



KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7520

Toll-free within the Borough: 1-800-478-4441

PHONE: (907) 262-4441 • **FAX:** (907) 262-1892

www.borough.kenai.ak.us

**DAVE CAREY
BOROUGH MAYOR**

MEMORANDUM

TO: Milli Martin, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Gary Knopp, Assembly Member *GK by GJT*
Gary Superman, Assembly Member *GS by S*

DATE: February 19, 2009

SUBJECT: Ordinance 2009- 15, amending KPB Chapter 5.20 to authorize the borough to loan funds to public utility companies to finance the installation of utility lines in the area of the borough outside of the cities

This ordinance would authorize the borough to provide financing to regulated utility companies for the extension of utility lines subject to restrictions set out in the ordinance. The difference between this and utility special assessment districts is that the loan would be repaid by the utility company, which would be responsible for collecting payments from the customers, and the borough would impose a requirement that all benefitted property owners pay for the cost of the utility line.

Our intent in proposing this ordinance is to provide an alternative to local improvement districts that would enable the public to obtain extensions of utility lines if the utility companies are agreeable to using this funding mechanism. It should be noted that this would be subject to tariffs and rules of the Regulatory Commission of Alaska. As the borough does not have clear authority to do this, this is also subject to approval of the voters. Your consideration of this ordinance would be appreciated.