

Kenai Peninsula Borough

144 North Binkley Street

Soldotna, AK 99669



Meeting Agenda

Tuesday, August 18, 2026

6:00 PM

Meeting ID: 897 1694 8642 Passcode: 075938

Betty J. Glick Assembly Chambers

Meeting ID: 897 1694 8642 Passcode: 075938

Assembly

Ryan Tunseth, President

Kelly Cooper, Vice President

Willy Dunne

Cindy Ecklund

Dale Eicher

Lenora Niesen

Sarge Truesdell

Vacant, District 1

Vacant, District 7

CALL TO ORDER**PLEDGE OF ALLEGIANCE****INVOCATION**

Any invocation that may be offered at the beginning of the assembly meeting shall be a chaplain from borough fire and emergency service areas. No member of the community is required to attend or participate in the invocation.

ROLL CALL**COMMITTEE REPORTS****VACANCY, DESIGNATION OR SEATING MEMBERS**

1. [KPB-7933](#) Appointment of Assembly Member for District 1 - Kalifornsky

Attachments:

[Memo to Assembly](#)

[Applicant Annarose \(Noelle\) Phillips](#)

[Applicant Brent Hibbert](#)

[Applicant Teresa Mullican](#)

2. Swear-In Newly Appointed Assembly Member

APPROVAL OF AGENDA AND CONSENT AGENDA

(All items listed with an asterisk () are considered to be routine and non-controversial by the Assembly and will be approved by one motion. Public testimony will be taken. There will be no separate discussion of these items unless an Assembly Member so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.)*

ACTION ITEMS CURRENTLY ON CONSENT AGENDA:

KPB-7916: August 4, 2026 Regular Assembly Meeting Minutes

Ordinance 2026-29: Establishing the Sterling Recreation Service Area and Providing for an Appointed Board Subject to Voter Approval

KPB-7920: Approving a Right-Of-Way Vacation; KPB File 2026-078V

Submitted By: Dustin and Carly Padrta

Request: Vacate Bangerter Court, Sleep Hollow Subdivision Longmere Addition, Plat KN 2023-58, in the Sterling Area

ACTION ITEM ELIGIBLE TO BE ADDED TO THE CONSENT AGENDA:

Ordinance 2025-19-48: Recording FY2026 Expenditures Paid by the State of Alaska Department of Administration, Division of Retirement & Benefits on Behalf of the Kenai Peninsula Borough Toward the Borough's Unfunded PERS Liability

Ordinance 2026-19-04: Appropriating Supplemental Funds from the Nikiski Senior Service Area Fund to Provide for a Financial Audit of the Nikiski Senior Citizens, Inc. for Fiscal Year 2025

Ordinance 2026-19-05: Appropriating Funds from the General Fund for the McNeil Canyon School Waterline Replacement Project

Ordinance 2026-19-03: Approving a Capital Improvement Project and Appropriating Funds from the Central Kenai Peninsula Hospital Service Area Plant Replacement and Expansion Fund for Development of Central Peninsula Hospital's Dermatology Clinic

Ordinance 2026-19-06: Appropriating Grant Funds for a Capital Improvement Project at Central Peninsula Landfill

Ordinance 2026-28: Authorizing the Sale of Certain Parcels Owned by the Kenai Peninsula Borough via Live Public Outcry/Simulcast Online Auction Followed by a Secondary Online-Only Auction

Ordinance 2026-27: Authorizing the Kenai Peninsula Borough to Enter into a Long-Term Lease Agreement with the City of Seward for Operation and Management of a Surplus School Facility in Seward

APPROVAL OF MINUTES

- *1. [KPB-7916](#) August 4, 2026 Regular Assembly Meeting Minutes

Attachments: [080426 DRAFT Minutes](#)

COMMENDING RESOLUTIONS AND PROCLAMATIONS**PRESENTATIONS WITH PRIOR NOTICE**

(20 minutes total)

1. [KPB-7917](#) Senator Jesse Bjokman, Legislative Update (10 minutes)
2. [KPB-7918](#) Central Peninsula General Hospital Quarterly Report, Angela Hinnegan, Chief Executive Officer (10 minutes)

