, and one written objection to the necessity of formation of the district has been filed with the borough clerk; and

**WHEREAS,** KPB 5.35.110(A) requires the mayor to prepare for assembly consideration a resolution to form the special assessment district and proceed with the improvement and to submit with the resolution a copy of the petition as described in KPB 5.35.107(A);

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

**SECTION 1.** That the Kenai Peninsula Borough shall form the South Kasilof USAD and the mayor is authorized to proceed with the construction of the improvement in accordance with the provisions of KPB Chapter 5.35, and negotiate and execute such documents as are determined to be in the best interests of the borough to accomplish this project.

**SECTION 2.** That pursuant to the requirements of KPB 5.35.110, this resolution is supported by the mayor's report, which is attached hereto and incorporated herein by reference.

**SECTION 3.** That the proposed South Kasilof USAD is necessary and should be made and is hereby formed, and the borough shall proceed with the construction of an extension of Enstar's natural gas main line to a district encompassing 39 benefited parcels in the area of Kasilof, beginning at the intersection of Kalifornsky Beach Road and Olympic Avenue (north) to Sandwick Avenue, and will include Sandwick Avenue, Amber Drive, and approximately 455 lineal feet of Sand Street.

**SECTION 4.** That the boundaries of the USAD for the natural gas main line set forth in the district map as mayor's report Exhibit 1, page 17, and the properties legally described in the Estimate Assessment Roll as mayor's report Exhibit 1, pages 18 to 20, are hereby approved as comprising the USAD.

**SECTION 5.** That the estimated cost of the project of \$222,098.76, which includes direct costs of \$213,369.00 and indirect administrative costs of \$8,729.76, is approved.

**SECTION 6.** That the attached Estimate Assessment Roll, mayor's report Exhibit 1, pages 18 to 20, which includes properties within the district to be properly included and subject to an assessment of \$5,694.84 per parcel for the improvement, is incorporated by reference herein and adopted.

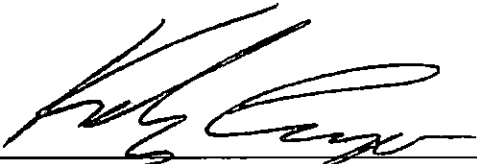
**SECTION 7.** Pursuant to the requirements of KPB 5.35.105(B) and 5.35.110(E)(4), that the following property, "*T 3N R 11W SEC 19 SEWARD MERIDIAN KN THAT PORTION OF GOVT LOT 3 LYING SOUTH OF KALIFORNSKY BEACH RD*" (parcel number 133-281-01), shall be excluded from the district and will not receive the benefit of the improvement and will not be subject to the assessment as the mayor has determined this property as not directly benefiting from the improvement due to the property's physical characteristic, see Exhibit 1, pages 1 to 5, attached.

**SECTION 9.** That the mayor is authorized to negotiate and execute such documents as are determined to be in the best interests of the borough to proceed with construction of the improvement and to accomplish this project.

**SECTION 10.** That the borough clerk shall cause a copy of this resolution and the estimated assessment roll to be recorded in the District Recorder's office for the State of Alaska at Kenai.

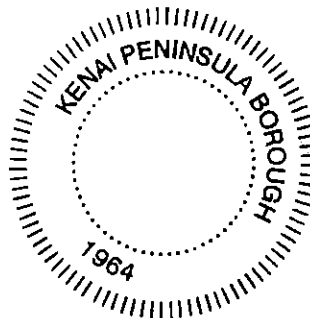
**SECTION 11.** That this resolution shall take effect immediately upon its adoption.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY OF SEPTEMBER, 2017.**

  
\_\_\_\_\_  
Kelly Cooper, Assembly President

ATTEST:

  
\_\_\_\_\_  
John Blankenship, MMC, Borough Clerk



Yes: Bagley, Carpenter, Dunne, Fischer, Hibbert, Ogle, Schaefer, Cooper

No: None

Absent: None



## **KENAI PENINSULA BOROUGH**

144 North Binkley Street • Soldotna, Alaska 99689-7520

Toll-free within the Borough: 1-800-478-4441

PHONE: (907) 714-2230 • FAX: (907) 714-2393

www.kpb.us

**MIKE NAVARRE**  
**BOROUGH MAYOR**

**To:** Mike Navarre, Borough Mayor

**From:** Tom Anderson, Director of Assessing  
Marie Payfer, Special Assessment Coordinator *MP TA*

**Date:** June 30, 2017

**Subject:** Administrative Review of the Petition Report for the South Kasilof Utility  
Special Assessment District

**Review Period:** Friday, June 30, 2017 through Friday, July 14, 2017

In accordance with KPB Code Chapter 5.35, a petition application has been submitted for formation of a utility special assessment district in the community of Kasilof. Known as the South Kasilof Utility Special Assessment District (hereinafter "USAD"), the proposed main line route will include that portion of Kalifornsky Beach Road, between Olympic Avenue (north) to Sandwich Avenue, and will include Sandwich Avenue, Amber Drive, and approximately 455 LF of Sand Street (see Exhibit 2, page 2). Enstar has verified that the parcel abutting Kalifornsky Beach Road and Olympic Avenue (noted in *slant-shading* on USAD map enclosed) is currently served at the property's southernmost boundary by the existing main line on Olympic Avenue, and therefore is not included within this district. This project would directly benefit 40 parcels. See Petition Report, Exhibit #3 District Map and Boundaries, and Exhibit #2 Enstar's engineers map.

The attached Petition Report, and correlated exhibits, is provided to the mayor for consideration and approval. Pursuant to 5.35.105(C), the mayor will consider the petition report for the proposed USAD and make a final determination to approve or to acquire additional or amended information not less than 45 days and not more than 60 days from the date the assessing department mails notice to the affected property owners to allow for the comment period as described in KPB 5.35.030(E).

The notices were mailed out to the affected property owners on Wednesday, May 17, 2017; therefore, the mayor may consider the petition report not earlier than Friday, June 30, 2017, and not later than Friday, July 14, 2017.

Your review and approval of the proposed petition report is hereby requested so that the sponsors may pursue the signatures of owners of property within the approved boundaries. If sufficient signatures are obtained and the completed petition certified, the project may move forward with assembly approval of the resolution to form the district and proceed with the improvement. The sponsors hope for this to

occur at the assembly meeting scheduled for September 5, 2017, so they may meet Enstar's deadline of September 15, 2017, in order to stay on schedule for the 2017 construction season.

KPB 5.35.110(B) requires all parcel owners within the proposed district be notified of the Assembly's review at least 35 days prior to the hearing. In order to meet this requirement for a September 5 assembly meeting, notices must be mailed out by Tuesday, August 1, 2017; therefore, it is anticipated that the completed petition must be returned to the assessing department no later than Friday, July 28, 2017, for the Clerk's review of the petition for certification.

- For this reason, the sponsors respectfully request an *expedited review of the petition report* so they may receive the final petition as early a date after June 30, 2017, as possible.

#### **SECTION 1. IMPROVEMENT PROPOSAL:**

On May 5, 2017, the utility company, Enstar, submitted a letter of approval for the proposed natural gas main line extension and a written estimate of the utility's estimated cost of constructing the extension. The sponsor was informed of the total estimated cost for this project. On May 17, 2017, the sponsor provided the assessing department with written notice of intent to proceed with administrative review of the petition report, and submitted a non-refundable filing fee as established in the most current Schedule of Rates, Charges and Fees. Pursuant to KPB 5.35.030(E), on May 17, 2017, the assessing department provided notices of the proposed USAD to all parcel owners in the proposed district by certified mail, return receipt requested. On May 19, 2017, Enstar provided a revised letter of approval and estimate cost of constructing the extension, which provided an extension of the deadline until September 15, 2017, for assembly approval to form the district.

The project proposes to install a natural gas line of approximately 9,265 lineal feet of 2-inch pipe. The total project cost for the 2017 construction is estimated at \$222,168.22, which includes Enstar's 2017 construction cost of \$213,369.00 (standard installation cost of \$180,204.00, plus non-standard cost of \$33,165.00 for ditch restoration and two road bores), plus the Kenai Peninsula Borough administration cost of \$8,799.80. The allocated per-parcel cost is estimated to be \$5,554.22 for each of the 40 benefited parcels. This is a non-refundable project and a Contribution in Aid Agreement will be used for the project. If the project is approved by the assembly by September 15, 2017, Enstar will attempt to construct the project in 2017. If the project is delayed and constructed in 2018, another engineering estimate will be required with updated construction costs for the proposed year of construction.

#### **SECTION 2. RESTRICTIONS ON FORMATION:**

Pursuant to 5.35.070(B), the legal description of parcels within the proposed district as of the date of the mayor's approval of the petition report under KPB 5.35.105 will establish the parcels for assessment. No subdivision, reversion of acreage, or lot line adjustment will be recognized for USAD assessment purposes after the mayor's approval of the petition report.

KPB 5.35.030(E)(4), requires "any action to replat parcels within the proposed district shall be completed and recorded before the date the mayor approves the petition report under KPB 5.35.105(C)".

- On May 19, 2017, a plat was recorded for the *Fletcher Subdivision Hakkinen Replat*, Plat 2017-23. A lot line adjustment combined two (2) parcels which were originally included in this district as benefited properties, with one (1) non-benefited parcel. The resulting new larger parcel is not a

"benefited parcel" within this district as this parcel is currently served via the existing natural gas main line from Olympic Avenue. This property is shown on Exhibit #3, the district map, and noted as "already served". The replat reduced the total number of benefited properties from 42 parcels to 40 parcels. A letter from the owner is included as public comment. The sponsor is aware of the change in the number of parcels in the district and the resulting increase of cost per parcel.

Pursuant to KPB 5.35.070(C), in no case may a property be assessed an amount in excess of 50% of the fair market value of the property. Within this proposed district there is one (1) parcel that exceeds the 50% assessment-to-value limitation which will required a prepayment of the assessment made at least 15 days prior to the date the assembly is scheduled to act on the resolution to form the district and proceed with the improvement.

- The owners of this parcel which will be affected by the assessment-to-value-ratio have formally requested that this parcel be excluded from the proposed district (please see Section 4).

Per KPB 5.35.070(D) & (E), a special assessment district may not be approved where properties which will bear more than 10% of the estimated costs of the improvement are subject to unpaid, past-due borough property taxes, and, if one owner owns more than 40% of the total number of parcels to be benefited. Within this proposed district, there are no parcels with delinquent property taxes, and there is no one owner who owns more than 40% of the total number of parcels to be benefited.

### **SECTION 3. KENAI PENINSULA BOROUGH OWNED PROPERTY:**

Pursuant to KPB 5.35.107(C)(6), the mayor shall be the designee for signing any petition when borough land is part of the proposed district. Within this proposed district, there are no parcels which are currently owned by the Kenai Peninsula Borough.

### **SECTION 4. OWNER OBJECTIONS – EXCLUSION REQUEST:**

**Public Comments:** The assessing department has received two (2) written comments regarding the proposed project from benefited property owners. The letters are included as public comment.

**Exclusion Request:** Pursuant to KPB 5.35.105(B), the mayor shall exclude from the proposed district any real property, or any interest in real property, that is not directly benefited by the improvement. If a property owner claims the physical characteristics of his or her property make it legally impermissible, physically impossible, or financially infeasible to develop or improve it in a manner that would enable the property to benefit from the proposed improvement, the property owner has the burden of demonstrating that the property has such physical characteristics and therefore cannot benefit from the proposed improvement.

Within this proposed district, there is one (1) parcel whose owners have requested consideration to exclude the following property from the special assessment. The owners' letter of request is included in this report as Attachment #1.

