**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

DAVID R. CAREY
BOROUGH MAYOR

# MEMORANDUM

**TO:**       Kenai Peninsula Borough Assembly

**THRU:**   David R. Carey, Mayor

**FROM:**   Craig Chapman, Finance Director
            Dan Park, Capital Projects Director

**DATE:**    October 14, 2010

**SUBJECT:**  Ordinance 2010-19-_23_ Appropriating $955,000 for design and development cost
            associated with school roof repairs as authorized by Proposition 1 in the October
            5, 2010 Borough election

Background

By passing Proposition 1 in the October 5, 2010 borough elections, the borough voters approved the issuance of up to $16,866,500 in general obligation bonds to pay the costs of planning, designing, site preparation, constructing, acquiring, renovating, installing, and equipping educational capital improvement projects within the Kenai Peninsula Borough.

The Finance Department is currently working with the Alaska Bond Bank and expects to sell bonds in December 2010 and to have the proceeds appropriated at the first meeting in January 2011.

The capital projects department needs to start the design and development process earlier than the bond proceeds would be available to spend, which would allow for the completion of some of the projects in the summer of 2011. The projects department is estimating that $955,000 will be needed to award design contracts prior to the appropriation of the bond proceeds. An appropriation of general fund, fund balance could be made available to start the design and development and could be reimbursed from bond proceeds when they become available.

The attached ordinance would appropriate funds from the general fund for transfer to the Bond Funded Capital Project Fund to start the design and development of these school projects. The General Fund would then be reimbursed from bond proceeds when they become available.