Attachments: [CPGH Quarterly Report](#)

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

(3 minutes per speaker; 20 minutes aggregate)

MAYOR'S REPORT

Mayor's Report Cover Memo

[KPB-7922](#) Mayor's Memo

Attachments: [Mayor's Memo](#)

1. Assembly Requests/Responses - None

2. Agreements and Contracts

- a. [KPB-7923](#) Authorization to Award a Contract for ITB27-004 Rocky Ridge Operations and Maintenance

Attachments: [Authorization to Award Contract for ITB27-004 Rocky Ridge Operations and Ma](#)

- b. [KPB-7924](#) Authorization to Award a Contract for ITB27-006 FY27 Fire Alarm Inspections

Attachments: [Authorization to Award Contract for ITB27-006 FY27 Fire Alarm Inspections](#)

- c. [KPB-7925](#) Authorization to Award a Contract for ITB27-007 Kachemak Emergency Services Station #1 Asphalt Paving

Attachments: [Authorization to Award Contract for ITB27-007 Kachemak Emergency Services](#)

- d. [KPB-7926](#) Authorization to Award a Contract for ITB26-014 Nikiski North Star Elementary Roof Replacement

Attachments: [Authorization to Award Contract for ITB23-014 Nikiski North Star Elementary Rc](#)

- e. [KPB-7927](#) Authorization to Award a Contract for RFP27-001 Central Peninsula Landfill Cell 4 Design

Attachments: [Authorization to Award Contract for RFP27-001 Central Peninsula Landfill Cell 4](#)

- f. [KPB-7928](#) Authorization to Award a Contract for RFP27-003 General Land Sale Marketing and Auction Services

Attachments: [Authorization to Award Contract for RFP27-003 General Land Sale Marketing a](#)

3. Other

- a. [KPB-7929](#) Litigation Status Report- FY26 Year End

Attachments: [Litigation Status Report FY26 Year End](#)

ITEMS NOT COMPLETED FROM PRIOR AGENDA**PUBLIC HEARINGS ON ORDINANCES**

(Testimony limited to 3 minutes per speaker)

Ordinances referred to Finance Committee

1. [2025-19-48](#) An Ordinance Recording FY2026 Expenditures Paid by the State of Alaska Department of Administration, Division of Retirement & Benefits on behalf of the Kenai Peninsula Borough toward the Borough's Unfunded PERS Liability (Mayor)

 Attachments: [Ordinance 2025-19-48](#)
 [Memo](#)

2. [2026-19-04](#) An Ordinance Appropriating Supplemental Funds from the Nikiski Senior Service Area Fund to Provide for a Financial Audit of the Nikiski Senior Citizens, Inc. for Fiscal Year 2025 (Mayor)

 Attachments: [Ordinance 2026-19-04](#)
 [Memo](#)

3. [2026-19-05](#) An Ordinance Appropriating Funds from the General Fund for the McNeil Canyon School Waterline Replacement Project (Mayor)

 Attachments: [Ordinance 2026-19-05](#)
 [Memo](#)

4. [2026-19-03](#) An Ordinance Approving a Capital Improvement Project and Appropriating Funds from the Central Kenai Peninsula Hospital Service Area Plant Replacement and Expansion Fund for Development of Central Peninsula Hospital's Dermatology Clinic (Mayor)

 Attachments: [Ordinance 2026-19-03](#)
 [Memo](#)
 [CPGH Inc Resolution 2026-31](#)
 [Reference Copy R2026-043](#)

5. [2026-19-06](#) An Ordinance Appropriating Grant Funds for a Capital Improvement Project at Central Peninsula Landfill (Mayor)

 Attachments: [Ordinance 2026-19-06](#)
 [Memo](#)

Ordinances referred to Lands Committee

6. [2026-28](#) An Ordinance Authorizing the Sale of Certain Parcels Owned by the Kenai Peninsula Borough via Live Public Outcry/Simulcast Online Auction Followed by a Secondary Online-Only Auction (Mayor)

