Kenai Peninsula Borough Office of the Borough Mayor

MEMORANDUM

TO: Wayne Ogle, Assembly President

Members, Kenai Peninsula Borough Assembly

FROM: Charlie Pierce, Mayor

DATE: August 23, 2018

RE: Resolution 2018-034, Authorizing the Mayor to Opt-In to the Class Action

Lawsuit of Kane County, Utah v. United States to Recover Payments in

Lieu of Taxes for Fiscal Years 2015, 2016 and/or 2017 (Mayor)

The borough has received notice from the U.S. Court of Federal Claims in Washington, D.C. that a class action lawsuit has been certified regarding the borough's right to recover sums under the Payment in Lieu of Taxes Act ("PILT Act") for fiscal years 2015, 2016 and 2017. This is in the case of Kane County, Utah v. United States, Case Nos. 17-739C and 17-1991C ("the Lawsuit"). The notice advised that the borough has an opportunity to join the Lawsuit to recover underpaid PILT funds for those years. September 14, 2018 is the deadline to do so.

This resolution would authorize the mayor to opt-in to the Lawsuit on behalf of the borough. The class action attorneys estimate the borough's underpayment for those years is \$118,469. Any recovery would be reduced by 33.3 percent for attorneys' fees for an estimated net recovery of about \$79,000. Your support of this resolution would be appreciated.