#### **Parcel numbers 133-281-01:**

- Legal description: *T 3N R 11W SEC 19 Seward Meridian KN that portlon of gov't lot 3 lying south of Kalifornsky Beach Road*
- 2017 Assessed Value: \$3,600
- Total Acreage: .40; Land type: *Rural B*: .17 acre; *Wetlands*: .23 acre

**Request for Exclusion:** Property owners Kesa M. and Brian W. Hakkinen, submitted a letter of objection on June 5, 2017, for this property's inclusion in the proposed district. The owners claim the property's physical characteristics make it *financially infeasible* to develop or improve the property in a manner that would enable the property to benefit from the proposed improvement. Per code, "financially infeasible" means the *cost to develop the property would exceed the increase in value due to development*.

- No estimate for cost to improve the property was provided by the owner.
- Owners reasons for request:
  - Property is assessed lower than estimated cost of the special assessment per parcel;
  - Approximately half of the parcel (.23 acre) is wetlands, which drops off to a stream gully;
  - Insufficient space to develop on remaining .17 acreage to install a well or septic system;
  - Construction of a driveway would reduce usable square footage;

**Building Restrictions:** No recorded plat was found to verify if building restrictions were applicable to development for this parcel; extra permits may be required before development.

**Assessed Value:** The 2017 assessed value has been adjusted due to the wetlands classification. The base value for Rural B land in this area is \$7,500 per acre, and wetlands is valued at \$1,000 per acre.

**Assessing Recommendation:** Based on the physical characteristics of this property, including usable acreage, shape of the lot, wetlands classified as "drainageway", and the topography of the property reveals a steep slope towards a nature gully, the assessing department recommends that this property be excluded from the assessment as this property will not directly benefit from the proposed natural gas line improvement on the basis of *financial infeasibility*, as any cost to improve this property will exceed the increase in value due to development.

Currently, this parcel is included in the total number of benefited parcels, and the calculation for cost per parcel of assessment. Should the administration choose to exclude this parcel from the district and petition signature process, the excluded parcel will be removed from the estimate assessment roll prior to disbursement of the final petition to the sponsors. Please see "Other Actions Items" on page 5 of this memo.

## **SECTION 5. PETITION REPORT AND EXHIBITS:**

The following list of exhibits to the Petition Report support and are incorporated by reference as follows:

- 1) **Petition Information Sheet** describes the proposed improvement, including the total estimated project cost, and the estimated cost per parcel; provides a statement notifying the property owners to contact the applicable utility for any additional costs that may be required to utilize the improvement; provides notification that any costs to connect individual parcels to the main improvement are not included in the assessment; contains notice of restrictions and requirements regarding the withdrawal of signatures on a petition; and important information about the petition process and payment options;
- 2) **Enstar's commitment letter** to construct the natural gas main line extension and a written estimate, including the engineer's map, dated May 19, 2017, stating that \$213,369.00 is Enstar's 2017 total estimated cost of the improvement;
- 3) **a map** of the proposed USAD district and boundaries;
- 4) **estimate assessment roll** contains a spreadsheet listing the total estimated cost of the improvement, the name of the record owner of each parcel, tax parcel number, legal description,

assessed valuation, the estimate of the amount to be assessed to each parcel, whether there are other special assessment liens against any of the parcels in the proposed district, and a description of any parcels that violate the restrictions listed in KPB 5.35.070(C) or (D); and

- 5) memo from the Finance Director stating the method of financing, interest rate to be paid, and setting forth the number and frequency of payments.

**District Sponsors:**

- Zac Lloyd, PO Box 3424, Soldotna AK 99669 -- 907-252-6524
- Dave Haugen, PO Box 97, Soldotna AK 99669 -- 907-953-0462

**SECTION 6. ADMINISTRATIVE REVIEW:**

KPB chapter 5.35.105(C) stipulates the mayor will consider the petition report and make a final determination to approve the report or to require additional or amended information not less than 45 days and not more than 60 days from the date the assessing department mails notice to affected property owners under KPB 5.35.030(E), and that upon the mayor's approval, at least one copy of the petition report shall be provided to the sponsor for distribution to pursue the signatures of owners of property within the approved boundaries.

Your review and approval of the proposed petition report is hereby requested so that the sponsor may proceed to pursue the signatures of owners of the property within the approved boundaries and continue the process to request assembly approval to form the district and proceed with the improvement. Due to timeline constraints as previously mentioned, an *expedited review* has been requested.

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Review period: not earlier than Friday, June 30, 2017; and no later than Friday, July 14, 2017

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**ACTION ITEMS:**

☐ Additional Information is Required: \_\_\_\_\_

☒ Petition Report, as submitted, is hereby:

☒ APPROVED

☐ DENIED

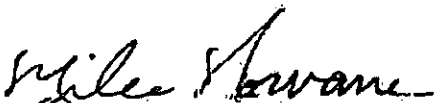
**OTHER ACTION ITEMS (see Attachment #1):**

☒ Exclusion request for Parcel 133-281-01 (Hakkinen):

☒ APPROVED

☐ DENIED

x



Mike Navarre, Borough Mayor

7/3/2017  
Date



# PETITION SIGNATURE PAGE

## SOUTH KASILOF USAD

### NOTICE TO PETITION SIGNERS:

1. This signed Petition Signature Page must be returned to the SPONSOR by: \_\_\_\_\_
2. Signatures must be in ink.
3. See back of this page for important deadline for signatures and signature requirements.
4. Your signature(s) represents a VOTE IN FAVOR of the project for the parcel listed below. You must sign and date your approval for each parcel you own which is included within the district. *A signature on a petition may be withdrawn only by written notice from the signer submitted to the assessing department prior to the final filing of the petition signatures by the sponsor. A withdrawal is effective only if notice of the withdrawal is submitted before the completed petition is filed, per KP.B 5.35.107(E). This does not preclude the property owner(s) from filing a written objection to the necessity of the formation of the district as provided in KP.B 5.35.110(D).*
5. This Petition consists of the following:
  - This Petition Signature Page, *only this page needs to be returned to the sponsors*; and
  - The Petition Report, and includes the following exhibits:
    1. Petition Information Sheet describes the proposed improvement, including the total estimated project cost, and the estimated cost per parcel; provides a statement notifying the property owners to contact the applicable utility for any additional costs that may be required to utilize the improvement; provides notification that any costs to connect individual parcels to the main improvement are not included in the assessment; and contains notice of restrictions and requirements regarding the withdrawal of signatures on a petition; and important information about the petition process and payment options;
    2. Enstar's commitment letter to construct the gas main line and a written estimate, including the engineer's map, dated May 19, 2017, stating that \$213,369.00 is Enstar's 2017 total estimated cost of the improvement;
    3. a map of the proposed USAD district and boundaries;
    4. estimate assessment roll contains a spreadsheet listing the total estimated cost of the improvement, the name of the record owner of each parcel, tax parcel number, legal description, assessed valuation, the estimate of the amount to be assessed to each parcel, whether there are other special assessment liens against any of the parcels in the proposed district, and a description of any parcels that violate the restrictions listed in KP.B 5.35.0740(C) or (D); and
    5. memo from the Finance Director stating the method of financing, interest rate to be paid, and setting forth the number and frequency of payments.

### 6. RETURN COMPLETED SIGNATURE PAGE TO USAD SPONSORS:

|             |                                |              |                           |
|-------------|--------------------------------|--------------|---------------------------|
| Zac Lloyd   | PO Box 3424, Soldotna AK 99669 | 907-252-6524 | zacloйд@ymail.com         |
| Dave Haugen | PO Box 97, Soldotna AK 99669   | 907-953-0462 | dakotadavid2001@yahoo.com |

**THE OWNER(S) OF RECORD, BY HIS/HER SIGNATURE ACKNOWLEDGES THAT HE/SHE HAS HAD THE OPPORTUNITY TO READ THE DOCUMENTS COMPRISING THE PETITION REPORT LISTED IN #5 ABOVE AND APPROVES THE PROPOSED SOUTH KASILOF ROAD UTILITY SPECIAL ASSESSMENT DISTRICT.**

Owner(s) of Record

«OWNER»

«ADDRESS»

«CITY\_ST\_ZIP»

Parcel No.: «PARCEL\_ID»

Assessed Value: «M\_2017\_ASSESSED\_VALUE»

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**IMPORTANT INFORMATION***Petition Signature Page*

**KPB 5.35.107(B): Deadline for Signature.** Completed petition signature pages must be filed with the assessing department within 45 days of the date the assessing department distributes the petitions to the sponsor.

**ATTENTION!** For this project, in order to stay on schedule for a 2017 construction season, Enstar has provided a deadline for assembly approval of September 15, 2017. To meet this deadline, the assembly must approve a resolution to form the district at the September 5, 2017, scheduled assembly meeting. KPB 5.35.110(B) requires notices must be mailed to all affected property owners 35-days prior to the scheduled assembly meeting; as a result, notices will need to be mailed no later than August 1, 2017. Therefore, the sponsor must collect and return the signed petition signature pages (*and all required signature authority documentation*) to the Assessing Department *no later than Friday, July 28, 2017.*

*Property owners must return the signed petition pages directly to the sponsors for final collection*

|                  |             |                                |              |                           |
|------------------|-------------|--------------------------------|--------------|---------------------------|
| <b>USAD</b>      | Zac Lloyd   | PO Box 3424, Soldotna AK 99669 | 907-252-6524 | zacloyd@ymail.com         |
| <b>Sponsors:</b> | Dave Haugen | PO Box 97, Soldotna AK 99669   | 907-953-0462 | dakotadavid2001@yahoo.com |

**KPB 5.35.107(C): Signature requirements.** The petition must contain the signatures of (a) the owners of record of at least 60% of the total number of parcels subject to assessment within the proposed district; and (b) the owners of record of at least 60% in value of the property to be benefited, in order to be considered by the assembly for formation.

- Multiple owners:** When a parcel is owned by more than one person or entity, signatures for each record owner are required in order for the parcel to count towards the signature thresholds. All signatures shall be consistent with the requirements listed in KPB 5.35.107(C)(2) – (6), as applicable [if the joint owner is deceased a copy of the death certificate must be provided]. The following are those requirements:
- Signature by Proxy:** Signatures by proxy will not be accepted by the clerk.
- Power of Attorney:** The signature of a power of attorney will only be accepted by the borough if the signature is accompanied by a copy of the Power of Attorney document providing authority for such signatures.
- Business entities:**
  - Corporations:** Where a parcel is owned by a corporation, the petition shall be signed by two individuals, one of whom is the chairman of the board, the president, or the vice president, and the other of whom is the secretary or treasurer, or by another person or persons who have been given authority via corporate resolution.
  - Limited liability companies:** Where a parcel is owned by a LLC, the petition must be signed by a member if the LLC is member-managed, or by the manager, if a manager has been designated.
  - Other business owners:** Where a parcel is owned by another type of business entity, only those persons who have signatory authority to bind the business entity under Alaska Statutes may sign the petition as owner.
- Trusts:** Where a parcel is owned by a trust, only the trustee may sign as the property owner. If there are co-trustees, a majority must sign the petition in order for the parcel to count towards the signature thresholds unless otherwise provided in the trust document. The signature of the trustee(s) shall be accepted by the clerk if it is accompanied by a copy of the trust document.

**KPB 5.35.107(E): Signature withdrawal.** A signature on a petition may be withdrawn only by written notice from the signer submitted to the assessing department prior to the final filing of the petition signatures by the sponsor. A withdrawal is effective only if notice of the withdrawal is submitted before the filing of the completed petition.

