

Introduced by: Mayor
Date: 04/08/97
Action: Adopted
Vote: Unanimous

**KENAI PENINSULA BOROUGH
RESOLUTION 97-023**

**A RESOLUTION DECLARING THE INTENT TO REIMBURSE EXPENDITURES FOR
THE CONSTRUCTION OF A SECOND STORY TO THE NINILCHIK SCHOOL**

WHEREAS, the Kenai Peninsula Borough (the "Borough"), by Ordinance 97-17, appropriated funds for the construction of a second story to the Ninilchik School (the "Project"); and

WHEREAS, subject to approval of the qualified voters of the Borough and to the approval of the State of Alaska Department of Education, the Borough intends to reimburse expenditures for the Project from proceeds of the Borough's General Obligation School Bonds, 1995A (the "1995 Bonds") that remain after completion of construction of the West Homer Elementary School; and

WHEREAS, subject to the availability of funds, the Borough intends to reimburse expenditures for the Project from proceeds of the Borough's General Obligation School Bonds, 1994A (the "1994 Bonds") that remain after completion of construction of the Tustumena Elementary Addition Project; and

WHEREAS, if proceeds of the 1994 and 1995 Bonds may not be used to reimburse expenditures for the Project, the Borough intends to reimburse those expenditures from the proceeds of bonds to be issued in the future; and


WHEREAS, in order for interest on the 1994 and 1995 Bonds, or such other bonds to be issued in the future, to be excluded from gross income for federal income tax purposes, there must be a valid allocation under Treasury Regulation § 1.150-2 of the bond proceeds that are to be used to reimburse expenditures for the Project that have been incurred before the issue date of the bonds;

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

SECTION 1. That the Borough intends to allocate proceeds (including investment proceeds) of bonds in a maximum amount of \$1.5 million to reimburse expenditures for costs of the construction of the second story of the Ninilchik School authorized by Ordinance 97-17.

SECTION 2. That this resolution shall take effect immediately upon its adoption.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 8th
DAY OF APRIL, 1997.**



Jack Brown, Assembly President

ATTEST:


Borough Clerk