

Introduced by: Mayor
Date: July 19, 1988
Hearing: August 2, 1988
Action: Enacted
Vote: Unanimous

KENAI PENINSULA BOROUGH
ORDINANCE 88-32 (SUBSTITUTE)

APPROVING THE CONSTRUCTION OF THE SEWARD ELEMENTARY SCHOOL, AMENDING ORDINANCE NOS. 82-51, 83-47 AND 85-51 TO AUTHORIZE THE USE OF EXCESS BOND PROCEEDS IN AN AMOUNT NOT TO EXCEED \$4,000,000, AND APPROPRIATING \$2,850,000 IN OTHER BOROUGH FUNDS FOR THE CONSTRUCTION THEREOF.

WHEREAS, the Kenai Peninsula Borough Assembly has determined that it is in the best interest of the Borough and its inhabitants to construct an elementary school in Seward; and

WHEREAS, Section 5.04.110 of the Kenai Peninsula Borough Code requires the approval of the voters of the Borough for the construction of the projects costing over \$1,000,000 where Borough funds not derived from bond proceeds and grants are used; and

WHEREAS, it is deemed necessary and advisable to utilize excess bond proceeds, from bond issues previously sold pursuant to Ordinance Nos. 82-51, 83-47 and 85-51, to fund the construction of the Seward Elementary School;

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

Section 1. That Section 1 of Ordinance Nos. 82-51, 83-47 and 85-51 are hereby amended by adding the following sentence at the end of such section in each Ordinance: "Proceeds of bonds authorized by this Ordinance may be used for the purpose of paying the cost of constructing and equipping the Seward Elementary School."

Section 2. That proceeds of bonds previously sold pursuant to Ord. Nos. 82-51, 83-47 and 85-51 to be used for the Seward Elementary School shall not exceed \$4,000,000.

Section 3. That a proposition approving both the Seward Elementary School construction project pursuant to Section 5.04.110 of the Kenai Borough Code, and the amendment of Ordinance Nos. 82-51, 83-47 and 85-51 shall be submitted to the qualified voters of the Borough at the election to be held on October 4, 1988. The proposition to be submitted shall be in substantially the following form:

"Shall the Kenai Peninsula Borough design, construct and equip an elementary school in Seward, Alaska in the estimated amount of \$9,000,000 with the funding

to be provided in part by transferring \$4,000,000 in unused bond funds from other completed school projects by amending Ordinances 82-51, 83-47 (Amended) and 85-51 (Amended)?

No new bonded debt would be incurred by the Borough with this funding plan. The estimated total project cost including the construction cost and interest payments on the \$4,000,000 of bond debt is \$11,496,843, to be paid as follows: Bond principal and interest \$6,496,843, State grant \$2,150,000, Borough general funds \$2,850,000. The State's share of the \$6,496,843 bond debt is \$4,547,790, and the Borough's share is \$1,949,053. The State reimbursement of the \$2,850,000 in Borough general funds would be \$1,995,000, and the Borough's share would be \$855,000. The estimated share of the total cost borne by the State from reimbursements and grants would be \$8,692,790, and the Borough's share would be \$2,804,053. The tax per \$100,000 of assessed valuation for the bonds is \$5.00.

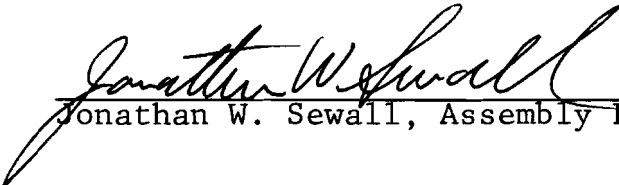
YES _____

NO _____

Section 4. That \$2,150,000 is hereby appropriated from the Borough general fund for the construction of the Seward Elementary School.

Section 5. That Section 3 of this Ordinance shall become effective immediately upon its enactment. Sections 1, 2, and 4 of this ordinance become effective following approval by the voters of the Kenai Peninsula Borough at the regular election to be held on October 4, 1988.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 16th DAY OF August, 1988.


Jonathan W. Sewall, Assembly President

ATTEST:


Joanna Bradley
Borough Clerk