## **PETITION REPORT**

### **SOUTH KASILOF**

### **UTILITY SPECIAL ASSESSMENT DISTRICT (USAD)**

In accordance with KPB Chapter 5.35, a petition application has been submitted for the formation of a utility special assessment district in the community of Kasilof. Known as the South Kasilof Utility Special Assessment District (hereinafter "USAD"), the proposed main line route will include that portion of Kalifornsky Beach Road, between Olympic Avenue (north) to Sandwick Avenue, and will include Sandwick Avenue, Amber Drive, and approximately 455 LF of Sand Street (see Exhibit 2, page 2). Enstar has verified that the parcel abutting Kalifornsky Beach Road and Olympic Avenue (noted in *slant-shading* on USAD map enclosed, Exhibit #3) is currently served at the property's southernmost boundary, by the existing main line extension on Olympic Avenue, and therefore is not included within this district. This project would directly benefit 39 parcels.

The project proposes to install a natural gas line of approximately 9,265 lineal feet of 2-inch pipe. The total project cost for the 2017 construction is estimated at \$222,098.76, which includes Enstar's 2017 construction cost of \$213,369.00 (standard installation cost of \$180,204.00, plus non-standard cost of \$33,165.00 for ditch restoration and two road bores), plus the Kenai Peninsula Borough administration cost of \$8,729.76. The method of assessment is by equal allocation on a per-parcel basis, and the cost per parcel is estimated to be \$5,694.84 for each of the 39 benefited parcels. This is a non-refundable project and a Contribution in Aid Agreement will be used for the project. If the project is approved by the assembly by September 15, 2017, Enstar will attempt to construct the project in 2017. If the project is delayed and constructed in 2018, another engineering estimate will be required with updated construction costs for the proposed year of construction.

**This Petition Report is supported by the attached exhibits:**

- 1) **Petition Information Sheet** describes the proposed improvement, including the total estimated project cost, and the estimated cost per parcel; provides a statement notifying the property owners to contact the applicable utility for any additional costs that may be required to utilize the improvement; provides notification that any costs to connect individual parcels to the main improvement are not included in the assessment; contains notice of restrictions and requirements regarding the withdrawal of signatures on a petition; and important information about the petition process and payment options;
- 2) **Enstar's commitment letter** to construct the natural gas main line extension and a written estimate, including the engineer's map, dated May 19, 2017, stating that \$213,369.00 is Enstar's 2017 total estimated cost of the improvement;
- 3) **a map** of the proposed USAD district and boundaries;
- 4) **estimate assessment roll** contains a spreadsheet listing the total estimated cost of the improvement, the name of the record owner of each parcel, tax parcel number, legal description, assessed valuation, the estimate of the amount to be assessed to each parcel, whether there are other special assessment liens against any of the parcels in the proposed district, and a description of any parcels that violate the restrictions listed in KPB 5.35.070(C) or (D); and
- 5) **memo from the Finance Director** stating the method of financing, interest rate to be paid, and setting forth the number and frequency of payments.

**The USAD sponsors are:**

|             |                                |              |                           |
|-------------|--------------------------------|--------------|---------------------------|
| Zac Lloyd   | PO Box 3424, Soldotna AK 99669 | 907-252-6524 | zacloyd@ymail.com         |
| Dave Haugen | PO Box 97, Soldotna AK 99669   | 907-953-0462 | dakotadavid2001@yahoo.com |

**For additional information, contact:**

**Marie Payfer, KPB Special Assessment Coordinator**

Dir. Line: 907-714-2250

Email: [mpayfer@kpb.us](mailto:mpayfer@kpb.us)

## UTILITY SPECIAL ASSESSMENT DISTRICT PETITION INFORMATION SHEET SOUTH KASILOF USAD

In accordance with KPB Chapter 5.35, Special Assessments – Public Utilities, a petition application has been submitted for the formation of a utility special assessment district in the community of Kasilof. Known as the South Kasilof Utility Special Assessment District (hereinafter "USAD"), the proposed main line route will include that portion of Kalifornsky Beach Road, between Olympic Avenue (north) to Sandwich Avenue, and will include Sandwich Avenue, Amber Drive, and approximately 455 LF of Sand Street (see Exhibit 2, page 2). Enstar has verified that the parcel abutting Kalifornsky Beach Road and Olympic Avenue (noted in *slant-shading* on USAD map enclosed, Petition Report Exhibit #3) is currently served at the property's southernmost boundary, by the existing main line extension on Olympic Avenue, and therefore is not included within this district. This project would directly benefit 39 parcels.

The project proposes to install a natural gas line of approximately 9,265 lineal feet of 2-inch pipe. The total project cost for the 2017 construction is estimated at \$222,098.76, which includes Enstar's 2017 construction cost of \$213,369.00 (standard installation cost of \$180,204.00, plus non-standard cost of \$33,165.00 for ditch restoration and two road bores), plus the Kenai Peninsula Borough administration cost of \$8,729.76. The method of assessment is by equal allocation on a per-parcel basis, and the cost per parcel is estimated to be \$5,694.84 for each of the 39 benefited parcels. This is a non-refundable project and a Contribution in Aid Agreement will be used for the project. If the project is approved by the assembly by September 15, 2017, Enstar will attempt to construct the project in 2017. If the project is delayed and constructed in 2018, another engineering estimate will be required with updated construction costs for the proposed year of construction. See Petition Report Exhibit #2, Enstar's commitment letter and written estimate.

With regard to each benefited parcel, Petition Report Exhibit #4 (the *Estimate Assessment Roll*) contains the tax parcel number, name of record owner, legal description, assessed value, estimated amount of special assessment, the existence of other special assessment liens (if any), and any violations of KPB 5.35.070.

### The sponsors of this petition are:

|             |                                |              |                           |
|-------------|--------------------------------|--------------|---------------------------|
| Zac Lloyd   | PO Box 3424, Soldotna AK 99669 | 907-252-6524 | zacloyd@ymail.com         |
| Dave Haugen | PO Box 97, Soldotna AK 99669   | 907-953-0462 | dakotadavid2001@yahoo.com |

**What costs are covered:** This estimated assessment will only cover the cost to install the extension of the utility's main line of services. Property owners will need to contact the utility company for any additional costs associated with the service connection from the utility's main line to their private structures or facilities on the benefited parcels. Private hookups, service connections, and/or conversion costs are NOT included in the assessment. Enstar Natural Gas Company is located at 36225 Kenai Spur Hwy, Soldotna, AK 99669; or by phone at 907-262-9334, or online at [www.enstarnaturalgas.com](http://www.enstarnaturalgas.com).

**Assessment lien:** If the project is approved and constructed, and once the actual cost of the public improvement has been ascertained, the assembly will assess the parcels of property directly benefited by the improvement on a per-parcel basis by equal allocation of the total cost. This cost will be assessed in the form of a lien on the benefited parcel. In no case may a property be assessed (lien) an amount in excess of 50% of the current fair market value (assessed value) of the property. Within this proposed district there are no (zero) properties which exceeds the 50% assessment-to-value limitation.

**Payment options:** The cost assessed can be paid in full, or in 10 annual installments with interest to accrue on the unpaid amount of the assessment. The assessment may be paid at any time prior to the 10 year period without penalty. Interest will be added to any assessments not paid within 30 days of the Notice of Assessment. The interest rate charged is the *prime rate* plus 2% as of the date the ordinance confirming the assessment roll is enacted by the assembly. The penalty for delinquent installment and assessment payments is the same as the penalty for delinquent real property taxes in effect on the date of the delinquency. The lien will remain on the parcel until the debt has been paid in full.

*Deferral of payment of principle:* Property owners who meet the income and residency requirements established by KPB 5.35.155, may be eligible for a deferral of payment of principal. Deferral is for the *principle* balance only; accrued interest must be paid by the due date each year. Deferment will only apply to benefited property *owned and occupied as the primary residence and permanent place of abode* of the qualifying applicant. Per KPB 5.35.155(F), "*the deferred assessment, including all unpaid accrued interest, becomes due and payable in full when the property ceases to be owned or occupied by the resident who qualified for the deferral. Any remaining balance due shall be paid on the same schedule as would have been in place if no deferral had applied.*" Interested property owners should contact the KPB Finance Department for complete details, including income qualifiers, all restrictions and requirements, and to obtain an annual application.

**Legal description of parcels:** Pursuant to KPB 5.35.070(B), the legal description of the parcels subject to the special assessment within this proposed district was established on July 3, 2017, the date of the mayor's approval of the petition report. Any action to replat parcels within the proposed district must have been completed and recorded before the date the mayor approved the petition report. No further subdivision, reversion of acreage, or lot line adjustment will be recognized for USAD assessment purposes.

**Excluded parcel determined not to benefit directly from the proposed improvement:** Pursuant to KPB 5.35.105(B), "The mayor shall exclude from the proposed district any real property, or any interest in real property, that is not directly benefitted by the improvement. If a property owner claims the physical characteristics of his or her property make it *legally impermissible, physically impossible, or financially infeasible* to develop or improve it in a manner that would enable the property to benefit from the proposed improvement, the property owner has the burden of demonstrating that the property cannot be developed or improved". Any property excluded from a USAD district will not be included in the calculation of the signature thresholds, and will not receive the benefit of the improvement or be subject to the assessment. For this district, the owners of one (1) parcel (PIN 133-281-01) have requested consideration to exclude their respective property from the assessment, and the mayor has determined this property as not directly benefiting from the improvement due to the property's physical characteristics.

**Petition requirements:** This petition proposes to assess all of the benefited parcels. In order to qualify, the petition must have the signatures of: **(a)** owners of record of at least 60% of the total number of parcels subject to assessment within the proposed USAD; **and (b)** the owners of at least 60% in value of the property to be benefited. Approval of the project is signified by property owners in the district properly signing and dating the petition signature page. Failure to secure enough signatures to meet these thresholds will cause the petition to fail.

**Petition signature requirements:** An owner's signature represents a **vote in favor** of the project. All signatures must be in ink and dated. The completed *Petition Signature Page* must be returned to the USAD sponsor. For parcels with joint ownership *each owner of record must sign and date the petition.* If the joint owner is deceased a copy of the death certificate must be provided. For all signature requirements established by KPB 5.35.107(C), see page 2 of the Petition Signature Page. Please note, for properties owned by business entities (e.g., *corporations, limited liability corporations, etc.*), and properties held by *trusts*, additional signature authorization documentation will be required which must be included with the signed Petition Signature Page in order to be considered for signature percentages thresholds.

**Signature withdrawal:** A signature on a petition may be withdrawn only by written notice from the signer submitted to the assessing department *prior* to the final filing of the completed petition signature pages by the sponsor. A *withdrawal is effective only if notice of the withdrawal is submitted to the assessing department before the completed petition is filed.* This restriction does not preclude the property owner(s) from filing an objection to the necessity of formation of the district as provided in KPB 5.35.110(D).

A **Petition Signature Page** will be provided to the benefited property owners with the final petition. Only the Petition Signature Page will need to be returned to the district sponsor (including any required signature authorization documentation). The district sponsor will be responsible for collecting the signed petitions signature pages and for submitting the completed petition to the Borough. The Borough will accept the original or an electronic copy of the signed petition signature pages (scanned or copied).

**Deadline for signatures:** Pursuant to KPB 5.35.107(B), the sponsor will be responsible to file the completed petition signature pages to the assessing department within 45 days of the date on which the assessing department distributes the petition to the sponsor for distribution to property owners. **However, for this proposed USAD, in order to comply with ordinance requirements *and* to meet Enstar's deadline of September 15, 2017, to make a 2017 construction season, the sponsor must return the completed petition and all required signature authority documentation, to the Assessing Department before the 45 day period allowed by code, and no later than Friday, July 28, 2017.**

**Property owners must contact the USAD sponsor regarding the deadline to return the signed petition signature pages to the sponsor for final collection.**

**Certification of petition:** Once the sponsor files the completed petition signature pages with the assessing department, the borough clerk shall determine whether the petition contains sufficient signatures as required. If the petition meets code requirements for percentage thresholds, the borough clerk shall certify the petition and submit the petition to the mayor for preparation of a resolution to form the district and proceed with the improvement.

