

Introduced by: Mayor
Date: 08/04/98
Action: Adopted
Vote: 9 Yes, 0 No

**KENAI PENINSULA BOROUGH
RESOLUTION 98-059**

**A RESOLUTION OF NECESSITY ESTABLISHING THE ISLAND LAKE/MOOSE RUN
UTILITY SPECIAL ASSESSMENT DISTRICT
FOR CONSTRUCTION OF A NATURAL GAS MAINLINE**

WHEREAS, residents of the borough adopted a non-area-wide power by the vote of the people to form special assessment districts for utility lines in 1991;

WHEREAS, natural gas provides a safe, economical heating alternative and has been shown to increase the value and marketability of parcels;

WHEREAS, many of the lots within the proposed district are lake front properties and the availability of natural gas as a heating fuel may decrease the utilization of heating fuels requiring storage containers which may leak their contents, thereby minimizing the potential for pollution to surrounding lakes, area drinking water, and the environment;

WHEREAS, a petition has been received requesting the establishment of a utility special assessment district for financing the construction of an extension of Enstar's natural gas service line to a district in the area of Island Lake/Moose Run;

WHEREAS, KP.B 5.35 requires signatures of the owners of more than 70% of the parcels within the proposed district sign the petition and 79.7% have signed the petition;

WHEREAS, Resolution 92-54 requires that within 90 days of filing of the petition, the Mayor shall cause to be prepared a Resolution of Necessity for the Assembly's consideration to determine: a) whether the proposed USAD meets the requirements of KP.B Chapter 5.35, and b) whether the Borough should establish a USAD as proposed by the petition;

WHEREAS, this resolution, with its attached exhibits, which are incorporated by reference as if fully set forth herein, sets out the plans, specifications, estimated costs, proposed method of assessment, payment schedule, estimated assessment roll, proposed method of Borough financing, and schedule for construction as required by KP.B Chapter 5.35 and the regulations adopted under that Chapter;

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

SECTION 1. That this resolution is supported by the information in the following attached exhibits which are incorporated by reference as if fully set forth herein:

- 1) Clerk's certification of the petition, dated July 20, 1998;
- 2) USAD profile information sheet, dated July 8, 1998;
- 3) the estimated assessment roll;
- 4) a map of the boundaries of the proposed USAD;
- 5) petition form information cover sheet;
- 6) letter-statement from Enstar Natural Gas dated May 14, 1998; and,
- 7) a memo from the Finance Director dated July 22, 1998.

SECTION 2. That the boundaries of USAD for a gas mainline set forth in the map attached as exhibit 4 and the properties legally described in exhibit 3, are hereby approved as comprising the USAD.

SECTION 3. That the plans, specifications, profiles and estimated costs set forth in Exhibit 2 and the schedule for construction set forth in Exhibit 6 are hereby approved.

SECTION 4. That the method of levying the special assessment shall be on an equal allocation per lot, parcel, or tract as authorized by KP.B 5.35. Uniform allocation of costs to each parcel in the proposed district is a fair method because each parcel is equally benefitted by the ability to connect a service line to the mainline.

SECTION 5. That the estimated assessment roll, set forth in Exhibit 3 is incorporated by reference as if fully set forth herein.

SECTION 6. Special assessment bonds will not be issued in anticipation of collection of the special assessments. Borough investment monies shall be the financing mechanism. The frequency and number of installment payments shall be as follows:

Special assessments levied on property within the Island Lake/Moose Run Utility Special Assessment District may be paid in ten (10) equal annual installments. Penalties will not be imposed for accelerated payments.

SECTION 7. That the proposed Island Lake/Moose Run USAD, as described and proposed through Exhibits 1 - 7, is found to meet the requirements of KP.B Chapter 5.35 and is determined to be necessary and in the Borough's interest.

SECTION 8. That this resolution shall take effect immediately upon its adoption.

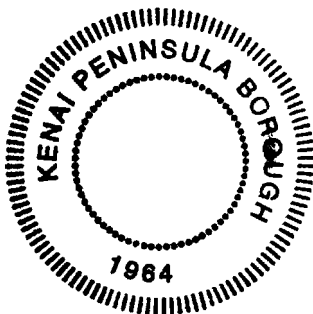
ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 4TH DAY OF AUGUST, 1998.

Jack Brown

Jack Brown, Assembly President

ATTEST:

Linda S. Murphy
Linda S. Murphy, Borough Clerk

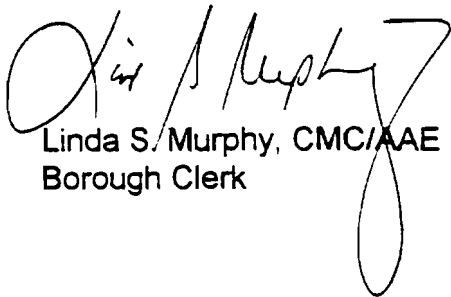


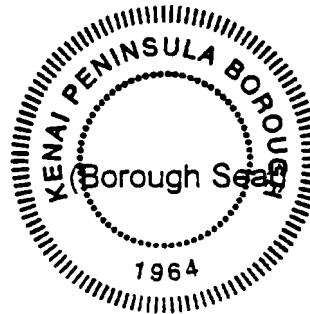
KENAI PENINSULA BOROUGH
CERTIFICATION OF PETITION
Island Lake/Moose Run Utility Special Assessment District

A petition for formation of the Island Lake/Moose Run Utility Special Assessment District was received in the Office of the Borough Clerk on July 16, 1998. I hereby certify the petition as sufficient. Signatures of property owners of 56 parcels (70% of 79 parcels) were required. Signatures of property owners of 63 parcels were validated.

A Check in the amount of \$1,000.00 was received with the petition.

Dated this 20th day of July, 1998.


