



Legend

- BENEFITTED PARCELS
- IMPROVED BENEFITTED PARCELS


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

**Kenai Peninsula Borough
GIS Division**

0 255 510 1,020 1,530 2,040
 Feet

Tustumena Terrace USAD


 April 24, 2004

EXHIBIT 4

UTILITY SPECIAL ASSESSMENT DISTRICT INFORMATION SHEET

TUSTUMENA TERRACE

This petition proposes a utility special assessment district (USAD) be formed for the purpose of providing natural gas to the Tustumena Terrace Subdivision and portions of Kasilof River Heights Subdivision and Raymond Burton Subdivision. Subject area is located south of the Kasilof River bridge and is bordered on the north and east by the Kasilof River and on the west by the Sterling Highway. A map showing the proposed route and the parcels to be assessed is attached.

The project proposes to lay approximately 20,070 feet of 2-inch gas line. There is one road bore at a cost of \$5,000 and a wetland crossing at a cost of \$3,000. The estimated project cost is \$ 217,975.00 (Enstar's cost of \$204,485.00 plus the Kenai Peninsula Borough's cost of \$13,490). The proposed method of cost allocation is by equal assessment to each of the 107 benefited parcels. The allocated per parcel cost, based on equal allocation, is estimated at \$ 2,037.15.

This cost will be assessed in the form of a lien on the benefited parcel. It will be payable over a ten (10) year period. At your option, it may be paid at any time prior to the ten (10) year period. Failure to pay the assessment will be cause for foreclosure proceedings.

Be advised that any replats of parcels that are approved and recorded prior to the final assessment could cause a change in the cost allocated to each benefited parcel.

This petition proposes to assess 100% of the benefited parcels. In order to qualify, the petition must have more than 70% of the property owners within the proposed district approving the project. Approval is signified by properly signing the petition signature page. Failure to secure approval of more than 70% of the parcel owners within the proposed district will cause the petition to fail.

All signatures must be dated and the petition must be filed with the office of the Borough Clerk within thirty (30) days of the date of the first signature in order to be included in the calculation of the required percentages.

No property owner may withdraw his/her approval of the improvement for a period of six (6) months after the filing of this petition. (This shall not preclude the owner(s) from filing an objection as provided in KPB 5.35.110(d)).

A non-refundable filing fee of \$1,000 must be paid at the time of submission of this petition. (This filing fee is for the whole project, not a per parcel fee.)

An additional sum of \$5,837.49 must be submitted prior to the adoption of the resolution to proceed with the construction of the improvement. This sum reflects the total amount by which thirty-three (33) lots within the proposed USAD exceed the assessed value to special assessment ratio set forth in KPB 5.35.070 (C). These parcels and the required prepayment amounts are as follows:

#133-570-20	\$ 97.35	#133-570-10	\$ 97.35	#133-370-11	\$ 34.35
#133-370-25	\$ 34.35	#133-570-11	\$ 97.35	#133-570-19	\$ 97.35
#133-570-12	\$ 97.35	#133-560-32	\$ 349.35	#133-560-17	\$ 97.35
#133-560-24	\$ 97.35	#133-560-31	\$ 349.35	#133-560-18	\$ 97.35
#133-560-19	\$ 97.35	#133-560-27	\$ 349.35	#133-560-23	\$ 97.35
#133-560-20	\$ 97.35	#133-370-27	\$ 34.35	#133-560-29	\$ 349.35
#133-560-28	\$ 349.35	#133-560-22	\$ 97.35	#133-560-21	\$ 97.35
#133-121-10	\$ 433.35	#133-121-09	\$ 433.35	#131-121-18	\$ 433.35
#133-121-17	\$ 433.35	#133-121-08	\$ 433.35	#133-570-18	\$ 97.35
#133-570-13	\$ 97.35	#133-570-17	\$ 97.35	#133-570-16	\$ 97.35
#133-370-14	\$ 34.35	#133-570-15	\$ 97.35	#133-370-16	\$ 34.35

In the event the improvement is not constructed any prepayment of the assessment for individual parcels will be returned, however, the non-refundable filing fee will not be returned.

This petition consists of the following documents: 1) this information sheet, 2) a map of the geographic area encompassing the benefited parcels, 3) Enstar's commitment letter to construct the gas line, dated April 23, 2004, 4) the petition signature page, and 5) a list of the benefited parcels in the proposed USAD detailing each respective parcel's tax identification number, legal description, estimated charge for the benefit, and the name(s) and addresses of the parcel owners.

Only the page requiring your signature(s) needs to be returned.

Questions regarding this petition may be referred to:

Petition Organizer(s):

Craig Allen 262 - 7473

Or

Clyde Johnson, Kenai Peninsula Borough Special Assessment Coordinator (907) 714 – 2230 ext. 2246.



ENSTAR Natural Gas Company
36225 Kenai Spur Highway
Soldotna, Alaska 99669
(907) 262-9334
Fax (907) 264-3752

June 24, 2004

Mr. Clyde Johnson, USAD Coordinator
Kenai Peninsula Borough
148 N. Binkley
Soldotna, Alaska 99669

RE: *Tustumena Terrace Subdivision Utility Special Assessment District*

Dear Mr. Johnson:

The Tustumena Terrace Subdivision USAD engineering has been completed. The project design requires 20,070 feet of 2-inch pipe. ENSTAR's 2004 construction rate for 2-inch pipe is \$9.79. Additionally, project costs include a wet land crossing at a cost of \$3000.00, and one road bore on the Sterling Highway at a cost of \$5000.00. Therefore, ENSTAR's total estimated cost for pipe installation would be \$204,485.00.

This is a refundable main extension and a Deposit Agreement will be used for this project. Credits or Free Main Allowances will be paid directly to the Kenai Peninsula Borough by ENSTAR as customers connect to the gas system over the ten-year contract.

In the event, the Tustumena Terrace Utility Special Assessment District is approved by the Kenai Peninsula Borough Assembly, ENSTAR will construct the project in 2004, barring any unexpected construction delays and/or adverse weather conditions.

Please do not hesitate to call should you need any assistance or have any questions.

Respectfully,

A handwritten signature in cursive script, appearing to read "C. Pierce".

Charlie Pierce
Southern Division Manager

EXHIBIT 6

RECEIVED

2004 JUN -9 AM 11: 49

KPB
CLERK'S OFFICE

MEMORANDUM
KENAI PENINSULA BOROUGH
FINANCE DEPARTMENT

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Dale Bagley, Mayor *DLB*

FROM: Scott Holt, Finance Director 

DATE: June 9, 2004

SUBJECT: Tustumena Terrace USAD – Financing

The Borough plans to provide the funds necessary to finance the Tustumena Terrace 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 \$2,000,000 at the end of any fiscal year. As of June 9, 2004, the borough has \$868,134.95 committed to fund eleven utility special assessment districts and one road improvement assessment district. If approved, the \$217,975 projected for the Tustumena Terrace USAD will increase the borough's total principal investment to approximately \$1,086,109.95.

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 plus 2%. The prime rate is currently 4%. If it remains at that level, the rate of interest charged to the USAD will be 6%. Property owners can avoid or reduce the interest charge by making accelerated payments on the principal. Penalties are not imposed for accelerated payments.

EXHIBIT 7