**Submit signed petition signature pages directly to the USAD sponsors:**

|             |                                |              |                           |
|-------------|--------------------------------|--------------|---------------------------|
| Zac Lloyd   | PO Box 3424, Soldotna AK 99669 | 907-252-6524 | zacloйд@ymail.com         |
| Dave Haugen | PO Box 97, Soldotna AK 99669   | 907-953-0462 | dakotadavid2001@yahoo.com |

For additional information, contact:

Marie Payfer, KPB Special Assessment Coordinator

Dir. Line: 907-714-2250

Email: [mpayfer@kpb.us](mailto:mpayfer@kpb.us)

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#### Terms & Definitions:

**Special Assessments:** Authorized under AS 29.46, a funding method used to finance capital improvements that benefit specific (limited) property within a certain designated area (*special assessment districts*). Capital improvements may include roads improvements or the extension of the lines of service of those public utilities regulated by the Regulatory Commission of Alaska. Special assessments spread the cost of the improvement among all the properties that directly benefit from the improvement, with the idea is that it is easier for property owners to afford the benefits if they share the cost as a group rather than paying individually. Special assessments are a way for property owners and the municipality to work together to finance capital improvements that directly benefit the property owners.

**Per KPB 5.35.19:**

**Benefit:** an advantage gained from the improvement greater than that shared by the general public. Benefit may include, for example, increased property value and marketability, a special adaptability of the land, or a relief from some burden (e.g., lower energy costs).

**Deferral of Payment:** payment is postponed or suspended until a certain time or event, but is not forgiven.

**Directly benefited:** the property may hook up a private service line to the main service line without any further extension of the main line, based upon the utility's guideline.

**District:** an area composed of individual parcels of land that are connected to the public improvement for which the special assessment is to be levied.

**Petition:** the formal written request signed by record owners within the proposed boundaries to form the utility special assessment district. The Final Petition contains the petition report and all exhibits approved by the mayor, and a petition signature page with instructions. It is the final petition which is distributed by the sponsor to all owners of property within the proposed district.

**Petition Report:** the document created by the assessing department, for the mayor's review, which contains all pertinent information regarding the proposed district and special assessment project.



3000 Spenard Road  
P.O. Box 190288  
Anchorage, AK 99519-0288  
[www.enstarnaturalgas.com](http://www.enstarnaturalgas.com)

May 19, 2017

Marie Payfer, Special Assessment Coordinator  
Kenai Peninsula Borough  
148 N. Binkley  
Soldotna, AK 99669

RE: South Kasilof Utility Special Assessment District (USAD)

Dear Ms. Payfer,

The South Kasilof USAD engineering revision has been completed. The project design now requires 9,265 feet of 2-inch pipe. The new revision removes 875 feet of 2-inch pipe to only serve up to lot 10B along Sand Street. ENSTAR's 2017 construction rate for 2-inch pipe is \$19.45 per foot at a total standard cost of \$180,204. This project will also require additional Non-Standard construction cost items. These items includes, ditch restoration and two road bores at a total Non-Standard cost of \$33,165. The total estimated ENSTAR cost for this project in 2017 is **\$213,369**.

This is a non-refundable project in which a Contribution in Aid of Construction (CIAC) agreement will be used. The cost of service lines to individual lots it not included in this estimate. Service lines to individual lots are not included in this estimate. Service lines are to be paid by individual property owner, as they desire service.

In the event the South Kasilof USAD is approved by the Kenai Peninsula Borough on or before September 15, 2017, ENSTAR will construct the project in 2017. If the project is delayed and is constructed in 2018, the rate will change to an undetermined 2018 construction rate.

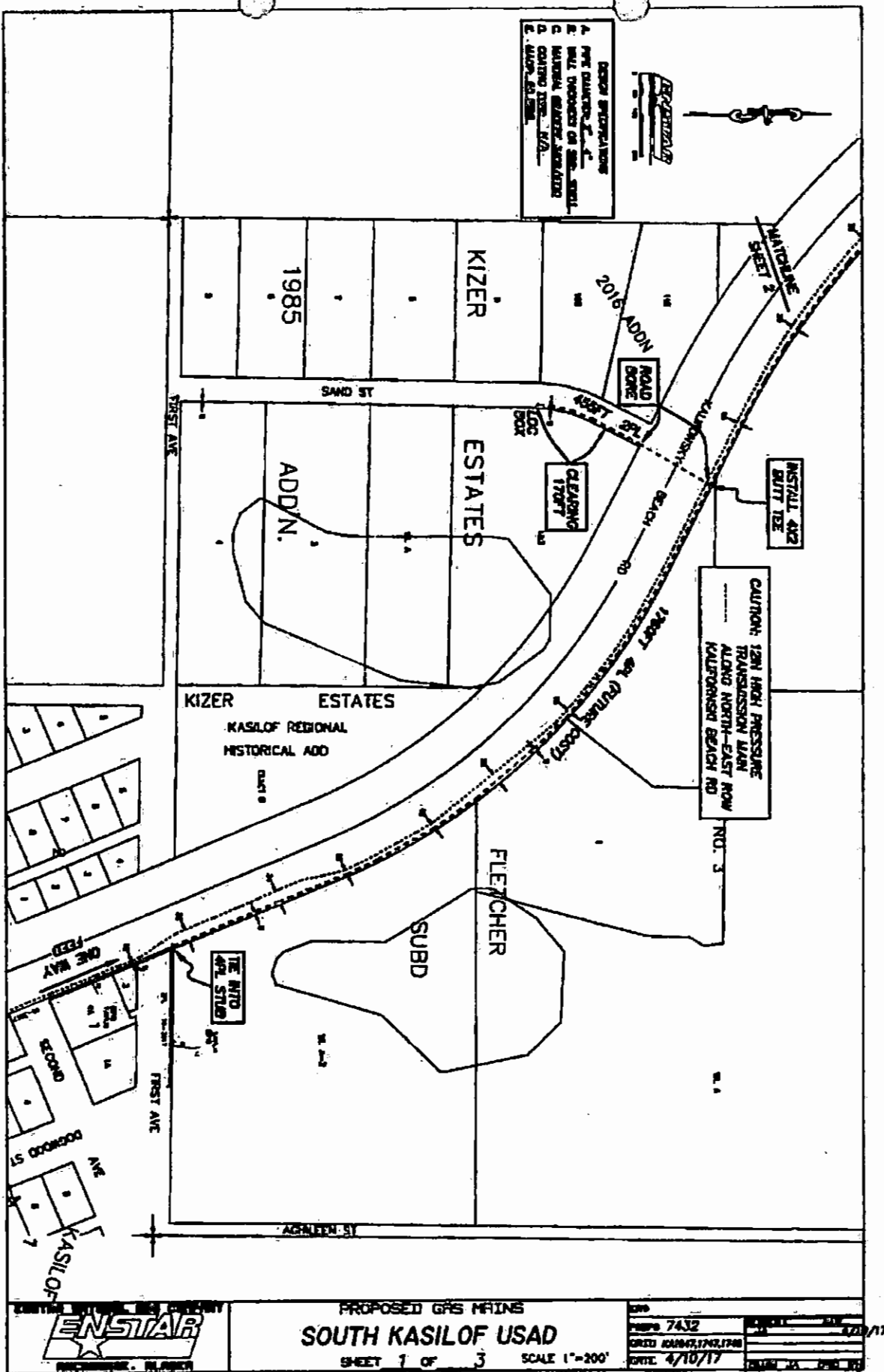
If you have any questions, feel free to contact me at 714-7510

Best Regards,

A handwritten signature in black ink, appearing to read "RP", followed by a long horizontal line extending to the right.

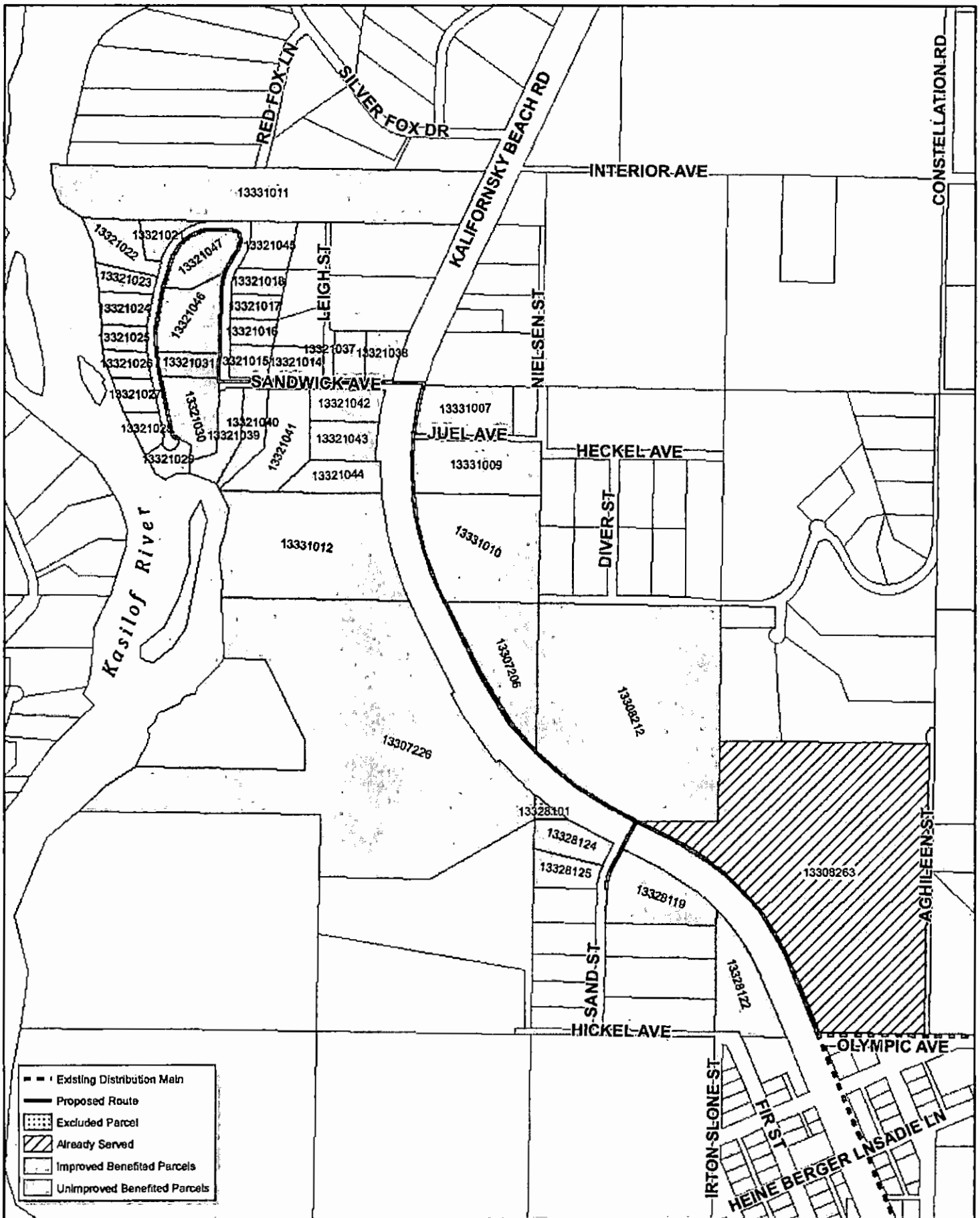
Ryan Pierce  
Southern Division Supervisor











The information depicted herein is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.

