

Introduced by:	Superman, Mayor
Substitute Introduced:	07/08/08
O2008-17 (Superman, Mayor)	See Original for Prior History
Hearings:	07/08/08 & 08/05/08
Action:	Postponed Until 08/05/08
Action:	Enacted as Amended
Vote:	9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2008-17  
(SUPERMAN, MAYOR SUBSTITUTE)**

**AN ORDINANCE AMENDING KPB 5.04.110 AND KPB 16.16.085 TO EXCLUDE GRANT FUNDS, PRIVATE GIFTS, AND HOSPITAL PLANT EXPANSION AND REPLACEMENT FUNDS FROM THE AMOUNTS CONSIDERED IN DETERMINING WHETHER A BOROUGH OR NORTH PENINSULA RECREATION SERVICE AREA CAPITAL IMPROVEMENT PROJECT MUST BE SUBMITTED TO THE VOTERS, AND AMENDING KPB 5.04.110 TO REQUIRE A SIMPLE MAJORITY VOTER APPROVAL**

**WHEREAS,** KPB 16.16.085, requiring voter approval for all North Peninsula Recreation Service Area (“NPRSA”) capital improvement projects costing more than \$500,000, was enacted by an NPRSA initiative election in October 2004; and

**WHEREAS,** KPB 5.04.110 was amended by an initiative election in 2005 to reduce the amount of capital improvement projects throughout the borough requiring voter approval from \$1.5 million to \$1 million in “borough funds;” and

**WHEREAS,** as a part of both initiatives, grant funds are now included as “borough funds” in determining how much a project costs for purposes of requiring voter approval; and

**WHEREAS,** more than two years have passed since both initiatives were approved, and the assembly may therefore legally amend both code sections; and

**WHEREAS,** requiring grant funds to be included in the capital expenditures amount can significantly delay grant-funded projects, and seriously impact the borough’s ability to raise grant funds for capital improvement projects; and

**WHEREAS,** at its meeting of July 28, 2008, the NPRSA Board recommended enactment by unanimous consent;

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

**SECTION 1.** That KPB 5.04.110 is hereby amended as follows:

**5.04.110. Major capital improvement projects—Referendum required.**

- A. All capital improvement projects to be constructed or acquired by the Borough must be approved by the voters of the borough at a regular or special election, before the project is constructed or acquired if the total project cost is more than \$1,000,000.00, including architectural, engineering, inspection, design, administration or any other cost. This section applies to all proposed capital improvement projects to be financed with borough funds which are not the proceeds of a bond issue approved by voters. This section does not apply to insurance covering the repair or replacement of damaged Borough capital improvements, to grants for capital improvement projects, private gifts, or to expenditures from the plant expansion and replacement funds of the Central Peninsula Hospital and South Peninsula Hospital. A capital improvement project that is proposed to be built in phases shall include the projected cost of all phases as the total project cost for purposes of this ordinance.
  
- B. When the total projected cost of a capital improvement project as defined in this section is more than \$1,000,000.00 it must receive an affirmative vote by no less than [60 PERCENT] a simple majority of the affected voters at a Borough election for such a project to be approved.

**SECTION 2.** That KPB 16.16.085 is hereby amended as follows:

**16.16.085. Major capital improvement projects—Referendum required.**

All major capital improvement projects to be constructed for the North Peninsula Recreation Service Area must be approved by the voters residing within the service area at a regular or special election. For the purposes of this section, a major capital improvement project is one whose total project cost is more than \$500,000.00, including architectural, engineering, inspection, design, administration and other costs. This section applies to all proposed capital improvement projects except that [. T] this section does not apply to private gifts, insurance proceeds covering the repair or replacement of damaged North Peninsula Recreation Service Area capital improvements, or to grants for capital improvements, or to grants for capital improvement projects.

**SECTION 3.** That this ordinance takes effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 5TH DAY OF AUGUST, 2008.**

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Grace Merkes, Assembly President

ATTEST:

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Johni Blankenship, Borough Clerk

Yes: Fischer, Gilman, Knopp, Long, Martin, Smith, Sprague, Superman, Merkes

No: None

Absent: None