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May 25, 2012

Ms. Marie Payser, USAD Coordinator Kenai Peninsula Borough 148 N. Binkley Soldotna, Alaska 99669

RE: Anchor View Estates Utility Special Assessment District

Dear Ms. Payser:

The Anchor View Estates engineering has been completed. The project design requires 6180 feet of 2-inch pipe. ENSTAR's 2012 construction rate for 2-inch pipe is \$17.64 per foot. The project will also require a 610 foot horizontal bore under a drainage area, extensive brushing, as well as, a SWPPP at a total cost of \$44,000.00. Therefore, ENSTAR's total estimated cost for pipe installation in 2012, would be \$153,015.00.

This is a non-refundable project and a Contribution in Aid Agreement will be used for this project.

In the event the Anchor View Estates Utility Special Assessment District is approved by the Kenai Peninsula Borough on or before September 15, 2012, ENSTAR will construct the project in 2012. If the project is delayed and is constructed in 2013, the rate will increase to \$20.83 per foot for an additional charge of \$19,714.00.

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

Respectfully,

Charlie Pierce Southern Division Manager

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MAY 25 2012

«PB ASSESSING DEPT.

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