## SOUTH KASILOF USAD

Date: July 5, 2017

0 200 400 Feet



# **SOUTH KASILOF USAD - ESTIMATE ASSESSMENT ROLL**

Resolution to Form the District and Proceed with the Improvement

Non-Refundable Filing Fee per S.35.030(D): \$1,000 Paid in full on: 5/17/2017

Enstar Construction Cost: 180,204.00  
 Enstar Non-Standard Cost: 33,165.00  
 Enstar Total Estimated Cost: 213,369.00  
 KPB Administration Cost: 8,729.76  
 Total Estimated Cost: 222,098.76

# of Parcels for Assessments: 39  
 Estimated Cost Per Parcel: 5,694.84

Total Assessed Value: 2017 Assessed Value (AV)  
 Total Project Cost: \$222,098.76  
 Less any required pre-payment: 0.00 KPB S.35.070(C), <50% FMV lien limit  
 Total Assessments: \$222,098.76

Total number of parcels in district for petition signature thresholds: 39  
 Total number parcels in favor of project: 31  
 Percentage of parcels in favor of project: 79.49%  
 Percentage of parcels in favor assessed value: 89.80%  
 Current % of parcels in district delinquent: 0.00%

≥ 60% - S.35.107(C)(a)  
 ≥ 60% - S.35.107(C)(b)  
 KPB S.35.070(D) <10% tax delinquency restriction

| PARCEL ID  | LEGAL   | 2017 ASSESSED VALUE | LIEN LIMIT <50% A.V. | MAXIMUM ASSESSMENT | REQUIRED PREPAYMENT | OWNER   | ADDRESS                      | CITY ST ZIP                              | 2016 DEL TAXES | OTHER SPC ASSEMT | VOTED IN FAVOR | A.V. VOTED IN FAVOR |
|------------|---|---------------------|----------------------|--------------------|---------------------|---|------------------------------|--|----------------|------------------|----------------|---------------------|
| 133-072-06 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN THAT PORTION OF THE NE1/4 SE1/4 LYING EAST OF KASILOF RD   | 271,700             | 2.10%                | 5,694.84           | 0.00                | MCEWEN JAMES K & MADALYN S                                      | PO BOX 1036                  | KASILOF, AK 99610                        | NO             | NO               | YES            | 271,700             |
| 133-072-26 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN GOVT LOT 8 & E1/2 SE1/4 LYING WEST OF KALIFORNIA BEACH RD EXCLUDING TAGS SUB & EXCLUDING EVENSON SUB | 579,300             | 0.98%                | 5,694.84           | 0.00                | EVENSON IRVIN LEROY TESTAMENTARY TRUST<br>EVENSON MILDRED I     | PO BOX 10                    | KASILOF, AK 99610                        | NO             | NO               | YES            | 579,300             |
| 133-082-12 | T 3N R 11W SEC 19 SEWARD MERIDIAN KN GOV LOT 3 LYING NORTH & EAST OF KASILOF ROAD   | 63,000              | 9.04%                | 5,694.84           | 0.00                | HAKKINEN KESA M & BRIAN W                                       | PO BOX 701                   | KASILOF, AK 99610                        | NO             | NO               |                | 0                   |
| 133-210-14 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 3 BLK 2  | 54,700              | 10.41%               | 5,694.84           | 0.00                | EAGLES NEST-KASILOF IRREVOCABLE FAMILY TRUST<br>WRIGHT RONALD W | PO BOX 933<br>PO BOX 471     | FORESTHILL CA 95631<br>KASILOF, AK 99610 | NO             | NO               |                | 0                   |
| 133-210-15 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 12 BLK 2   | 390,800             | 1.46%                | 5,694.84           | 0.00                | GOUX BRYAN F  | PO BOX 927                   | KASILOF AK 99610                         | NO             | NO               | YES            | 390,800             |
| 133-210-16 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 11 BLK 2   | 15,200              | 37.47%               | 5,694.84           | 0.00                | GOUX BRYAN F  | PO BOX 927                   | KASILOF AK 99610                         | NO             | NO               | YES            | 15,200              |
| 133-210-17 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 10 BLK 2   | 166,100             | 3.43%                | 5,694.84           | 0.00                | SCHRAEDER DONNA K & CURT D                                      | PO BOX 823                   | KASILOF, AK 99610                        | NO             | NO               |                | 0                   |
| 133-210-18 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 9 BLK 2  | 16,600              | 34.31%               | 5,694.84           | 0.00                | VOS MYRNA C & PAUL E  | PO BOX 467                   | KASILOF, AK 99610                        | NO             | NO               | YES            | 16,600              |
| 133-210-21 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 17 BLK 1   | 102,600             | 5.55%                | 5,694.84           | 0.00                | BYRAM ROBERT W & MARGARET                                       | PO BOX 594                   | KASILOF, AK 99610                        | NO             | NO               | YES            | 102,600             |
| 133-210-22 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 18 BLK 1   | 332,300             | 1.71%                | 5,694.84           | 0.00                | CARTWRIGHT GARY A & LA B  | PO BOX 275                   | KASILOF, AK 99610                        | NO             | NO               | YES            | 332,300             |
| 133-210-23 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 19 BLK 1   | 401,600             | 1.42%                | 5,694.84           | 0.00                | POLLOCK TODD E & DIANE  | PO BOX 1109                  | KASILOF, AK 99610                        | NO             | NO               | YES            | 401,600             |
| 133-210-24 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 20 BLK 1   | 331,400             | 1.72%                | 5,694.84           | 0.00                | DAVIS JYLL & RAYMOND  | PO BOX 933                   | KASILOF, AK 99610                        | NO             | NO               |                | 0                   |
| 133-210-25 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 21 BLK 1   | 465,500             | 1.22%                | 5,694.84           | 0.00                | SMITH MARK HANSON TRUST   | 5965 LA GOLETA RD            | GOLETA, CA 93117                         | NO             | NO               | YES            | 465,500             |
| 133-210-26 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 22 BLK 1   | 458,100             | 1.24%                | 5,694.84           | 0.00                | ACHIN TAMARA S & ROBERT G Jr                                    | PO BOX 796                   | KASILOF, AK 99610                        | NO             | NO               | YES            | 458,100             |
| 133-210-27 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN 0780101 WAYNE FELLERS SUB SPEARIN 1977 ADDN LOT 23 BLK 1   | 594,100             | 0.96%                | 5,694.84           | 0.00                | ZWACK KIMBERLY SUE BANYCKY<br>SMITH COURTNEY E & ZWACK JAMES M  | 239 MICHAEL RD<br>PO BOX 171 | LAPEER MI 48446<br>KASILOF, AK 99610     | NO             | NO               | YES            | 594,100             |

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| PARCEL ID  | LEGAL  | 2017<br>ASSESSED<br>VALUE | LIEN LIMIT<br><50% A.V. | MAXIMUM<br>ASSESSMENT | REQUIRED<br>PREPAYMENT | OWNER  | ADDRESS             | CITY ST ZIP         | 2016<br>DEL TAXES | OTHER<br>SPC ASSMT | VOTED IN<br>FAVOR | A.V.<br>VOTED<br>IN FAVOR |
|------------|--|---------------------------|-------------------------|-----------------------|------------------------|--|---------------------|---------------------|-------------------|--------------------|-------------------|---------------------------|
| 133-210-28 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0780101 WAYNE FELLERS SUB SPEARIN<br>1977 ADDN LOT 24 BLK 1      | 626,900                   | 0.91%                   | 5,694.84              | 0.00                   | LLOYD ZACHARIAH T & ELIZABETH                    | PO BOX 3424         | SOLDOTNA AK 99669   | NO                | NO                 | YES               | 626,900                   |
| 133-210-29 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0780101 WAYNE FELLERS SUB SPEARIN<br>1977 ADDN LOT 25 BLK 1      | 96,600                    | 5.90%                   | 5,694.84              | 0.00                   | LUITEN DOUG AND BARBARA LIVING TRUST             | 7050 TULUGAK CIR    | ANCHORAGE, AK 99507 | NO                | NO                 | YES               | 96,600                    |
| 133-210-30 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0780101 WAYNE FELLERS SUB SPEARIN<br>1977 ADDN LOT 26 BLK 1      | 98,400                    | 5.79%                   | 5,694.84              | 0.00                   | DAVIS JYLL S & RAYMOND K                         | PO BOX 933          | KASLOF, AK 99610    | NO                | NO                 |                   | 0                         |
| 133-210-31 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0780101 WAYNE FELLERS SUB SPEARIN<br>1977 ADDN LOT 27 BLK 1      | 317,700                   | 1.79%                   | 5,694.84              | 0.00                   | JLP RENTALS LLC                                  | PO BOX 1373         | SOLDOTNA, AK 99669  | NO                | NO                 | YES               | 317,700                   |
| 133-210-37 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0780101 WAYNE FELLERS SUB SPEARIN<br>1977 ADDN LOT 2 BLK 3       | 17,600                    | 32.35%                  | 5,694.84              | 0.00                   | KIM KICHANG                                      | 240 S SANDERSON AVE | HEMET, CA 92545     | NO                | NO                 |                   | 0                         |
| 133-210-38 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0780101 WAYNE FELLERS SUB SPEARIN<br>1977 ADDN LOT 1 BLK 3       | 18,000                    | 31.64%                  | 5,694.84              | 0.00                   | VERHEYEN HAROLD G JR & SONCHA                    | 10132 SKIFF CIR     | ANCHORAGE, AK 99515 | NO                | NO                 | YES               | 18,000                    |
| 133-210-39 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0860245 WAYNE FELLERS SUB - FRITZ 1986<br>SUB OF TRACT 3 LOT 3-A | 396,200                   | 1.44%                   | 5,694.84              | 0.00                   | SOCKEYE 03 LLC                                   | PO BOX 927          | KASLOF, AK 99610    | NO                | NO                 | YES               | 396,200                   |
| 133-210-40 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0860245 WAYNE FELLERS SUB - FRITZ 1986<br>SUB OF TRACT 3 LOT 3-B | 401,100                   | 1.42%                   | 5,694.84              | 0.00                   | HAUGEN DAVID & ROED MARY L                       | PO BOX 97           | SOLDOTNA, AK 99669  | NO                | NO                 | YES               | 401,100                   |
| 133-210-41 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0860245 WAYNE FELLERS SUB - FRITZ 1986<br>SUB OF TRACT 3 LOT 3-C | 300,300                   | 1.90%                   | 5,694.84              | 0.00                   | BLOSSOM KATIE S & DAVID M                        | PO BOX 313          | KASLOF, AK 99610    | NO                | NO                 | YES               | 300,300                   |
| 133-210-42 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0860245 WAYNE FELLERS SUB - FRITZ 1986<br>SUB OF TRACT 3 LOT 3-D | 21,100                    | 26.99%                  | 5,694.84              | 0.00                   | FRITZ GRANT L & SHIRLEY J                        | PO BOX 13           | KASLOF, AK 99610    | NO                | NO                 | YES               | 21,100                    |
| 133-210-43 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0860245 WAYNE FELLERS SUB - FRITZ 1986<br>SUB OF TRACT 3 LOT 3-E | 22,200                    | 25.65%                  | 5,694.84              | 0.00                   | FRITZ GRANT L & SHIRLEY J                        | PO BOX 13           | KASLOF, AK 99610    | NO                | NO                 | YES               | 22,200                    |
| 133-210-44 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0860245 WAYNE FELLERS SUB - FRITZ 1986<br>SUB OF TRACT 3 LOT 3-F | 131,900                   | 4.32%                   | 5,694.84              | 0.00                   | KEHL FAMILY TRUST                                | PO BOX 87           | KASLOF, AK 99610    | NO                | NO                 |                   | 0                         |
| 133-210-45 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>2008097 WAYNE FELLERS SUB VOS REPLAT<br>LOT 7A BLOCK 2           | 219,000                   | 2.60%                   | 5,694.84              | 0.00                   | VOS PAUL E & MYRNA C                             | PO BOX 467          | KASLOF, AK 99610    | NO                | NO                 | YES               | 219,000                   |
| 133-210-46 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>2008098 WAYNE FELLERS SUB ROGERS<br>REPLAT LOT 13A BLOCK 1       | 231,900                   | 2.46%                   | 5,694.84              | 0.00                   | CLARY SHIRLEY J & DOUGLAS E                      | PO BOX 645          | KASLOF, AK 99610    | NO                | NO                 | YES               | 231,900                   |
| 133-210-47 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>2008141 WAYNE FELLERS SUB HALLSTROM<br>REPLAT LOT 16-A BLOCK 1   | 108,600                   | 5.24%                   | 5,694.84              | 0.00                   | HALLSTROM MARILYN                                | PO BOX 797          | KASLOF, AK 99610    | NO                | NO                 |                   | 0                         |
| 133-281-19 | T 3N R 11W SEC 19 SEWARD MERIDIAN KN<br>0850229 KIZER ESTATES 1985 ADDN LOT<br>182                       | 81,900                    | 6.95%                   | 5,694.84              | 0.00                   | SHEARS OLEN W & RUSSELL JENNIFER D               | PO BOX 1003         | KASLOF, AK 99610    | NO                | NO                 | YES               | 81,900                    |
| 133-281-22 | T 3N R 11W SEC 19 & 30 SEWARD MERIDIAN<br>KN 2013002 KASLOF TOWNSITE MUSEUM<br>ADDN TRACT B1             | 64,900                    | 8.77%                   | 5,694.84              | 0.00                   | KASLOF REGIONAL HISTORICAL SOCIETY               | PO BOX 3            | KASLOF, AK 99610    | NO                | NO                 | YES               | 64,900                    |
| 133-281-24 | T 03N R 11W SEC 19 SEWARD MERIDIAN KN<br>2016027 KIZER ESTATES 2016 ADDN LOT<br>11B                      | 464,600                   | 1.23%                   | 5,694.84              | 0.00                   | INTERNATIONAL CHURCH OF THE FOURSQUARE<br>GOSPEL | PO BOX 992          | KASLOF, AK 99610    | NO                | NO                 | YES               | 464,600                   |
| 133-281-25 | T 03N R 11W SEC 19 Seward Meridian KN<br>2016027 KIZER ESTATES 2016 ADDN LOT 10B                         | 221,900                   | 2.57%                   | 5,694.84              | 0.00                   | INTERNATIONAL CHURCH OF THE FOURSQUARE<br>GOSPEL | PO BOX 992          | KASLOF, AK 99610    | NO                | NO                 | YES               | 221,900                   |
| 133-310-07 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0740204 WAYNE FELLERS SUB NIELSEN 1974<br>SUB OF TRACT 9 LOT 2   | 188,800                   | 3.02%                   | 5,694.84              | 0.00                   | HUEBSCH ERIK R & CASSIDY CATHERINE               | PO BOX 599          | KASLOF, AK 99610    | NO                | NO                 | YES               | 188,800                   |
| 133-310-09 | T 3N R 12W SEC 24 SEWARD MERIDIAN KN<br>0001717 WAYNE FELLERS SUB 1970 ADDN<br>TRACT 8                   | 220,300                   | 2.59%                   | 5,694.84              | 0.00                   | JOHNSON KIMBERLY A & LARRY J                     | PO BOX 369          | KASLOF AK 99610     | NO                | NO                 | YES               | 220,300                   |

