

Introduced by: Mayor
Date: Jun. 21, 1983
Hearing: Jul. 19, 1983
Hearing Cont'd: Aug. 16, 1983
Vote: 9 Yes, 6 No
Action: Enacted as Amend.

KENAI PENINSULA BOROUGH
ORDINANCE 83-47 (AMENDED)

ALTERNATE 3

AUTHORIZING INDEBTEDNESS BY THE ISSUANCE OF GENERAL OBLIGATION BONDS IN AN AMOUNT NOT TO EXCEED \$11,875,000 FOR THE PURPOSE OF DESIGNING AND CONSTRUCTING, IMPROVING AND EQUIPPING ADDITIONS TO SOLDOTNA JUNIOR HIGH, PAUL BANKS, ENGLISH BAY, AND PORT GRAHAM SCHOOLS, AND PLEDGING FULL FAITH AND CREDIT OF THE BOROUGH, WITH PAYMENT OF THE INDEBTEDNESS TO BE DERIVED FROM TAXES LEVIED WITHIN THE BOROUGH, AND APPROVAL FOR TRANSFER OF \$4,786,000 IN PROCEEDS FROM BONDS FOR THE HOMER HIGH SCHOOL ADDITIVE ALTERNATES FOR USE ON PROJECTS ELIGIBLE FOR STATE REIMBURSEMENT, ALL SUBJECT TO APPROVAL BY THE VOTERS AT THE REGULAR ELECTION ON OCTOBER 4, 1983.

WHEREAS, continuing educational demands make additional school facilities necessary to alleviate overcrowding and to accommodate need; and

WHEREAS, Soldotna Junior High School, Paul Banks (East Homer) Elementary School, English Bay School, and Port Graham School require additions and improvements; and

WHEREAS, the voters of the Kenai Peninsula Borough previously approved a bond issue for construction of the Homer High School facility which included certain additive alternates, which were later determined to be ineligible for reimbursement from the State under the school bond construction reimbursement program; and

WHEREAS, if such prior bond monies are expended for the additive alternates for Homer High School, the entire cost would be borne by the taxpayers of the Borough; and

WHEREAS, the transfer of the funds for the additive alternates for use on other projects approved for reimbursement by the State would maximize the State's share of funding of school construction costs;

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

Section 1. Indebtedness in the form of general obligation bonds in a total amount not to exceed \$11,875,000 may be incurred by the Borough for the purpose of raising funds for constructing, improving and equipping the following school projects in the specified amounts:

1. Soldotna Junior High School Addition in the amount of \$6,845,000.

2. Paul Banks (East Homer) Elementary School Addition in the amount of \$1,440,000.
3. English Bay School Addition in the amount of \$2,095,000.
4. Port Graham School Addition in the amount of \$1,495,000.

Section 2. Payment of indebtedness shall be derived from taxes levied within the Borough, and from such other revenues as may be properly pledged for such payment, with full faith and credit of the Borough pledged to the repayment of the indebtedness.

Section 3. The propositions on the ballot shall read as follows:

Proposition No. _____: Approving the Sale of Bonds for the Soldotna Jr. High School Addition in the Amount of \$6,845,000.

"Shall the following school project proposed by Ordinance 83-47 (Amended) be approved to authorize the Kenai Peninsula Borough to incur indebtedness and issue general obligation bonds in the amount not to exceed \$6,845,000 which shall be utilized for the purpose of constructing, improving and equipping the Soldotna Junior High School Addition with payment of such indebtedness to be made from taxes levied within the Kenai Peninsula Borough, and from such other revenues as may be properly pledged for such payment, with full faith and credit of the Kenai Peninsula Borough pledged for the repayment of the indebtedness?"

The estimated total cost of this project is \$6,845,000. It is estimated that the total payment of principal and interest on these bonds will be \$10,902,032 of which the estimated portion to be paid by the State will be 72% and the portion to be paid by the Borough will be 28%. These estimates are based upon anticipated reimbursement by the State at 90% of all principal and interest on the first \$3,804,379 of these bonds and at 50% for the payments of principal and interest on the remaining \$3,040,621 of the bonds. Non-passage of the ballot propositions may cause changes in the share paid by the State and Borough due to different allocations of the funds to be reimbursed at 90% by the State.

_____ Yes

_____ No

Proposition No. _____: Approving the Sale of Bonds for the Paul Banks (East Homer) Elementary Addition in the Amount of \$1,440,000.

"Shall the following school project proposed by Ordinance 83-47 (Amended) be approved to authorize the Kenai Peninsula Borough to incur indebtedness and issue general obligation bonds in the amount not to exceed \$1,440,000 which shall be utilized for the purpose of constructing, improving and equipping the Paul Banks (East Homer) Elementary Addition with payment of such indebtedness to be made from taxes levied within the Kenai Peninsula Borough, and from such other revenues as may be properly pledged for such payment, with full faith and credit of the Kenai Peninsula Borough pledged for the repayment of the indebtedness?"

