

Introduced by: Mayor  
Date: 10/26/10  
Hearing: 12/07/10  
Action: Postponed Until 01/04/11  
Date: 01/04/11  
Action: Failed to Enact  
Vote: 0 Yes, 9 No, 0 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2010-19-23**

**AN ORDINANCE APPROPRIATING \$955,000 TO THE BOND FUNDED CAPITAL  
PROJECT FUND FOR DESIGN AND DEVELOPMENT COST ASSOCIATED WITH  
SCHOOL ROOF REPAIRS**

**WHEREAS,** a majority of borough voters voting in the October 5, 2010 election, approved Proposition 1 which authorized 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; and

**WHEREAS,** the borough expects to sell bonds in December 2010 and to have the proceeds appropriated at the first meeting in January 2011; and

**WHEREAS,** 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; and

**WHEREAS,** the capital projects department is estimating that \$955,000 will be needed to award design contracts prior to the appropriation of the bond proceeds; and

**WHEREAS,** 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;

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

**SECTION 1.** That \$955,000 is appropriated from the General Fund, fund balance to account 100.94910.00000.50401, transfer to Bond Funded Capital Project Fund.

**SECTION 2.** That \$955,000 is appropriated in the Bond Funded Capital Project Fund to account number 401.78050.11SCH.49999 for design and development cost associated with projects approved by the October 5, 2010 ballot Proposition 1.

**SECTION 3.** 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 \$16,866,500 principal amount of bonds (the "Bonds") for costs of the Project. 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 4.** 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 5.** That once bond proceeds are received and appropriated, the appropriation of these funds is canceled and all funds are returned to the Borough's General Fund.

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

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS \*  
DAY OF \* 2011.**

\_\_\_\_\_  
Gary Knopp, Assembly President

ATTEST:

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

Yes: None

No: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp

Absent: None