| PARCEL ID  | LEGAL   | 2017<br>ASSESSED<br>VALUE | LIEN LIMIT<br><50% A.V. | MAXIMUM<br>ASSESSMENT | REQUIRED<br>PREPAYMENT | OWNER   | ADDRESS                               | CITY ST ZIP   | 2016<br>DEL TAXES | OTHER<br>SPC ASSMT | VOTED IN<br>FAVOR | A.V.<br>VOTED<br>IN FAVOR |
|------------|---|---------------------------|-------------------------|-----------------------|------------------------|---|---------------------------------------|---|-------------------|--------------------|-------------------|---------------------------|
| 133-310-10 | T3N R 12W SEC 24 SEWARD MERIDIAN KN<br>THAT PORTION OF THE S1/2 SE1/4 NE1/4<br>LYING EAST OF KALIFORNISKY BEACH RD                        | 47,400                    | 12.01%                  | 5,694.84              | 0.00                   | EVENSON DANIEL E<br>EVENSON RICHARD A LIVING TRUST<br>EVENSON ROBERT L & KATHLEEN | PO BOX 310<br>PO BOX 48<br>PO BOX 635 | KASLOF AK 99610<br>KASLOF AK 99610<br>KASLOF AK 99610 | NO                | NO                 | YES               | 47,400                    |
| 133-310-11 | T3N R 12W SEC 24 SEWARD MERIDIAN KN<br>NORTH 330 FT OF GOVT LOT 1 & NORTH 330<br>FT OF NE1/4 NE1/4 LYING WEST OF<br>KALIFORNISKY BEACH RD | 420,400                   | 1.35%                   | 5,694.84              | 0.00                   | HARLING LIVING TRUST  | PO BOX 526                            | KASLOF, AK 99610                                      | NO                | NO                 | YES               | 420,400                   |
| 133-310-12 | T3N R 12W SEC 24 SEWARD MERIDIAN KN<br>S1/2 GOVT LOT 7 & S1/2 SE1/4 NE1/4 LYING<br>WEST OF KALIFORNISKY BEACH RD                          | 561,600                   | 1.01%                   | 5,694.84              | 0.00                   | EVENSON ROBERT & KATHLEEN   | PO BOX 635                            | KASLOF, AK 99610                                      | NO                | NO                 | YES               | 561,600                   |
| 39         | Total # of Benefited Parcels  | 9,522,300                 |                         | 222,098.76            | 0.00                   |   |                                       |   | 0                 |                    | 31                | 8,550,600                 |
|            |   |                           |                         |                       |                        | 0 # Parcels exceeding 50% assessment/value ratio                                  |                                       |   | 0.00%             |                    | 79.49%            | 89.80%                    |

Per KPB 5.35.105(B), "The mayor shall exclude from the proposed district any real property, or any interest in real property, that is not directly benefitted by the improvement. If a property owner claims the physical characteristics of his or her property make it legally impermissible, physically impossible, or financially infeasible to develop or improve it in a manner that would enable the property to benefit from the proposed improvement, the property owner has the burden of demonstrating that the property cannot be developed or improved".

The parcel listed below has been determined not to benefit from the improvement due to the reason noted below:

| PARCEL ID  | LEGAL   | 2017<br>ASSESSED<br>VALUE | LIEN LIMIT<br><50% A.V. | MAXIMUM<br>ASSESSMENT | REQUIRED<br>PREPAYMENT | OWNER                     | ADDRESS    | CITY ST ZIP      | EXCLUDED DUE TO:                     |
|------------|---|---------------------------|-------------------------|-----------------------|------------------------|---------------------------|------------|------------------|--------------------------------------|
| 133-281-01 | T3N R 11W SEC 19 SEWARD MERIDIAN KN<br>THAT PORTION OF GOVT LOT 3 LYING<br>SOUTH OF KALIFORNISKY BEACH RD | 3,600                     | N/A                     | N/A                   | N/A                    | HAKKINEN KESA M & BRIAN W | PO BOX 701 | KASLOF, AK 99610 | Financially<br>Infeasible to develop |

40 Total # of parcels within district boundaries



## **KENAI PENINSULA BOROUGH**

144 North Binkley Street • Soldotna, Alaska 99669-7520

Toll-free within the Borough. 1-800-478-4441

PHONE: (907) 262-4441 • FAX: (907) 262-1892

[www.borough.kenai.ak.us](http://www.borough.kenai.ak.us)

**MIKE NAVARRE**  
**BOROUGH MAYOR**

**TO:** Mike Navarre  
Kenai Peninsula Borough Mayor

**FROM:** Brandi Harbaugh, Acting Finance Director *BH*

**DATE:** May 22, 2017

**SUBJECT:** South Kasilof Utility Special Assessment District ("USAD") Financing

The Borough plans to provide the \$222,308.52 in funding necessary to finance the South Kasilof USAD from internal sources. KPB 5.10.040 allows the investment of borough monies in special assessment districts that are authorized under KPB 5.35. The total of such investments is limited to not more than \$5,000,000 at the end of any fiscal year. As of May 22, 2017, the borough has \$2,037,190 invested in special assessment districts. If approved, the South Kasilof USAD will increase the total special assessment district investment to approximately \$2,259,499. There are two additional projects approved that will potentially raise the total investment in RIAD and USAD projects to \$2,776,982.

The owners of property located within the USAD will be required to make principal and interest payments each year for a ten-year period to retire the indebtedness to the borough. The rate of interest will be equal to the prime rate (currently 4.0%) plus 2% or 6.0%. Property owners can avoid or reduce the interest charge by making accelerated payments on the principal. Penalties will not be imposed for accelerated payments. The assessment will constitute a lien on each parcel within the district.



**Kenai Peninsula Borough**  
**Currently Proposed USAD/RIAD Projects**  
**Updated 5/19/2017**

|  | Current<br>Proposal        | Outstanding<br>Proposals   |
|--|----------------------------|----------------------------|
| <b>Max Allowed</b>                       | <b>\$ 5,000,000</b>        | <b>\$ 5,000,000</b>        |
| <b>Current Balance(100.10706) as of:</b> |                            |                            |
| 05/19/2017                               | 2,037,190                  | 2,037,190                  |
| <b>Previously Approved Projects:</b>     |                            |                            |
| Eddy Hill Drive RIAD                     |                            | 318,994                    |
| Clarence Drive RIAD                      |                            | 198,489                    |
| <b>Projects Awaiting Approval:</b>       |                            |                            |
| South Kasilof Road USAD                  | 222,309                    | 222,309                    |
| <b>Total</b>                             | <b><u>\$ 2,259,499</u></b> | <b><u>\$ 2,776,982</u></b> |

**South Kasilof USAD**

**June 4, 2017**

**Reference South Kasilof USAD:**

**I would like to request that KPB Parcel Number 133-281-01 owned by Kesa M Hakkinen and Brian W Hakkinen be excluded from the South Kasilof USAD.**

**This property is assessed value is \$3600 which is much less than the estimated \$5300 estimated assessed cost for natural gas service.**

**Approximately half of the area of this parcel is wetland which drops off into a stream gully. This land can never be developed.**

**There is not sufficient room on the remaining .17 acre to install a well and on site sewer system.**

**Constructing a driveway into this property from Kalifornsky Beach Road would reduce the usable square footage.**

**This parcel was created when Kalifornsky Beach Road sliced off the Southwest corner of Parcel 13308212.**

**No structure can be built on this property so there would never be a need for natural gas service.**

**Brian Hakkinen**



**Page 1**

**South Kasilof USAD**

**ATTACHMENT #1**

**EXHIBIT #1 - Pg. 23**

**RECEIVED  
- 5 2017  
KPB ASSESSING DEPT.**

**RECEIVED  
JUN - 5 2017  
KPB ASSESSING DEPT.  
Page 1 of 5**

KENAI PENINSULA BOROUGH  
ASSESSOR'S OFFICE  
144 N. BINKLEY STREET  
SOLDOTNA, AK 99869  
(907) 714-2230 Fax: 714-2393  
(800) 478-4441

Toll free within Kenai Peninsula Borough only



Mike Navarre  
Borough Mayor

-----

KESA M HAKKINEN  
BRIAN W HAKKINEN  
PO BOX 701  
KASLOF AK 99610-0701

May 10, 2017

RE: Account Number: 133-281-01

Dear Property Owner:

This letter will serve as your 2017 Corrected Assessment Notice for the above-referenced parcel. Your corrected values are as follows:

| 2017 ASSESSED VALUES |                            |                      |
|----------------------|----------------------------|----------------------|
| Assessed Land Value  | Assessed Improvement Value | Total Assessed Value |
| \$3,600              | 750                        | \$3,600              |

It is my understanding that you are satisfied with this change in value and will no longer request a hearing before the Board of Equalization (BOE). Enclosed is a Valuation Appeal Withdrawal form that must be returned to close your appeal and order a refund of the appeal filing fee(s).