Linda S. Murphy, CMC/AAE
Borough Clerk



Copies Provided to:

Moose Run Gas Association, Box 1194, Kenai (Representing Petitioners)
✓ Clyde Johnson, KPBA USAD Coordinator
KPBA Assembly President Brown and Members of the Assembly
KPBA Mayor Mike Navarre

EXHIBIT 1

ISLAND LAKE/MC MOOSE RUN ROAD USAD
 PROFILE INFORMATION SHEET

1/21/98

Island Lake/Moose Run USAD

Enstar Cost	\$ 105,152.00
KPB Admin Cost	\$ 11,530.00
Total Est Cost	\$ 116,682.00
No. parcels	79
Cost per parcel	\$ 1,476.99
Total Cost	\$ 116,682.00
Total Prepayments	\$ 1,325.76
Total Assessments	\$ 115,356.24
No. of Parcels Delq.	3
Percentage of Parcels Delq.	3.80%

HEADING DEFINITIONS

Total Assessed Value: 1998 assessments.
Adjusted Totals: Each parcel's projected cost added to it's current total assessed value.
Cost/Adj Value: Percent of the allocated cost to the adjusted value of each respective parcel.
Maximum Assessment: Lien on each respective parcel cannot exceed 21% of the adjusted value.
Prepayment Needed: Amount required to be paid to keep the respective lien below 21%.

Total Number of Parcels: 79
Parcels In Favor of Project: 63
Percent of Parcels In Favor of Project: 79.75%

Parcel #	CK	Land Value	Total Assessed Value	Adjusted Value	Cost/ Value%	Maximum Assessment	Prepymnt Needed	Owner	+ = Yes Vote	Tax Delq. Y = delq.
012-431-01	1	5,000	5,000	6,477	23%	1,360.17	116.82	NORTH STATE VENTURES INC	+	
012-431-02	9	5,000	5,000	6,477	23%	1,360.17	116.82	NORTH STATE VENTURES INC	+	
012-431-03	7	16,300	16,300	17,777	8%			NORTH STATE VENTURES INC	+	
012-431-04	5	21,800	34,900	36,377	4%			MBP ENTERPRISES LP#2	+	
012-431-05	2	15,300	15,300	16,777	9%			MBP ENTERPRISES LP#2	+	
012-431-06	0	5,800	5,800	7,277	20%			MBP ENTERPRISES LP#2	+	
012-431-08	6	39,500	105,000	106,477	1%			CARTY PATRICK E & PENNY L	+	
013-690-01	1	12,200	12,200	13,677	11%			HOLLAND ROBERT L	+	
013-690-02	9	11,500	11,500	12,977	11%			STESNEY THETIS	+	
013-690-03	7	11,500	11,500	12,977	11%			STESNEY THETIS	+	
013-690-04	5	11,500	11,500	12,977	11%			HOLLEY GENE	+	
013-690-05	2	5,400	5,400	6,877	21%	1,444.17	32.82	HOLLEY GENE	+	
013-690-06	0	5,400	5,400	6,877	21%	1,444.17	32.82	STESNEY THETIS	+	

ISLAND LAKE/MC ...UN ROAD USAD
 PROFILE INFORMATION SHEET

1/21/98

Parcel #	CK	Land Value	Total Assessed Value	Adjusted Value	Cost/ Value%	Maximum Assessment	Prepymnt Needed	Owner	+ = Yes Vote	Tax Delq. Y = delq.
013-690-07	8	5,400	5,400	6,877	21%	1,444.17	32.82	HOLLEY GENE	+	
013-690-08	6	5,400	5,400	6,877	21%	1,444.17	32.82	DOUGHERTY EARL LEE & CHERYL		
013-690-09	4	5,400	5,400	6,877	21%	1,444.17	32.82	STESNEY THETIS	+	
013-690-10	2	5,400	5,400	6,877	21%	1,444.17	32.82	STESNEY THETIS	+	
013-690-11	0	11,900	41,000	42,477	3%			KNUDSEN BOYD E & CHERYL L		
013-690-12	8	5,400	5,400	6,877	21%	1,444.17	32.82	HOLLEY GENE	+	
013-690-13	6	5,400	5,400	6,877	21%	1,444.17	32.82	STESNEY THETIS	+	
013-690-14	4	11,900	56,800	58,277	3%			ALBERTY G H & MARY E (LIFE ESTATE)		
013-690-15	1	5,400	5,400	6,877	21%	1,444.17	32.82	KNUDSEN BOYD E & CHERYL L		
013-690-16	9	5,400	5,400	6,877	21%	1,444.17	32.82	HOLLEY GENE	+	
013-690-17	7	5,400	5,400	6,877	21%	1,444.17	32.82	STESNEY THETIS	+	
013-690-18	5	5,400	5,400	6,877	21%	1,444.17	32.82	SORRELS CHRISTOPHER H & VICKI S		
013-690-19	3	5,400	5,400	6,877	21%	1,444.17	32.82	ALBERTY G H & MARY E (LIFE ESTATE)		
013-690-24	3	4,500	4,500	5,977	25%	1,255.17	221.82	STESNEY THETIS & HOLLEY G	+	
013-690-25	0	35,500	45,600	47,077	3%			STESNEY THETIS & HOLLEY G	+	
013-690-26	8	21,900	64,500	65,977	2%			JONES WILLIAM P & CHERYL D	+	
014-132-24	5	23,100	23,100	24,577	6%			COX MARVIN DANIEL & COX MELVIN	+	
014-132-39	3	17,300	24,700	26,177	6%			SMITH PAUL F & LOU ANN	+	+
014-134-01	9	13,100	28,100	29,577	5%			GRAVES AURORA L	+	
014-134-02	7	4,500	4,500	5,977	25%	1,255.17	221.82	GRAVES AURORA L	+	
014-134-03	5	9,900	9,900	11,377	13%			BUTE ALAN J & PAULA H	+	
014-134-04	3	10,800	10,800	12,277	12%			CHOAT LOWELL W & MYRNA A	+	
014-134-05	0	4,500	4,500	5,977	25%	1,255.17	221.82	CHOAT LOWELL W & MYRNA A	+	
014-134-06	8	8,200	10,300	11,777	13%			ERVIN GREGORY C & THIRLWELL	+	
014-134-07	6	10,700	35,500	36,977	4%			HEMPHILL RALPH & PAMELA L	+	
014-134-08	4	7,200	7,200	8,677	17%			FOREST & LAND DEVELOPMENT SERVICES	+	
014-134-09	2	7,200	7,200	8,677	17%			FORCE ALFRED	+	
014-134-10	0	5,800	5,800	7,277	20%			FORCE ALFRED	+	
014-134-11	8	9,300	9,300	10,777	14%			JAMINSON CHERYL		
014-134-12	6	5,800	5,800	7,277	20%			VALENTINE JANEEN	+	
014-134-13	4	12,300	68,100	69,577	2%			VALENTINE JANEEN	+	
014-134-14	2	5,800	5,800	7,277	20%			HAUKENBERRY MARK A		+
014-134-20	9	6,800	24,400	25,877	6%			PROCTOR FRANK & LUZVIMINDA		
014-134-21	7	5,800	5,800	7,277	20%			PROCTOR FRANK & LUZVIMINDA		

