

Introduced by:	Mayor
Date:	06/08/10
Hearing:	07/06/10
Action:	Failed Introduction
Vote:	1 Yes, 8 No, 0 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2010-19-02**

**AN ORDINANCE AUTHORIZING A \$650,000 INTERGOVERNMENTAL  
LOAN FROM THE GENERAL FUND AND APPROPRIATING FUNDS TO  
THE KACHEMAK EMERGENCY SERVICE AREA FUND TO FINANCE THE  
ACQUISITION OF A NEW TANKER/LADDER TRUCK**

**WHEREAS,** the FY2011 Capital Plan for Kachemak Emergency Service Area (Service Area) includes \$650,000 for the purchase of a tanker/ladder truck; and

**WHEREAS,** financing will be necessary to acquire the apparatus; and

**WHEREAS,** a \$650,000 intergovernmental loan would provide the funds needed to enable the Service Area to acquire the tanker/ladder truck; and

**WHEREAS,** KP.B 5.08.025 provides standards by which service areas may borrow funds from the general fund unless otherwise approved by ordinance; and

**WHEREAS,** due to the cost of this equipment and the proposed repayment terms, assembly approval of these terms is required by KP.B 5.08.025; and

**WHEREAS,** at its meeting of November 12, 2009, and subsequently in conjunction with the FY 2010 budget on February 25, 2010, the Service Area Board approved the intergovernmental loan in the amount of \$650,000 from the borough's general fund;

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

**SECTION 1.** That a \$650,000 intergovernmental loan is authorized for the Kachemak Emergency Service Area and shall be accounted for in the general fund account No. 100.00000.00000.14121.

**SECTION 2.** That the assembly finds the borough's best interests are served by loaning the funds by these terms instead of those in KP.B 5.08.020 as the ladder truck is needed in the Service Area.

**SECTION 3.** That the Service Area shall pay the outstanding balance of the loan in ten equal installments of approximately \$81,476 each, due on the anniversary of the transaction date. Each payment shall include principle and interest computed at the annual rate equal to the prime rate in effect on the date of the transaction. The loan is due in full on or before ten years from the date of the loan. All payments are subject to the appropriation and availability of funds.

**SECTION 4.** That this ordinance takes effect immediately upon its enactment

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS \*  
DAY OF \* 2010.**

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Pete Sprague, Assembly President

ATTEST:

\_\_\_\_\_  
Johni Blankenship, Borough Clerk

Yes: Haggerty

No: Fischer, Knopp, McClure, Pierce, Smalley, Smith, Superman, Sprague

Absent: None