If you still disagree with the value of the property, you will be scheduled for a hearing before the Board of Equalization. BOE hearings will begin on May 26, 2017.

Thank you for your cooperation in resolving this matter. If you have any question, please contact this office.

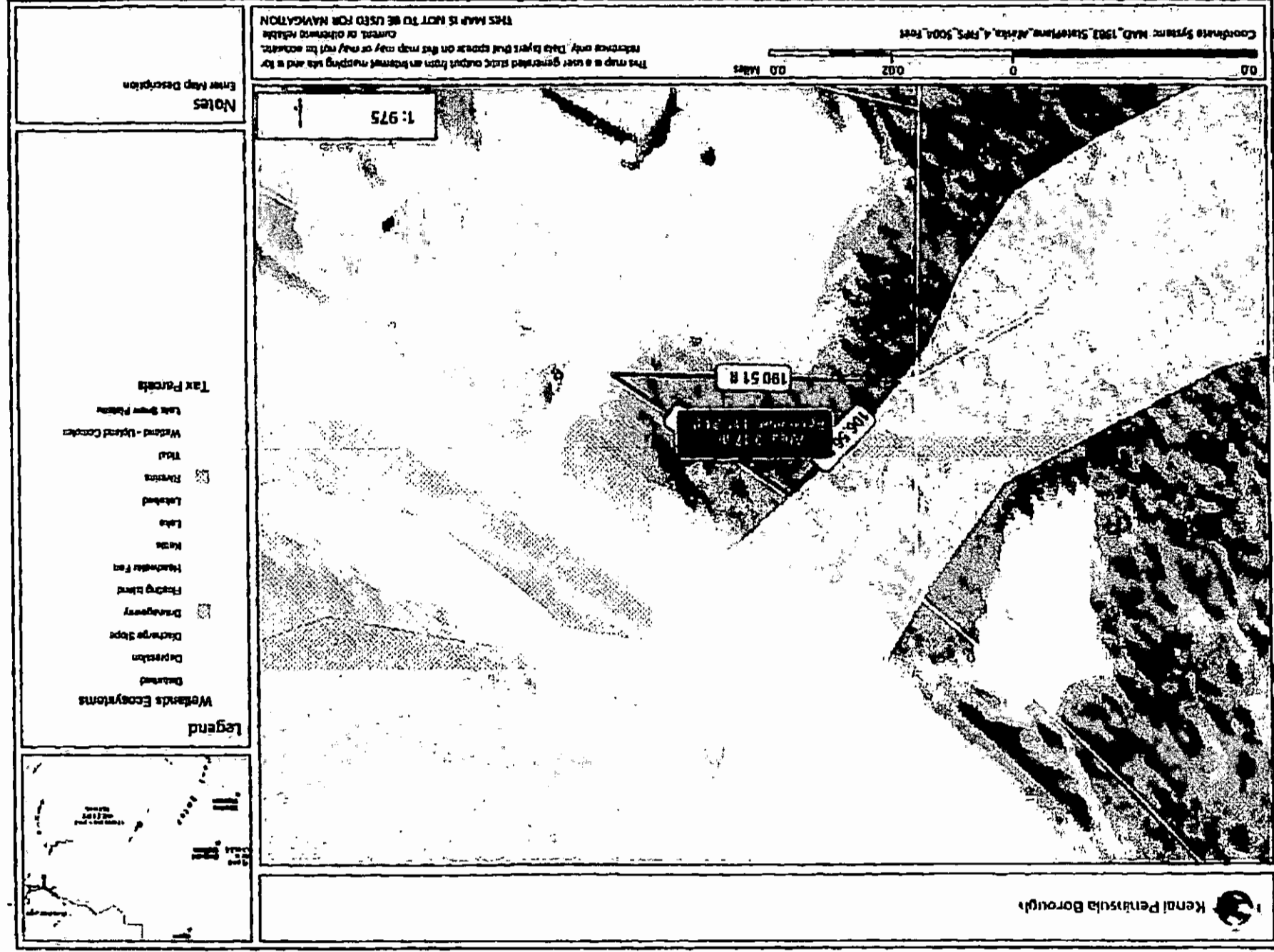
Sincerely,

Tom Anderson  
Director of Assessing

TA/ch

Enclosure

cl



Google Maps



Imagery ©2017 Google, Map data ©2017 Google 50 R



# Kenai Peninsula Borough

Assessing Department  
144 N. Binkley Street  
Soldotna AK 99669

## General Information

|   |   |
|---|---|
| <b>HAKKINEN BRIAN W</b><br><b>HAKKINEN KESA M</b><br><b>PO BOX 701</b><br><b>KASILOF, AK 99615-0701</b> | <b>Property ID</b> 13328101<br><b>Address</b><br><b>Document / Book Page</b> 20050116090<br><b>Acres</b> 0.4000 |
|---|---|

## Owners

| Property ID | Display Name     | Address    |
|-------------|------------------|------------|
| 13328101    | HAKKINEN BRIAN W | PO BOX 701 |
| 13328101    | HAKKINEN KESA M  | PO BOX 701 |

## Legal Description

| Description  |
|--|
| T 3N R 11W SEC 19 Seward Meridian KN THAT PORTION OF GOVT LOT 3 LYING SOUTH OF KALIFORSKY BEACH RD |

## Value History

| Year | Reason                  | Assessed |            | Total   |
|------|-------------------------|----------|------------|---------|
|      |                         | Land     | Structures |         |
| 2016 | Main Roll Certification | \$9,500  | \$0        | \$9,500 |
| 2015 | Main Roll Certification | \$9,500  | \$0        | \$9,500 |
| 2014 | Main Roll Certification | \$9,500  | \$0        | \$9,500 |
| 2013 | Main Roll Certification | \$9,500  | \$0        | \$9,500 |
| 2012 | Main Roll Certification | \$9,500  | \$0        | \$9,500 |
| 2011 | Main Roll Certification | \$9,500  | \$0        | \$9,500 |
| 2010 | Main Roll Certification | \$1,100  | \$0        | \$1,100 |
| 2009 | Main Roll Certification | \$1,100  | \$0        | \$1,100 |
| 2008 | Main Roll Certification | \$900    | \$0        | \$900   |
| 2007 | Main Roll Certification | \$900    | \$0        | \$900   |
| 2006 | Main Roll Certification | \$900    | \$0        | \$900   |
| 2005 | Main Roll Certification | \$900    | \$0        | \$900   |
| 2004 | Main Roll Certification | \$800    | \$0        | \$800   |
| 2003 | Main Roll Certification | \$800    | \$0        | \$800   |
| 2002 | Main Roll Certification | \$800    | \$0        | \$800   |
| 2001 | Main Roll Certification | \$800    | \$0        | \$800   |

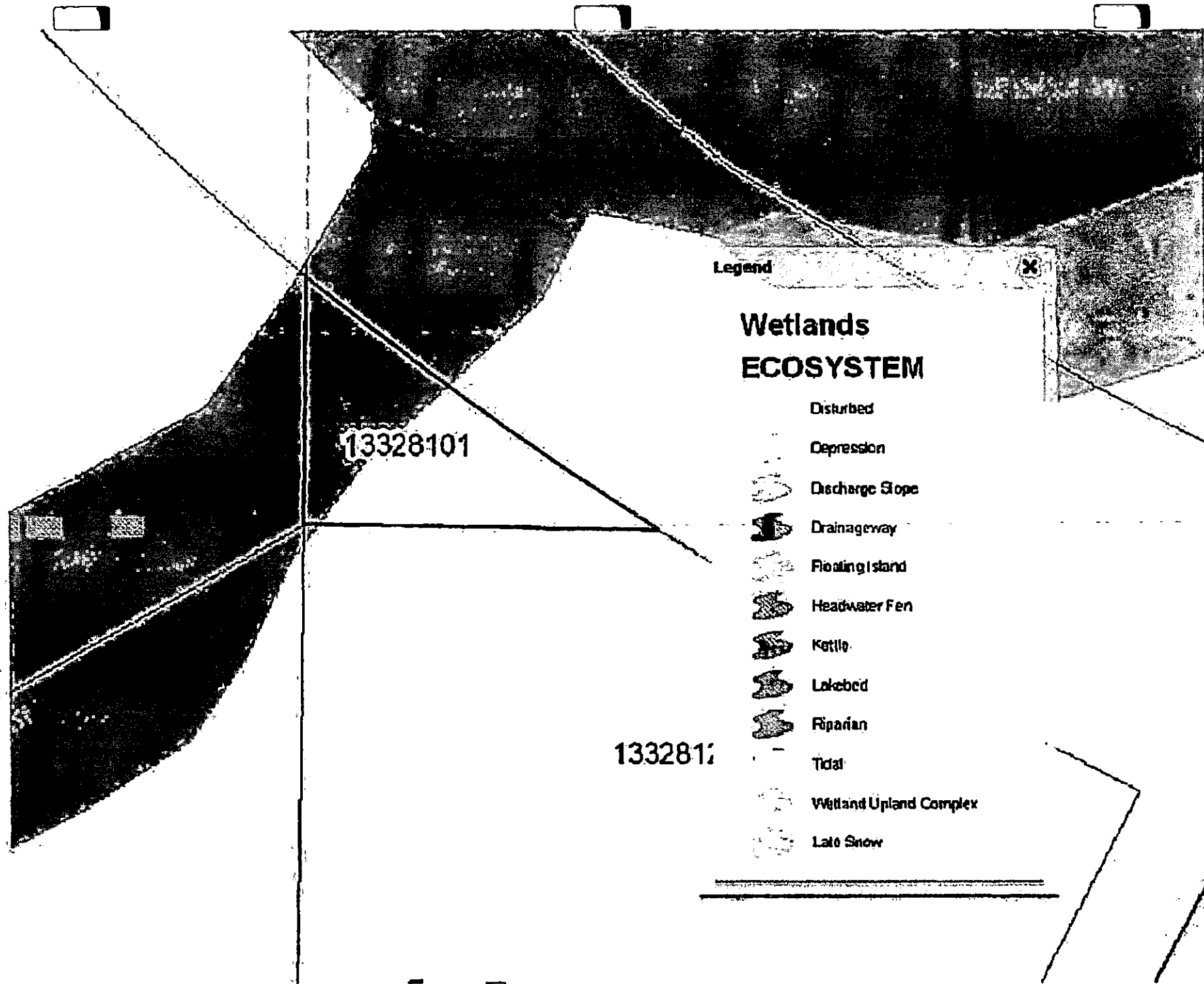
## Land Details

| Primary Use | Land Type | Acres  | Int Frontage | Int Depth | Ass Value |
|-------------|-----------|--------|--------------|-----------|-----------|
|             | Rural J   | 0.4000 | 0.00         | 0.00      | \$9,500   |