Attachments: [Ordinance 2026-28](#)
 [Memo](#)
 [General Land Sale - Vicinity Map](#)
 [General Land Sale Parcel Pages](#)
 [Reference Copy O2025-09](#)
 [Public Comment 080426](#)
 [KPBSD Resolution 26-27-1](#)

7. [2026-27](#) An Ordinance Authorizing the Kenai Peninsula Borough to Enter Into a Long-Term Lease Agreement with the City of Seward for Operation and Management of a Surplus School Facility in Seward (Mayor)

Attachments: [Ordinance 2026-27](#)
 [Memo](#)
 [Draft Lease](#)
 [Lease Map](#)
 [City of Seward R2026-065](#)

UNFINISHED BUSINESS

NEW BUSINESS

1. Ordinances for Introduction

Ordinances for Introduction and referred to the Policies and Procedures Committee

- *a. [2026-29](#) Establishing the Sterling Recreation Service Area and Providing for an Appointed Board Subject to Voter Approval (Tunseth) (Hearing on 09/01/26)

Attachments: [Ordinance 2026-29](#)
 [Memo](#)
 [Mayor's Report](#)
 [Proposed Boundary Map](#)

2. Other

Other items referred to Lands Committee

- *a. [KPB-7920](#) KPB-7920: Approving a Right-of-Way Vacation; KPB File 2026-078V
Submitted By: Dustin and Carly Padrta
Request: Vacate Bangerter Court, Sleep Hollow Subdivision Longmere Addition, Plat KN 2023-58, in the Sterling Area

[Clerk's Note: At its regular meeting of August 10, 2026, the Planning Commission unanimously approved the referenced petition to vacate.]

Attachments: [Planning Commission Memo](#)
 [Planning Commission Agenda Item](#)
 [KPB File 2026-078V Submittal Petition](#)

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

ASSEMBLY COMMENTS

PENDING LEGISLATION

(This item lists legislation which will be addressed at a later date as noted.)

1. [2026-26](#) An Ordinance Amending KPB Code, KPB 1.20.100 and KPB 4.30.010, to Establish Term Limits for School Board Members Subject to Voter Approval (Eicher, Tunseth, Mayor, Niesen,) (Hearing on 09/01/26)

Attachments: [Ordinance 2026-26](#)
 [Memo](#)
 [Reference Copy R2023-060](#)

INFORMATIONAL MATERIALS AND REPORTS

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. September 1, 2026 6:00 PM
Regular Assembly Meeting
Betty J. Glick Assembly Chambers
Borough Administration Building
Remote participation available through Zoom
Meeting ID: 897 1694 8642 Passcode: 075938

ADJOURNMENT

This meeting will be broadcast on KDLL-FM 91.9 (Central Peninsula), KBBI-AM 890 (South Peninsula), and KIBH FM 91.7 (East Peninsula).

The meeting will be held in the Betty J. Glick Assembly Chambers, Borough Administration Building, Soldotna, Alaska. The meeting will also be held via Zoom, or other audio or video conferencing means whenever technically feasible. To attend the Zoom meeting by telephone call toll free 1-888-788-0099 or 1-877-853-5247 and enter the Meeting ID: 897 1694 8642 Passcode: 0745938. Detailed instructions will be posted on at the Kenai Peninsula Borough's main page at www.kpb.us

For further information, please call the Clerk's Office at 714-2160 or toll free within the Borough at 1-800-478-4441, Ext. 2160. Visit our website at <https://kpb.legistar.com/Calendar.aspx> for copies of the agenda, meeting minutes, ordinances and resolutions.

Kenai Peninsula Borough
Legal Department

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

FROM: Sean Kelley, Borough Attorney
Michele Turner, Borough Clerk

DATE: August 18, 2026

RE: Filling the Vacancy for Assembly District 1 – Kalifornsky

Assembly Vacancy – District 1 – Kalifornsky:

Resolution 2026-040 accepted the resignation of Assembly Member Scott Griebel and declared a vacancy on the Assembly for the District 1 seat. As directed, the Borough Clerk advertised the vacancy and opened the application period 8:00 a.m. on July 8, 2026 through July 23, 2026 at 4:30 p.m.

