



KENAI PENINSULA BOROUGH

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**JOHN J. WILLIAMS
BOROUGH MAYOR**

MEMORANDUM

TO: Grace Merkes, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Milli Martin, Assembly Member

DATE: July 24, 2008

SUBJECT: Ordinance 2008-17 (Martin Substitute) authorizing an exception to the voter approval requirement contained in KPB 5.04.110 to authorize the acquisition and construction of a new Nikiski Fire Station No. 2

This ordinance is a proposed substitute for the Superman, Mayor Substitute Ordinance 2008-17. It would significantly narrow the scope of the ordinance as it would not change the code, but instead would make an exception to the voter approval requirement in KPB 5.04.110 for the Nikiski Fire Station No. 2 project.

One concern expressed by supporters of the initiative that enacted KPB 5.04.110 was that capital improvement projects funded by grants result in increased maintenance and operating expenses for the borough. However, in this case the grant funds will purchase a facility to replace an existing facility that has been partially condemned and is increasingly expensive to maintain. The maintenance expenses for the replacement facility should be less than those currently incurred for the existing station. Additionally, submitting this project to voter approval will delay the project while construction costs are rapidly rising, which would cause the construction to cost more money.

Therefore, the acceptance of these grant funds would not result in an increase in maintenance and operating expenses as they would replace an existing facility. Although I am hesitant to amend the code to exclude grant funded projects from the voter approval requirement, I support exempting this particular project from that requirement due to its unique aspects.

Furthermore, I have deep concerns about negating the will of the voters by amending the code on both issues: that of the spending cap, regardless of origin of the funds, and the issue of a cap for the North Peninsula Recreation Service Area. My constituents have made it very clear that they deeply resented past Assembly actions that negated voter wishes, such as the 1993 term limits vote (granted that was not an initiative), but there is still belief out there that the increase in the sales tax went counter to voter wishes. In my district, those feelings run deep. Therefore I offer this substitute, and your support of it would be appreciated.