ISLAND LAKE/MC UN ROAD USAD
 PROFILE INFORMATION SHEET

12/198

Parcel #	CK	Land Value	Total Assessed Value	Adjusted Value	Cost/ Value%	Maximum Assessment	Prepymnt Needed	Owner	+ = Yes Vote	Tax Delq. Y = delq.
014-134-26	6	44,100	105,800	107,277	1%			MOORE GUY E	+	
014-134-28	2	11,900	65,400	66,877	2%			FREEL-WIK LORI ARLENE	+	
014-134-29	0	5,800	5,800	7,277	20%			DERRICK MICHAEL D & MARCY D		
014-134-30	8	12,300	21,100	22,577	7%			STEWART GUY & HELEN ETAL & STEWART WAYNE P	+	
014-134-31	6	12,300	52,400	53,877	3%			SHULZE MARSHA L	+	
014-134-32	4	28,800	63,100	64,577	2%			MCBRIDE MICHAEL S	+	
014-134-34	0	52,200	52,200	53,677	3%			STATE OF ALASKA - DNR		
014-134-36	5	42,900	50,000	51,477	3%			PATTISON WAYNE L & LYNETTE	+	+
014-134-37	3	51,800	51,800	53,277	3%			MERTZ BERTHA		
014-134-39	9	10,200	10,200	11,677	13%			DEES L V & JACQUELINE SUE	+	
014-134-40	7	16,700	26,500	27,977	5%			HOLBEN RONDA	+	
014-134-41	5	10,200	10,200	11,677	13%			DEES L V & JACQUELINE SUE	+	
014-135-04	0	21,400	21,400	22,877	6%			NUDSON LAWRENCE E & ANNETTE	+	
014-135-09	9	10,800	10,800	12,277	12%			DELP FRANK E & GAIL G	+	
014-135-10	7	10,800	10,800	12,277	12%			ZAGELOW RUDOLPH E & SHIRLEY		
014-250-02	1	18,000	18,000	19,477	8%			GIBBONS DAVE R & CHILIMPIS-GIBBONS	+	
014-250-03	9	18,000	18,000	19,477	8%			GIBBONS DAVE R & CHILIMPIS-GIBBONS	+	
014-250-04	7	18,000	18,000	19,477	8%			KELLY SHARON	+	
014-250-05	4	18,000	18,000	19,477	8%			ROBINSON JAMES R & BRENDA L	+	
014-250-06	2	18,000	18,000	19,477	8%			ROBINSON JAMES R & BRENDA L	+	
014-250-07	0	18,000	18,000	19,477	8%			MURPHY MARLENA	+	
014-250-08	8	24,500	129,300	130,777	1%			VANCE BRIAN J & COLLEEN M	+	
014-250-09	6	20,000	20,000	21,477	7%			JONES KEITH E & RUTH H		
014-250-10	4	46,500	108,700	110,177	1%			CARTY PATRICK E & PENNY LEE	+	
014-290-01	9	32,400	32,400	33,877	4%			EPPERHEIMER MARK A & MELODIE S	+	
014-290-02	7	5,800	5,800	7,277	20%			RHODES DUSTIN	+	
014-290-03	5	18,000	90,900	92,377	2%			RHODES DUSTIN J	+	
014-290-04	3	24,700	133,400	134,877	1%			HAMMOND LAURA LYNN & DAVID M &	+	
014-290-05	0	5,800	5,800	7,277	20%			FINNELL JOHN W & NANCY A		
014-290-09	2	20,000	20,000	21,477	7%			COLE W WOOD & COLE-GEORGE	+	
014-290-10	0	34,500	153,000	154,477	1%			GERHAUSER STANLEY R & DENISE M	+	
014-290-11	8	34,500	167,800	169,277	1%			NUDSON LAWRENCE E & ANNETTE L	+	
79						1,325.76		63		3

ISLAND LAKE/MC ERUN ROAD USAD
 PROFILE INFORMATION SHEET

/21/98

Parcel #	CK	Land Value	Total Assessed Value	Adjusted Value	Cost/ Value%	Maximum Assessment	Prepymnt Needed	Owner	+ = Yes Vote	Tax Delq. Y = delq.
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This parcel was removed from the proposed district due to it's limited size (.31 acre).