Process – Committee of the Whole Meeting:

Interviews will be conducted during Committee of the Whole on August 18, 2026. The Assembly may choose to deliberate in executive session for the sole purpose of comparing applicants' qualifications and discussing personal characteristics of applicants for appointment. The Assembly may not make an appointment decision in executive session. The Assembly will make the appointment decision during the regular Assembly meeting.

Procedure – Regular Assembly Meeting:

The motion will be to appoint the named individual to represent Assembly District 1 until the regular election on November 3, 2026. The vote will be a public vote. The successful applicant must receive the majority vote by the remaining assembly members. If no applicant receives five votes in the first round, the applicant receiving the fewest number of votes will be eliminated and another vote with the remaining applicants will be conducted. This procedure will be followed until one applicant receives the requisite five votes.

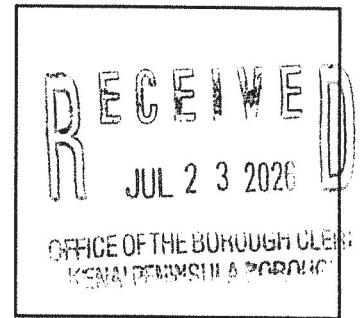
The successful applicant will be sworn in and seated immediately following the vote.

The vacancy must be filled no later than the second meeting after the resignation is accepted, KPB 22.30.060(D).

**Applicant Information Sheet
Kenai Peninsula Borough
Office of the Borough Clerk**

144 N. Binkley Street
Soldotna, AK 99669-7599
assemblyclerk@kpb.us

Phone: (907) 714-2160 or
(907) 714-VOTE (8683)
Fax: (907) 714-2388



For Official Use Only

This application and attachments must be received in the Clerk's Office no later than
Thursday, July 23, 2026 at 4:30 PM.

ATTACHMENTS: Applicants may attach the following items to this form:

- ☒ Applicant Statement (200 words or less) On a separate sheet of paper (typed), applicants may submit a statement outlining their position on borough issues, why applicants are seeking appointment, and other relevant information about their application.
- ☒ Resume or Work History Applicants may attach a resume or a brief summary of their work history.

APPLICANT PROFILE	
Name: <u>Annarose (Noëlle) Phillips</u>	
Office Sought: <u>Assembly - District 1 Kalifornsky</u>	
Email: <u>nolephlippere@gmail.com</u>	Phone No.: <u>907-252-6465</u>
Education: <u>B.A., Otterbein College, M.A. (Speech + Hearing) Washington State U.</u>	
ELECTED EXPERIENCE	
Elected and/or appointed positions held and dates of service – List no more than 3	
1.	
2.	
3.	
OTHER PROFESSIONAL EXPERIENCE	
List no more than 3 Elected and/or appointed positions held and dates of service – list no more than 3.	
1.	
2.	
3.	
COMMUNITY SERVICE	
List no more than 3	
1. <u>Ongoing - fishing line collection local lakes/rivers/beaches</u>	
2. <u>Annual volunteer: K. Beach Elementary Thanksgiving basket drive</u>	
3. <u>Past: Foster Parent</u>	

Annarose (Noelle) Phillips

Applicant Statement

I have spent nearly my entire life on the Kenai Peninsula. I was raised on a local homestead, attended Kenai Peninsula Borough schools, and graduated from Skyview High School in 1997. Growing up here taught me the value of hard work, resourcefulness, and deep community ties. I appreciate the beauty and character of this place, and I feel fortunate to be able to raise my daughter and build my career here.

For the past 19 years, I have worked as a Speech-Language Pathologist with the Kenai Peninsula Borough School District. My work has given me the opportunity to listen to families, collaborate with educators, and help solve problems that affect children and our community. It has taught me how important it is to understand different perspectives, find common ground, and use resources responsibly. It has also reminded me that there is always more to learn and that the best solutions often come from listening to others.

As a parent and longtime resident, I care deeply about the future of our Borough. I know there are important choices ahead as we balance taxes, essential services, and community needs. I would bring lifelong local knowledge, an open mind, and a genuine commitment to serving all Borough residents.