The estimated total cost of this project is \$1,440,000. It is estimated that the total payment of principal and interest on these bonds will be \$2,293,488 of which the estimated portion to be paid by the State will be 72% and the portion to be paid by the Borough will be 28%. These estimates are based upon anticipated reimbursement by the State at 90% of all principal and interest on the first \$800,337 of these bonds and at 50% for the payments of principal and interest on the remaining \$639,663 of the bonds. Non-passage of the ballot propositions may cause changes in the share paid by the State and Borough due to different allocations of the funds to be reimbursed at 90% by the State.

_____ Yes

_____ No

Proposition No. _____: Approving the Sale of Bonds for the English Bay School Addition in the Amount of \$2,095,000.

"Shall the following school project proposed by Ordinance 83-47 (Amended) be approved to authorize the Kenai Peninsula Borough to incur indebtedness and issue general obligation bonds in the amount not to exceed \$2,095,000 which shall be utilized for the purpose of constructing, improving and equipping the English Bay School Addition with payment of such indebtedness to be made from taxes levied within the Kenai Peninsula Borough, and from such other revenues as may be properly pledged for such payment, with full faith and credit of the Kenai Peninsula Borough pledged for the repayment of the indebtedness?"

The estimated total cost of this project is \$2,095,000. It is estimated that the total payment of

principal and interest on these bonds will be \$3,279,370 of which the estimated portion to be paid by the State will be 72% and the portion to be paid by the Borough will be 28%. These estimates are based upon anticipated reimbursement by the State at 90% of all principal and interest on the first \$1,164,379 of these bonds and at 50% for the payments of principal and interest on the remaining \$930,621 of the bonds. Non-passage of the ballot propositions may cause changes in the share paid by the State and Borough due to different allocations of the funds to be reimbursed at 90% by the State.

_____ Yes

_____ No

Proposition No. _____: Approving the Sale of Bonds for the Port Graham School Addition in the Amount of \$1,495,000.

"Shall the following school project proposed by Ordinance 83-47 (Amended) be approved to authorize the Kenai Peninsula Borough to incur indebtedness and issue general obligation bonds in the amount not to exceed \$1,495,000 which shall be utilized for the purpose of constructing, improving and equipping the Port Graham School Addition with payment of such indebtedness to be made from taxes levied within the Kenai Peninsula Borough, and from such other revenues as may be properly pledged for such payment, with full faith and credit of the Kenai Peninsula Borough pledged for the repayment of the indebtedness?"

The estimated total cost of this project is \$1,495,000. It is estimated that the total payment of principal and interest on these bonds will be \$2,381,087 of which the estimated portion to be paid by the State will be 72% and the portion to be paid by the Borough will be 28%. These estimates are based upon anticipated reimbursement by the State at 90% of all principal and interest on the first \$830,905 of these bonds and at 50% for the payments of principal and interest on the remaining \$664,095 of the bonds. Non-passage of the ballot propositions may cause changes in the share paid by the State and Borough due to different allocations of the funds to be reimbursed at 90% by the State.

_____ Yes

_____ No

Proposition No. _____: Approving the transfer of bond funds from the Homer High School projects to approved school construction projects.

"Shall the proceeds from the sale of \$4,786,000 in bonds approved for a portion of the Homer High School,

which are not eligible for any reimbursement of payments by the State if used on the Homer High School additive alternates, be transferred and used for designing, constructing, improving, and equipping other school construction projects which are approved by the State, and eligible for up to 90% reimbursement by the State for payments made on the bonds?"

The approval of this transfer will eliminate the necessity to sell the portion of bonds for Soldotna Junior High School, Paul Banks Elementary School, English Bay School, and Port Graham School, that are eligible for reimbursement by the State for only up to 50% of the payments made.

Proposition No. _____: Approving the sale of bonds for the Homer High School Additives Alternates in the amount of \$4,790,000.

"Shall the following school projects be approved to authorize the Kenai Peninsula Borough to incur indebtedness and issue general obligation bonds in an amount not to exceed \$4,790,000 which shall be utilized for the purpose of constructing, improving and equipping the vocational agriculture shop, physical education area, rehearsal and dressing area adjacent to the auditorium, auto mechanics shop and swimming pool additions to Homer High School project?"

These bonds will not be eligible for reimbursement from the State of Alaska.

_____ Yes

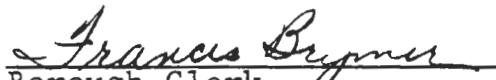
_____ No

Section 4. This ordinance takes effect on the day following enactment, subject to approval of each of the listed projects by a majority of those voting on each question at the regular election to be held in the Kenai Peninsula Borough on October 4, 1983.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS
16 DAY OF August, 1983.


Donald L. McCloud, Assembly President

ATTEST:


Borough Clerk