014-134-22		300	300					MURIEL LOBDELL REVOCABLE TRUST		
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This parcel is being purchased on a real estate contract. Owner of record is Bertha Mertz and is included in the above information.

014-134-37		51,800	51,800					CALL EDWARD J & JUNETTA		
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ISLAND LAKE/MC ... ROAD USAD
ESTIMATED ASSESSMENT ROLL

/21/98

Island Lake/Moose Run Rd. Project

Linier ft		13,210	Total Cost	116,682.00
Cost p/ft	\$	7.96	Total Prepayme	(1,325.76)
Cost	\$	105,152	Total Assesme	115,356.24
KPB Admin	\$	11,530		
Total Est Cost	\$	116,682		
			# > 21%	18
No. parcels		79	\$ To Prepay	(1,325.76)
Cost/parcel	\$	1,476.99		

Parcel #	Legal Description	Assessment	Prepay	Owner	Address	City	St	Zip Code
012-431-01	KN850183 T07N R12W S12 ISLAND LAKE EAST SUB LOT 6	1,360.17	(116.82)	NORTH STATE VENTURES INC	2905 KETCH ST	KENAI	AK	99611
012-431-02	KN850183 T07N R12W S12 ISLAND LAKE EAST SUB LOT 7	1,360.17	(116.82)	NORTH STATE VENTURES INC	2905 KETCH ST	KENAI	AK	99611
012-431-03	KN850183 T07N R12W S12 ISLAND LAKE EAST SUB LOT 1	1,476.99		NORTH STATE VENTURES INC	2905 KETCH STREET	KENAI	AK	99611
012-431-04	KN850183 T07N R12W S12 ISLAND LAKE EAST SUB LOT 2	1,476.99		MBP ENTERPRISES LP#2	PO BOX 7447	NIKISKI	AK	99635
012-431-05	KN850183 T07N R12W S12 ISLAND LAKE EAST SUB LOT 3	1,476.99		MBP ENTERPRISES LP#2	PO BOX 7447	NIKISKI	AK	99635
012-431-06	KN850183 T07N R12W S12 ISLAND LAKE EAST SUB LOT 5	1,476.99		MBP ENTERPRISES LP#2	PO BOX 7447	NIKISKI	AK	99635
012-431-08	KN T07N R12W S12 N1/2 GOVT LOT 9	1,476.99		CARTY PATRICK E & PENNY L	PO BOX 2913	KENAI	AK	99611
013-690-01	KN840051 T07N R11W S07 MOOSE RUN ESTATES SUB LOT 1	1,476.99		HOLLAND ROBERT L	PO BOX 13133	MEXICO BEACH	FL	32410
013-690-02	KN840051 T07N R11W S07 MOOSE RUN ESTATES SUB LOT 2	1,476.99		STESNEY THETIS	PO BOX 634	KENAI	AK	99611
013-690-03	KN840051 T07N R11W S07 MOOSE RUN ESTATES SUB LOT 3	1,476.99		STESNEY THETIS	PO BOX 634	KENAI	AK	99611
013-690-04	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 4	1,476.99		HOLLEY GENE	PO BOX 2689	KENAI	AK	99611
013-690-05	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 5	1,444.17	(32.82)	HOLLEY GENE	PO BOX 2689	KENAI	AK	99611
013-690-06	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 6	1,444.17	(32.82)	STESNEY THETIS	PO BOX 634	KENAI	AK	99611
013-690-07	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 7	1,444.17	(32.82)	HOLLEY GENE	PO BOX 2689	KENAI	AK	99611
013-690-08	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 8	1,444.17	(32.82)	DOUGHERTY EARL LEE & CHERYL	PO BOX 8294	NIKISKI	AK	99635
013-690-09	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 9	1,444.17	(32.82)	STESNEY THETIS	PO BOX 634	KENAI	AK	99611