Annarose (Noelle) Phillips

Kenai Peninsula, Alaska

PROFESSIONAL PROFILE

Dedicated public servant with over 17 years of experience serving Kenai Peninsula students, families, and communities as a Speech-Language Pathologist with the Kenai Peninsula Borough School District. Brings strengths in collaboration, communication, advocacy, problem-solving, and responsible community leadership.

PROFESSIONAL EXPERIENCE

Speech-Language Pathologist

Kenai Peninsula Borough School District | 2008–Present

- Provide assessment and support services for students with communication needs.
- Collaborate with families, educators, and administrators to develop effective educational plans.
- Advocate for students and families through communication, teamwork, and individualized support.

Washington State University | 2004

Research Assistant to the Dean & Teaching Assistant, Audiology Laboratory

College of Speech and Hearing Sciences

- Supported academic research, administrative initiatives, and student instruction.

EDUCATION

Master of Arts, Speech and Hearing Sciences

Washington State University | 2007

Bachelor of Arts, English (*President's Scholar*)

Otterbein College | 2002

COMMUNITY INVOLVEMENT

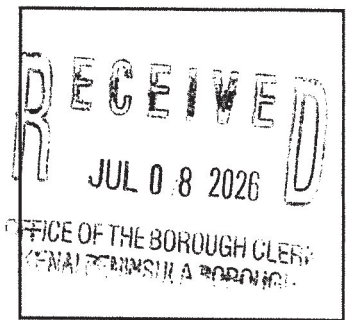
- Volunteer, fishing line collection efforts on local beaches, lakes, and rivers to support environmental stewardship.
- Volunteer, K-Beach Elementary Thanksgiving Meal Drive supporting local families.
- Past foster parent, providing care and support for children in the community.
- Former member, Alaska Fetal Alcohol Partnership.
- Advocacy participant with the American Speech-Language-Hearing Association, supporting improved access to rural health services.
- Volunteer, Save the King initiative, supporting science-based conservation solutions for Kenai River king salmon.

STRENGTHS: Public Service • Community Collaboration • Communication • Research & Analysis • Consensus Building • Problem Solving • Environmental Stewardship • Educational Leadership

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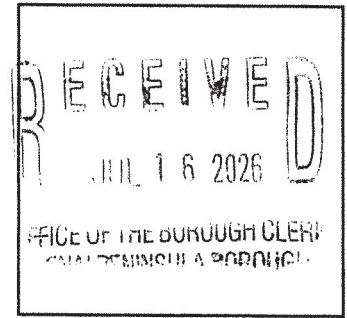
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- ☐ Resume or Work History Applicants may attach a resume or a brief summary of their work history.

APPLICANT PROFILE	
Name: <u>Brent Hubbert</u>	
Office Sought: <u>Assembly</u>	
Email: <u>brent@akcab.com</u>	Phone No: <u>907-398 3234</u>
Education: <u>High School</u>	
ELECTED EXPERIENCE	
Elected and/or appointed positions held and dates of service – List no more than 3	
1. <u>KPB Assembly From 2017 to 2024</u>	
2.	
3.	
OTHER PROFESSIONAL EXPERIENCE	
List no more than 3 Elected and/or appointed positions held and dates of service – list no more than 3.	
1. <u>KPB Kenai River Special Management Area Board member</u>	
2. <u>From 2017 to 2024</u>	
3. <u>Business owner (Alaska Cab) 1990 - 2023</u>	
COMMUNITY SERVICE	
List no more than 3	
1. <u>Soldotna Rotary Club</u>	
2.	
3.	

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- ☐ Resume or Work History Applicants may attach a resume or a brief summary of their work history.