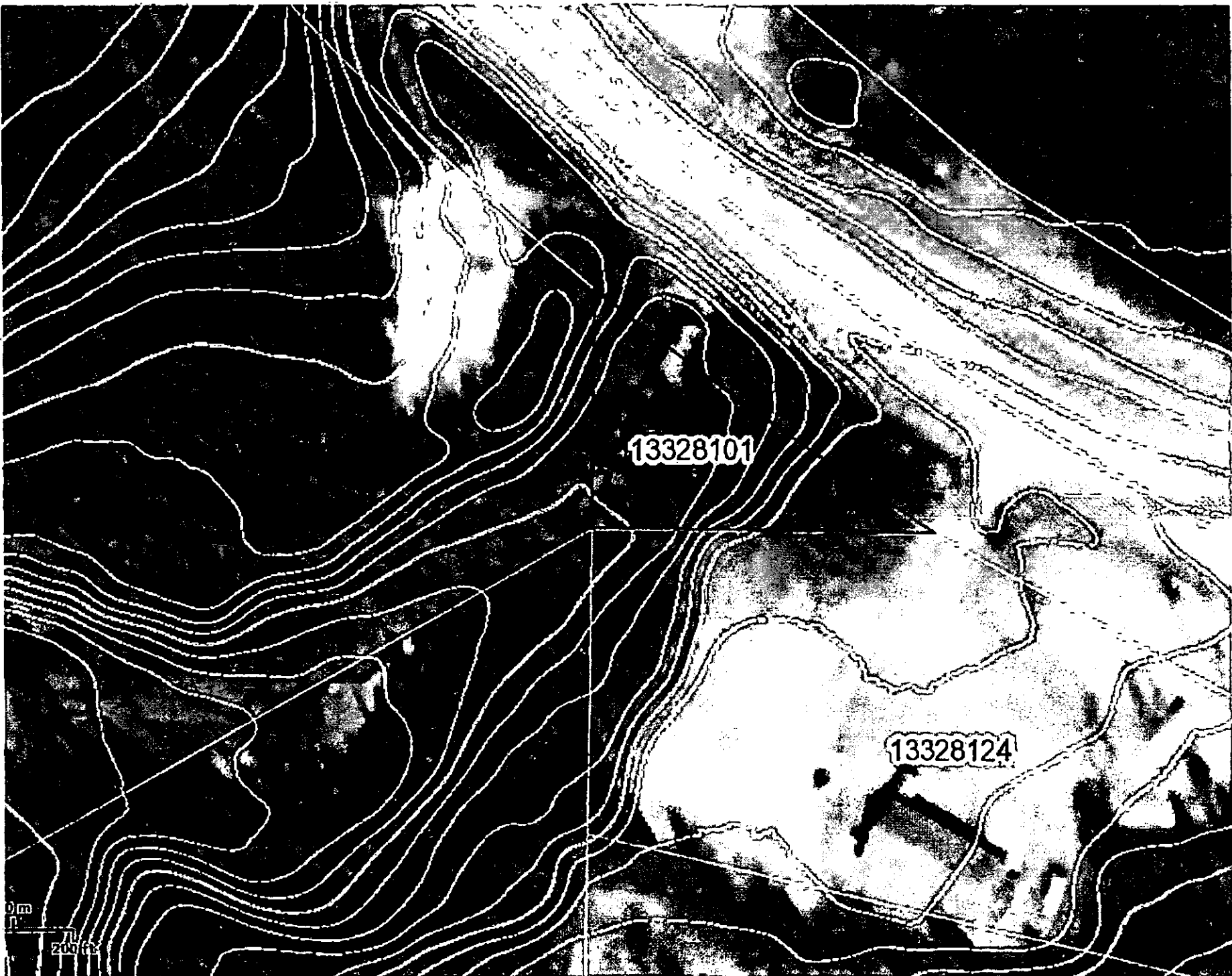
**Request for Exclusion for PIN 133-281-01**

The following 5 pages of map displays of the parcel under review, are provided by the Assessing Department, and are included with Attachment #1 to the Administrative Review of the Petition Report:

- Wetlands Ecosystem – Drainage way (1)
- Contour / Topography lines (1)
- Google Maps, image displays of property (3)







Google Maps Kalifornsky Beach Rd

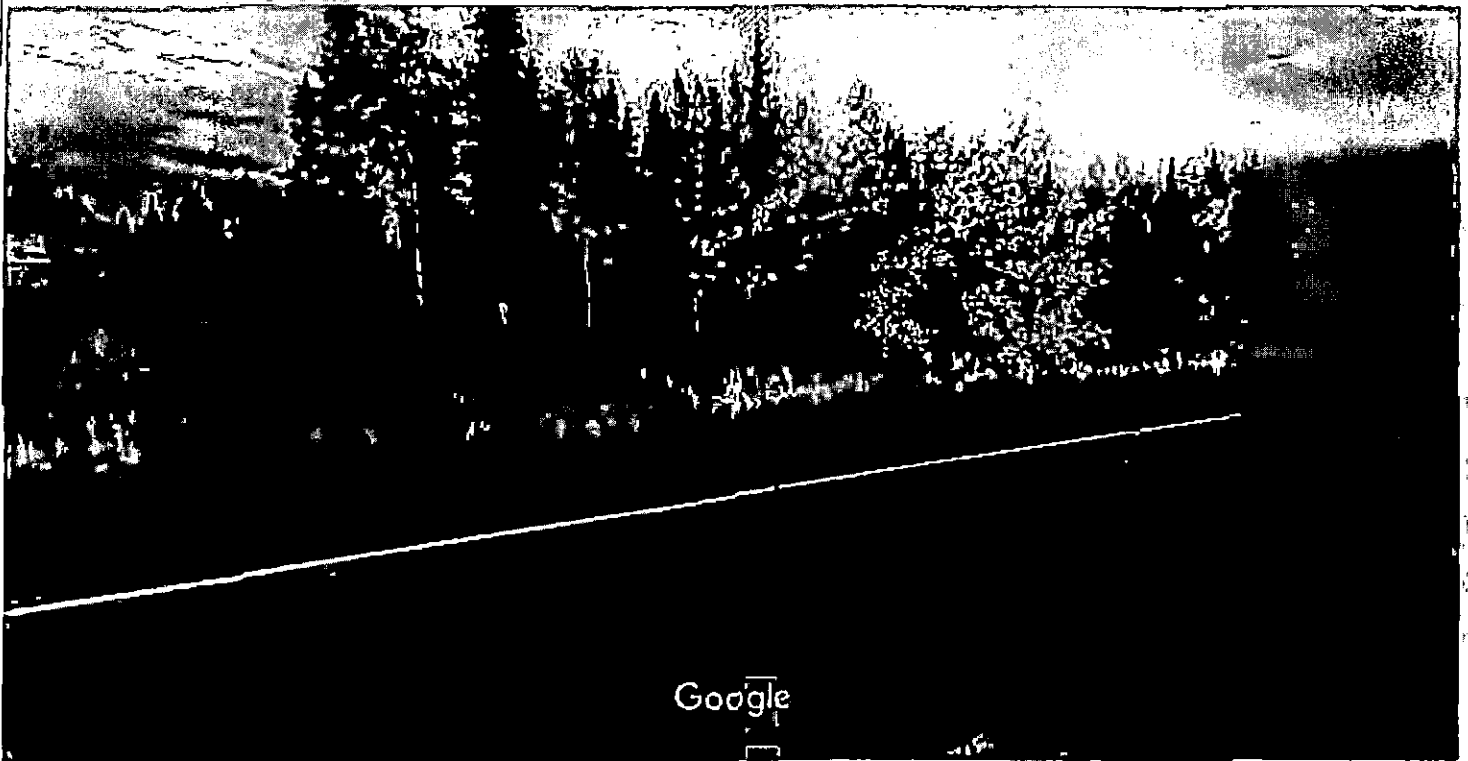


Image capture: Sep 2011 © 2017 Google

Kasilof, Alaska

Street View - Sep 2011

Kalifornsky Beach Rd  
New Life  
an Church

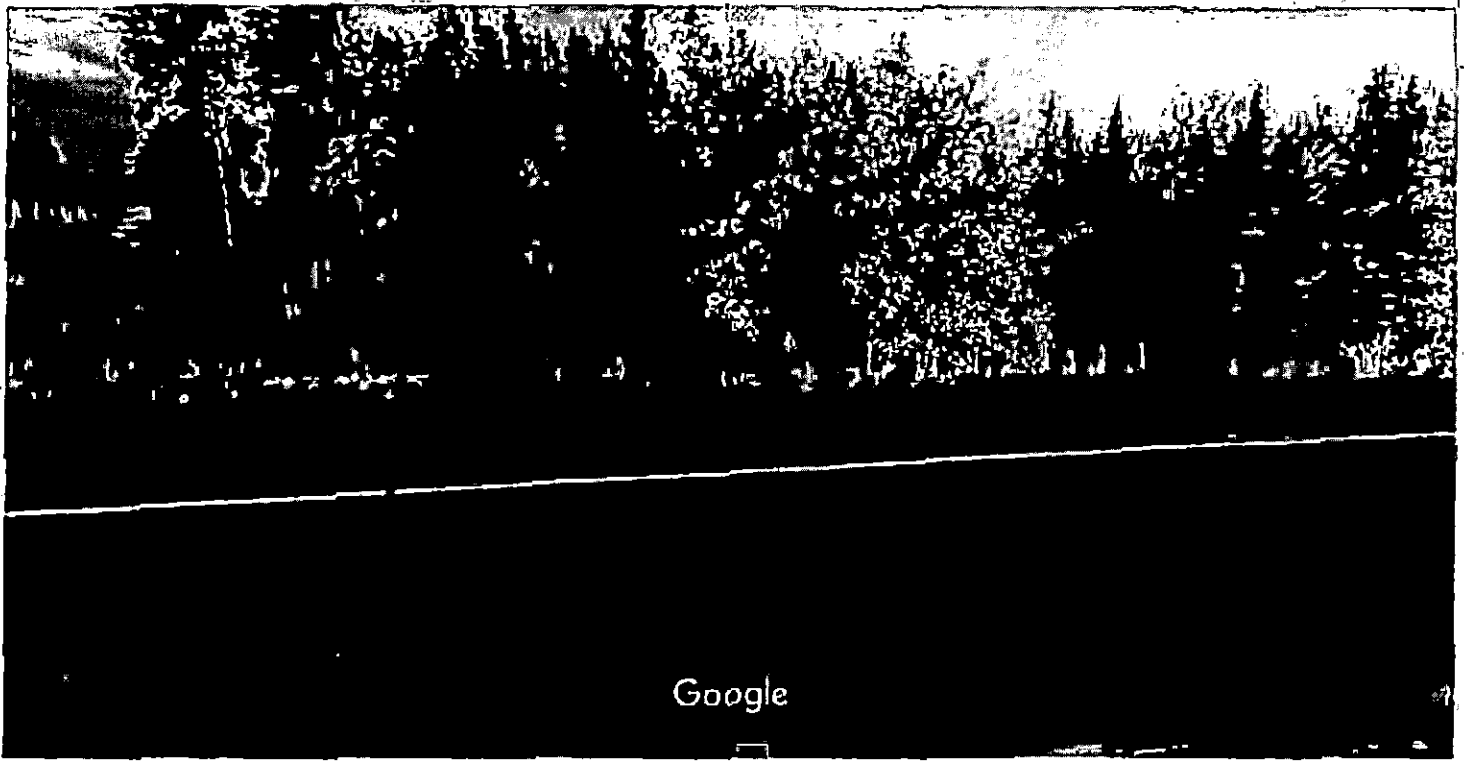


Image capture: Sep 2011 © 2017 Google

Kasilof, Alaska

Street View - Sep 2011

Kalifornsky Beach Rd  
New Life  
an Church



Image capture: Sep 2011 © 2017 Google

Kasilof, Alaska

Street View - Sep 2011

New Life  
an Church

Kalifomsky Beach Rd