ISLAND LAKE/MC ... ROAD USAD
ESTIMATED ASSESSMENT ROLL

7/21/98

Parcel #	Legal Description	Assessment	Prepay	Owner	Address	City	St	Zip Code
013-690-10	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 10	1,444.17	(32.82)	STESNEY THETIS	PO BOX 634	KENAI	AK	99611
013-690-11	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 11	1,476.99		KNUDSEN BOYD E & CHERYL L	PO BOX 7345	NIKISKI	AK	99635
013-690-12	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 12	1,444.17	(32.82)	HOLLEY GENE	PO BOX 2689	KENAI	AK	99611
013-690-13	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 13	1,444.17	(32.82)	STESNEY THETIS	PO BOX 634	KENAI	AK	99611
013-690-14	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 14	1,476.99		ALBERTY G H & MARY E (LIFE ESTATE)	PO BOX 7396	NIKISKI	AK	99635
013-690-15	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 15	1,444.17	(32.82)	KNUDSEN BOYD E & CHERYL L	PO BOX 7345	NIKISKI	AK	99635
013-690-16	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 16	1,444.17	(32.82)	HOLLEY GENE	PO BOX 2689	KENAI	AK	99611
013-690-17	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 17	1,444.17	(32.82)	STESNEY THETIS	PO BOX 634	KENAI	AK	99611
013-690-18	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 18	1,444.17	(32.82)	SORRELS CHRISTOPHER H & VICKI S	PO BOX 8487	NIKISKI	AK	99635
013-690-19	KN840051 T07N R11W S18 MOOSE RUN ESTATES SUB LOT 19	1,444.17	(32.82)	ALBERTY G H & MARY E (LIFE ESTATE)	PO BOX 7396	NIKISKI	AK	99635
013-690-24	KN840051 T07N R11W S18 TRACT B MOOSE RUN ESTATES SUB	1,255.17	(221.82)	STESNEY THETIS & HOLLEY G	PO BOX 634	KENAI	AK	99611
013-690-25	KN840051 T07N R11W S18 TRACT A MOOSE RUN ESTATES SUB	1,476.99		STESNEY THETIS & HOLLEY G	PO BOX 634	KENAI	AK	99611
013-690-26	KN770136 T07N R11W S18 TRACT 2 SNOWSHOE SUB	1,476.99		JONES WILLIAM P & CHERYL D	PO BOX 3347	KENAI	AK	99611
014-132-24	KN730049 T07N R12W S13 MILLER-BASTIEN SUB LOT 2A	1,476.99		COX MARVIN DANIEL & COX MELVIN	PO BOX 8383	NIKISKI	AK	99635
014-132-39	KN820090 T07N R12W S13 MILLER-BASTIEN SUB NO 2 LOT 2B-2	1,476.99		SMITH PAUL F & LOU ANN	PO BOX 6952	NIKISKI	AK	99635
014-134-01	KN840269 T07N R12W S13 CACHE SUB LOT 1	1,476.99		GRAVES AURORA L	PO BOX 1194	KENAI	AK	99611
014-134-02	KN840269 T07N R12W S13 CACHE SUB LOT 2	1,255.17	(221.82)	GRAVES AURORA L	PO BOX 1194	KENAI	AK	99611
014-134-03	KN840269 T07N R12W S13 CACHE SUB LOT 3	1,476.99		BUTE ALAN J & PAULA H	HC 1 BOX 1510	KENAI	AK	99611
014-134-04	KN840269 T07N R12W S13 CACHE SUB LOT 4	1,476.99		CHOAT LOWELL W & MYRNA A	6415 KENAI SPUR HWY	KENAI	AK	99611
014-134-05	KN840269 T07N R12W S13 CACHE SUB LOT 5	1,255.17	(221.82)	CHOAT LOWELL W & MYRNA A	6415 KENAI SPUR HWY	KENAI	AK	99611
014-134-06	KN840269 T07N R12W S13 CACHE SUB LOT 6	1,476.99		ERVIN GREGORY C & THIRLWELL	PO BOX 8591	NIKISKI	AK	99635
014-134-07	KN840269 T07N R12W S13 CACHE SUB LOT 7	1,476.99		HEMPHILL RALPH & PAMELA L	PO BOX 7385	NIKISKI	AK	99635
014-134-08	KN840269 T07N R12W S13 CACHE SUB LOT 8 KN T07N R12W S13 NW1/4 SE1/4 EXCLUDING CACHE SUB	1,476.99		FORCE ALFRED	PO BOX 8187	NIKISKI	AK	99635
014-134-10	KN840269 T07N R12W S13 CACHE SUB LOT 20	1,476.99		FORCE ALFRED	PO BOX 8187	NIKISKI	AK	99635
014-134-11	KN840269 T07N R12W S13 CACHE SUB LOT 19	1,476.99		JAMINSON CHERYL	9366 HILAND RD	EAGLE RIVER	AK	99577
014-134-12	KN840269 T07N R12W S13 CACHE SUB LOT 18	1,476.99		VALENTINE JANEEN	PO BOX 8607	NIKISKI	AK	99635
014-134-13	KN840269 T07N R12W S13 CACHE SUB LOT 17	1,476.99		VALENTINE JANEEN	PO BOX 8607	NIKISKI	AK	99635
014-134-14	KN840269 T07N R12W S13 CACHE SUB LOT 16	1,476.99		HAUKENBERRY MARK A	18911 59TH ST E	BONNEY LAKE	WA	98390
014-134-20	KN840269 T07N R12W S13 CACHE SUB LOT 15	1,476.99		PROCTOR FRANK & LUZVIMINDA	HC 1 BOX 1393	KENAI	AK	99611

