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| Introduced by: | Mayor |
| Date: | 08/18/09 |
| Hearing: | 09/15/09 |
| Action: | Enacted |
| Vote: | 6 Yes, 0 No, 3 Absent |

**KENAI PENINSULA BOROUGH
ORDINANCE 2009-19-02**

**AN ORDINANCE APPROPRIATING \$300,000 TO THE SOLID WASTE CAPITAL
PROJECT FUND FOR DESIGN AND DEVELOPMENT COSTS ASSOCIATED WITH
CELL #2 AT THE CENTRAL PENINSULA LANDFILL**

WHEREAS, a majority of borough voters voting in the October 1, 2002 election, approved Proposition No. 2, which authorized the issuance of up to \$12,000,000 in General Obligation bonds to pay the costs of planning, designing, site preparation, constructing, and equipping a regional solid waste facility located near Soldotna within the Kenai Peninsula Borough; and

WHEREAS, as discussed in the memo accompanying Ordinance 2002-26, which authorized the ballot proposition for the selling of borough general obligation bonds, there would be two separate bond sales; the first sale expected in 2003, which would provide funding for construction of cell #1 and related improvements; and the second sale expected in 2008 for the development of cell #2 and related improvements; and

WHEREAS, the borough sold bonds totaling \$7,040,000 in May 2003 through the Alaska Municipal Bond Bank for the design and development of cell #1 and related improvements; and

WHEREAS, cell #1 was opened in 2005 and, based upon current projections, will be full in 2011; and

WHEREAS, the solid waste department needs to start the design and development process of cell #2 (the "Project") in order to accept waste in 2011; and

WHEREAS, the solid waste department estimates that \$300,000 will be needed for the Project; and

WHEREAS, the borough expects to sell bonds in late 2009 or early 2010 to support the Project; and

WHEREAS, the solid waste department needs to start the design process earlier than the bond proceeds will be available; and

WHEREAS, an appropriation of general fund, fund balance, could be made available to start the Project and could be reimbursed from bond proceeds when they become available;

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

SECTION 1. That \$300,000 is appropriated from the General Fund, fund balance, to account 100.94910.00000.50290, transfer to Solid Waste.

SECTION 2. That \$300,000 is appropriated in the Solid Waste Fund to account 290.32010.00000.50411, transfer to Solid Waste Capital Project Fund.

SECTION 3. That \$300,000 is appropriated in the Solid Waste Capital Project Fund to the Central Peninsula Landfill Expansion Project, account number 411.32122.09SWB.49999 for design and development costs associated with cell #2.

SECTION 4. That this ordinance shall satisfy the “official intent” requirements of Section 1.150-2 of the regulations adopted under the authority of the Internal Revenue Code of 1986, as amended, (the “Code”) with respect to the Project. The attached memo includes a general description of the Project. The borough reasonably expects to issue up to \$4,960,000 principal amount of bonds (the “Bonds”) for costs of the Project and construction and other related improvements. The borough intends to use the proceeds of the Bonds to finance costs of the Project, and certain other costs, which are eligible under the Code for financing with proceeds of tax-exempt bonds. Such costs incurred up to 60 days before the effective date of this ordinance will be eligible for reimbursement with proceeds of the Bonds. As of the date set forth below, the borough reasonably expects that it will issue the Bonds and use the proceeds of the Bonds as described in this section.

SECTION 5. That the appropriations made in this ordinance are of a project length nature and as such do not lapse at the end of any particular fiscal year.

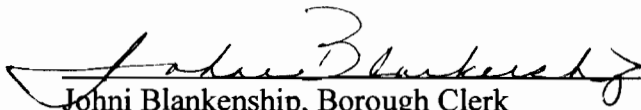
SECTION 6. This ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS
15TH DAY OF SEPTEMBER, 2009.

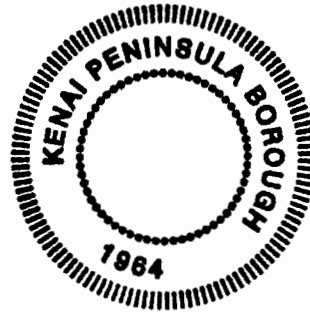


Milli Martin, Assembly President

ATTEST:



Johni Blankenship, Borough Clerk



Yes: Long, Pierce, Smalley, Smith, Sprague, Martin

No: None

Absent: Fischer, Knopp, Superman