ISLAND LAKE/MELTON ROAD USAD
ESTIMATED ASSESSMENT ROLL

1/21/98

Parcel #	Legal Description	Assessment	Prepay	Owner	Address	City	St	Zip Code
014-134-21	KN840269 T07N R12W S13 CACHE SUB LOT 14	1,476.99		PROCTOR FRANK & LUZVIMINDA	HC 1 BOX 1393	KENAI	AK	99611
014-134-26	KN T07N R12W S13 NE1/4 SE1/4 KN001743 T07N R12W S13 TEAL BAY SUB LOT 1 BLOCK 3	1,476.99		MOORE GUY E	PO BOX 1965	KENAI	AK	99611
014-134-28	KN001743 T07N R12W S13 TEAL BAY SUB LOT 2 BLOCK 3	1,476.99		FREEL-WIK LORI ARLENE	PO BOX 8336	NIKISKI	AK	99635
014-134-29	KN001743 T07N R12W S13 TEAL BAY SUB LOT 3 BLOCK 3	1,476.99		DERRICK MICHAEL D & MARCY D	412 MELTON RD	CASTLE ROCK	WA	98611
014-134-30	KN001743 T07N R12W S13 TEAL BAY SUB LOT 4 BLOCK 3	1,476.99		STEWART GUY & HELEN ETAL STEWART WAYNE P	3409 E BAY DR NW 1113 34TH AVE NW	GIG HARBOR GIG HARBOR	WA WA	98335 98335
014-134-31	KN830187 T07N R12W S13 CRABTREE SUB LOT 1	1,476.99		SHULZE MARSHA L	PO BOX 1993	KENAI	AK	99611
014-134-32	KN T07N R12W S13 GOVT LOT 3	1,476.99		MCBRIDE MICHAEL S	PO BOX 6	KENAI	AK	99611
014-134-34	THAT PORTION OF KN T07N R12W S13 PER WARRANTY DEED RECORDED 02/92 BOOK 395	1,476.99		STATE OF ALASKA - DNR	3601 C ST STE 1030	ANCHORAGE	AK	99503
014-134-36	PAGE 712 KENAI RECORDING DISTRICT KN T07N R12W S13 GOVT LOT 7 EXCLUDING TEAL BAY SUB & EXCLUDING PARCEL PER DEED 59 @ 267	1,476.99		PATTISON WAYNE L & LYNETTE	PO BOX 2625	KENAI	AK	99611
014-134-37		1,476.99		MERTZ BERTHA	STAR RTE 1	KENAI	AK	99611
014-134-39	KN840303 T07N R12W S13 TALL TIMBER SUB LOT 2	1,476.99		DEES L V & JACQUELINE SUE	PO BOX 670267	CHUGIAK	AK	99567
014-134-40	KN840303 T07N R12W S13 TALL TIMBER SUB LOT 3	1,476.99		HOLBEN RONDA	PO BOX 7993	NIKISKI	AK	99635
014-134-41	KN840303 T07N R12W S13 TALL TIMBER SUB LOT 4 KN850101 T07N R12W S13 MILLER-BASTIEN SUB	1,476.99		DEES L V & JACQUELINE SUE	PO BOX 670267	CHUGIAK	AK	99567
014-135-04	NUDSON ADDN LOT 1A-4 KN850244 T07N R12W S13 MILLER-BASTIEN SUB NO 3 LOT 1B-1	1,476.99		NUDSON LAWRENCE E & ANNETTE	PO BOX 8055	NIKISKI	AK	99635
014-135-09	KN850244 T07N R12W S13 MILLER-BASTIEN SUB NO 3 LOT 1B-2	1,476.99		DELP FRANK E & GAIL G	PO BOX 242013	ANCHORAGE	AK	99524
014-135-10	KN770178 T07N R12W S13 HONKER SUB LOT 7	1,476.99		ZAGELow RUDOLPH E & SHIRLEY	1495 SE ANTHONY ST	HILLSBORO	OR	97123
014-250-02	KN770178 T07N R12W S13 HONKER SUB LOT 6	1,476.99		GIBBONS DAVE R & CHILIMPIS-GIBBONS	PO BOX 240447	DOUGLAS	AK	99824
014-250-03	KN770178 T07N R12W S13 HONKER SUB LOT 5	1,476.99		GIBBONS DAVE R & CHILIMPIS-GIBBONS	PO BOX 240447	DOUGLAS	AK	99824
014-250-04	KN770178 T07N R12W S13 HONKER SUB LOT 4	1,476.99		KELLY SHARON	PO BOX 21671	JUNEAU	AK	99802
014-250-05	KN770178 T07N R12W S13 HONKER SUB LOT 3	1,476.99		ROBINSON JAMES R & BRENDA L	6009 ROLLINS RD	GRANDBURY	TX	76049
014-250-06	KN770178 T07N R12W S13 HONKER SUB LOT 2	1,476.99		ROBINSON JAMES R & BRENDA L	6009 ROLLINS RD	GRANDBURY	TX	76049
014-250-07	KN770178 T07N R12W S13 HONKER SUB LOT 1	1,476.99		MURPHY MARLENA	1806 4TH AVE	KENAI	AK	99611
014-250-08	KN790052 T07N R12W S13 TRACT A ISLAND LAKE AIRSTRIP SUB	1,476.99		VANCE BRIAN J & COLLEEN M	PO BOX 6927	NIKISKI	AK	99635
014-250-09	KN790052 T07N R12W S13 TRACT B ISLAND LAKE AIRSTRIP SUB	1,476.99		JONES KEITH E & RUTH H	PO BOX 1316	KREMMLING	CO	80459
014-250-10	KN T07N R12W S13 E1/2 E1/2 GOVT LOT 2 KN870061 T07N R12W S13 N-B ESTATES SUB NO 2 LOT 1A	1,476.99		CARTY PATRICK E & PENNY LEE	PO BOX 2913	KENAI	AK	99611
014-290-01		1,476.99		EPPERHEIMER MARK A & MELODIE S	PO BOX 1867	KENAI	AK	99611
014-290-02		1,476.99		RHODES DUSTIN	PO BOX 8417	NIKISKI	AK	99635

ISI AND LAKE/M... N ROAD USAID
ESTIMATED ASSESSMENT ROLL

7/21/98

Parcel #	Legal Description	Assessment	Prepay	Owner	Address	City	St	Zip Code
014-290-03	KN870061 T07N R12W S13 N-B ESTATES SUB NO 2 LOT 2A	1,476.99		RHODES DUSTIN J	1502 THIRD AVE	KENAI	AK	99611
014-290-04	KN870061 T07N R12W S13 N-B ESTATES SUB NO 2 LOT 3A	1,476.99		HAMMOND LAURA LYNN & DAVID M &	PO BOX 734	KENAI	AK	99611
014-290-05	KN870061 T07N R12W S13 N-B ESTATES SUB NO 2 LOT 4A	1,476.99		FINNELL JOHN W & NANCY A	13161 TORREY PINES DR	AUBURN	CA	95602
014-290-09	KN910048 T07N R12W S13 METTILLE SUB 1990 RESUB OF LOTS 1 & 2 LOT 2A	1,476.99		COLE W WOOD & COLE-GEORGE	PO BOX 370	WAIMEA	HI	96796
014-290-10	KN950029 T07N R12W S13 METTILLE-CRABTREE REPLAT LOT 2A	1,476.99		GERHAUSER STANLEY R & DENISE M	PO BOX 7557	NIKISKI	AK	99635
014-290-11	KN950029 T07N R12W S13 METTILLE-CRABTREE REPLAT LOT 1B	1,476.99		NUDSON LAWRENCE E & ANNETTE L	PO BOX 8055	NIKISKI	AK	99635
79			(1,325.76)					

This parcel was removed from the proposed district due to it's limited size (.31 acre).
014-134-22

MURIEL LOBDELL REVOCABLE TRUST

This parcel is being purchased on a real estate contract. Owner of record is Bertha Mertz and is included in the above information.
014-134-37

CALL EDWARD J & JUNETTA

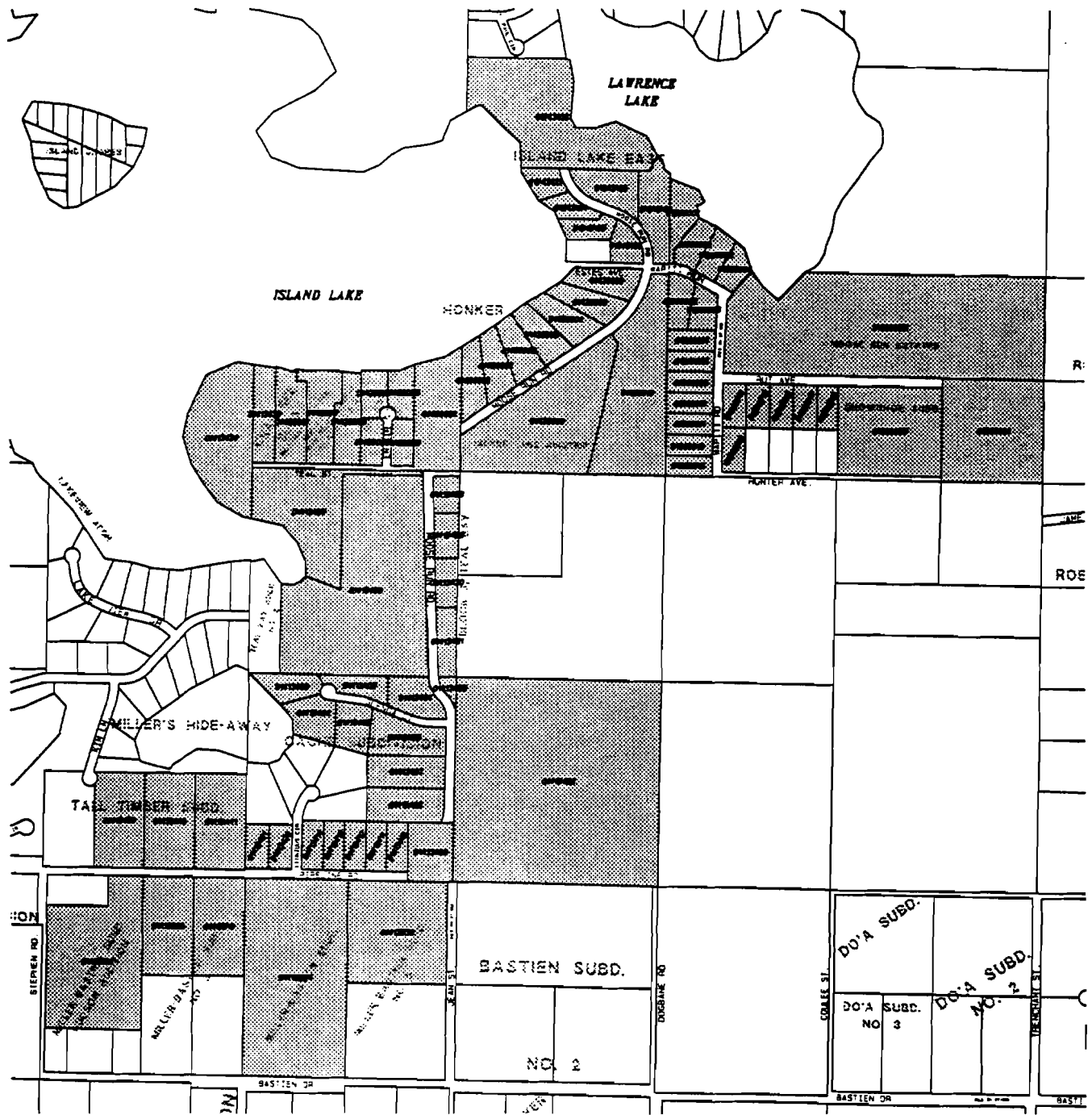


EXHIBIT 4

BENEFITTED PARCELS	REVISION BLOCK <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Date</th> <th style="width: 50%;">By</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	Date	By																					 NORTH	 <small>THE INFORMATION SHOWN HEREON IS FOR A GRAPHIC REPRESENTATION ONLY OF BEST AVAILABLE SOURCE. THE KENAI PENINSULA BOROUGH ASSUMES NO RESPONSIBILITY FOR ANY ERRORS ON THIS MAP.</small>	KENAI PENINSULA BOROUGH GIS DIVISION ISLAND LAKE VICINITY	SCALE: 1" = 1000' DATE: 6/2/2008
	Date	By																									

UTILITY SPECIAL ASSESSMENT DISTRICT INFORMATION SHEET

MOOSE RUN ROAD/ISLAND LAKE PROJECT

This petition proposes a utility special assessment district (USAD) be formed for the purpose of providing natural gas to the Moose Run Road/Island Lake area. A map showing the proposed route and the parcels to be assessed is attached hereto.

The project proposes to lay approximately 13,210 feet of gas line. The estimated project cost is \$116,682 (Enstar's cost of \$105,152 plus the Kenai Peninsula Borough's cost of \$11,530). The proposed method of cost allocation is by equal assessment to each of the 79 benefited parcels. The allocated cost per parcel is estimated at \$1,476.99.

Be advised that any replats of parcels that are approved and recorded prior to the final assessment could cause a change in the cost allocated to each benefited parcel.

Be advised that this USAD will require the acquisition of easements. If Enstar is unable to acquire the easements the gas line may not be installed. Any prepayment of the assessment for individual parcels will be returned in the event the easements cannot be acquired and the gas line is not installed, however, the non-refundable filing fee will not be returned.

This cost will be assessed in the form of a lien on the benefited parcel. It will be payable over a ten (10) year period. At your option, it may be paid at any time prior to the ten (10) year period. Failure to pay the assessment will be cause for foreclosure proceedings.

This petition proposes to assess 100% of the benefited parcels. In order to qualify, the petition must have more than 70% of the property owners within the proposed district approving the project. Approval is signified by properly signing the petition signature page. Failure to secure approval of more than 70% of the parcel owners within the proposed district will cause the petition to fail.

All signatures must be dated and the petition must be filed with the office of the Borough Clerk within thirty (30) days of the date of the first signature in order to be included in the calculation of the required percentages.

No property owner may withdraw his/her approval of the improvement for a period of six (6) months after the filing of this petition. (This shall not preclude the owner(s) from filing an objection as provided in KP.B 5.35.110(d)).

A non refundable filing fee of \$1,000 must be paid at the time of submission of this petition. (This filing fee is for the whole project, not a per parcel fee.)

An additional sum of \$1,827.17 must be submitted prior to the adoption of the resolution to proceed with the construction of the improvement. This sum reflects the total amount by which eighteen (18) lots within the USAD exceed the assessed value-to-special assessment ratio set forth in KPB 5.35.070. These parcels, and the amount of prepayment required for each parcel, are as follows:

012-431-01	\$144.68	013-690-13	\$ 60.68
012-431-02	\$144.68	013-690-15	\$ 60.68
013-690-05	\$ 60.68	013-690-16	\$ 60.68
013-690-06	\$ 60.68	013-690-17	\$ 60.68
013-690-07	\$ 60.68	013-690-18	\$ 60.68
013-690-08	\$ 60.68	013-690-19	\$ 60.68
013-690-09	\$ 60.68	013-690-24	\$249.68
013-690-10	\$ 60.68	014-134-02	\$249.68
013-690-12	\$ 60.68	014-134-05	\$249.68

The USAD will not be formed if this sum is not paid. Any prepayments will be refunded to the appropriate payer(s) should the USAD not be formed.

This petition consists of the following documents: 1) this information sheet, 2) a map of the geographic area encompassing the benefited parcels, 3) Enstars commitment letter to construct the gas line, dated May 14, 1998, 4) the petition signature page, and 5) a list of the benefited parcels in the proposed USAD along with their assessed value, legal description, tax parcel identification number, the names of the parcel owners, and estimated charge for the benefit.

Only the page requiring your signature(s) needs to be returned.

Questions regarding this petition may be referred to:

Petition Organizer(s):

Penny Carty 283-7864

Or

Clyde Johnson, Kenai Peninsula Borough USAD Coordinator (907) 262-4441 ext. 222 or 1-800-478-4441 within the Borough



ENSTAR Natural Gas Company
A DIVISION OF SEAGULL ENERGY CORPORATION
36225 Kenai Spur Highway
Soldotna, Alaska 99669
(907) 262-9334
FAX (907) 264-3752

May 14, 1998

Clyde Johnson, USAD Coordinator
Kenai Peninsula Borough
148 N. Binkley
Soldotna, Alaska 99669

RE: *Island Lake Utility Special Assessment District*

Dear Mr. Johnson:

As mentioned, the Island Lake USAD engineering has been completed. The project design requires 13,210 feet of 2 inch pipe. ENSTAR's 1998 construction rate for 2 inch pipe is \$7.96 per foot. Therefore, ENSTAR's total estimated cost will be \$105,152.

This is a refundable project and a *Deposit* agreement will be used for this project. Credits or Free Main Allowances will be paid directly to the Borough by ENSTAR as customers connect to the gas system over the term of the contract. Credits will be based upon projected annual gas usage by each new customer. The 1998, Free Main Allowances or FMA's are as follows, Small \$339, Medium \$645, and Large \$1,017. FMA's are adjusted annually throughout the ten year contract.

In the event the Kenai Keys, Utility Special Assessment District is approved by the Kenai Peninsula Borough Assembly during this construction season, ENSTAR will construct the project in 1998, barring any unexpected construction delays and/or adverse weather conditions.

Please do not hesitate to call should you need any assistance or have any questions.

Respectfully,

A handwritten signature in cursive script, appearing to read "C. Pierce".


Charlie Pierce
Southern Division Manager


EXHIBIT 6

MEMORANDUM

KENAI PENINSULA BOROUGH
FINANCE DEPARTMENT

To: Jack Brown, Assembly President
Members of the Kenai Peninsula Borough Assembly

Thru:  Mike Navarre, Mayor

From: Jeffrey Sinz, Finance Director 

Date: July 22, 1998

Subject: Island Lake/Moose Run USAD – Financing

The Borough plans to provide the funds necessary to finance the Island Lake/Moose Run USAD from internal sources. KPB 5.10.040 allows the investment of borough monies in special assessment districts that are authorized under KPB 5.35. The total of such investments is limited to not more than \$1,000,000 at the end of any fiscal year. Currently, the borough has \$786,959 committed to fund three existing utility special assessment districts. If approved, the \$116,682 projected for the Island Lake/Moose Run USAD will increase the borough's total principal investment to approximately \$903,641.

The owners of property located within the USAD will be required to make principal and interest payments each year for a ten-year period to retire the indebtedness to the borough. The rate of interest will be equal to the prime rate plus 2%. The prime rate is currently 8.5%. If it remains at that level, the rate of interest charged to the USAD will be 10.5%. Property owners can avoid or reduce the interest charge by making accelerated payments on the principal. Penalties are not imposed for accelerated payments.

EXHIBIT 7