APPLICANT PROFILE	
Name:	Teresa Mullican
Office Sought:	Assembly Borough District 1
Email:	teresa.mullican@hotmail.com
Phone No.:	907.690.6174
Education:	
ELECTED EXPERIENCE	
Elected and/or appointed positions held and dates of service – List no more than 3	
1.	Mayor - City of Elk City, OK - Elected 16 years 1997-2013
2.	City Commissioner - City of Elk City, OK - Elected 6 years 1991-1997
3.	State President - Oklahoma Jr Chamber of Commerce - elected - 1997-1998
OTHER PROFESSIONAL EXPERIENCE	
List no more than 3 Elected and/or appointed positions held and dates of service – list no more than 3.	
1.	Oklahoma Municipal League - Board of Directors 2006-2013
2.	Beckham County Southwestern Oklahoma Development Authority Board 2000-2013
3.	Chairman of Oklahoma Hall of Fame for City and Town Officials 2013
COMMUNITY SERVICE	
List no more than 3	
1.	Volunteer and member of Rotary International
2.	member of First Baptist Church - assist with projects + programs
3.	Assisted on many MDA, St Jude's local charities - projects in Elk City, OK

Platform: Transparency, Integrity and Honesty.

I think of myself as a free-thinking conservative individual.

Taking into consideration facts and information from varied viewpoints before making decisions.

I have lived in Alaska for over 12 years.

I moved to K Beach approximately 4 years ago after the loss of my husband in 2021.

I believe I have the skills and experience required for this position. I am eager to learn and be an asset for the Assembly, the people in the Borough and your unique way of life.

I attend the College Heights Baptist Church.
I appreciate your consideration of my appointment to the District 1 vacancy for the Kenai Peninsula Borough Assembly.



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Draft

Assembly

Ryan Tunseth, President
Kelly Cooper, Vice President
Willy Dunne
Cindy Ecklund
Dale Eicher
Michael Hicks
Lenora Niesen
Sarge Truesdell
Vacant, District 1

Tuesday, August 4, 2026

6:00 PM

Homer - Kenai Peninsula College, Kachemak Bay
Campus

533 E. Pioneer Avenue, Homer

Meeting ID: 897 1694 8642 Passcode: 075938

[https://yourkpb.zoom.us/j/89716948642?](https://yourkpb.zoom.us/j/89716948642?pwd=fEb3zpJksgh1maera2nn3XZRWlfPat.1)

[pwd=fEb3zpJksgh1maera2nn3XZRWlfPat.1](https://yourkpb.zoom.us/j/89716948642?pwd=fEb3zpJksgh1maera2nn3XZRWlfPat.1)

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CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

The invocation was given by Frank Alioto, Chaplain for Central Emergency Services (via Zoom).

ROLL CALL

[Clerk's Note: Assembly Member Ecklund attended via Zoom.]

Present: 7 - Ryan Tunseth, Kelly Cooper, Cindy Ecklund, Willy Dunne, Dale Eicher, Lenora Niesen, and Sarge Truesdell

Excused: 1 - Michael Hicks

COMMITTEE REPORTS

Assembly Member Niesen stated the Finance Committee met and discussed its agenda items.

[6 Present: Cooper, Dunne, Eicher, Niesen, Truesdell, Tunseth / 2 Absent: Ecklund, Hicks]

Assembly Member Dunne stated the Lands Committee met and discussed its agenda items.

[6 Present: Cooper, Dunne, Eicher, Niesen, Truesdell, Tunseth / 2 Absent: Ecklund, Hicks]

Assembly Member Truesdell stated the Policies and Procedures Committee met and discussed its agenda items.

[6 Present: Cooper, Dunne, Eicher, Niesen, Truesdell, Tunseth / 2 Absent: Ecklund, Hicks]

APPROVAL OF AGENDA AND CONSENT AGENDA

Cooper moved to approve the agenda and consent agenda.

Copies have been made available to the public, Borough Clerk Michele Turner noted by title only the resolutions, ordinances and other new business items that were on the consent agenda.

APPROVAL OF MINUTES

[KPB-7876](#) July 7, 2026 Regular Assembly Meeting Minutes
approved

The following public hearing items met the required conditions of KPB 22.40.110 and were added to the consent agenda:

[2026-19-01](#) An Ordinance Appropriating Supplemental Funds from the Land Trust Investment Fund for the Brown's Cohoe Acres and Caribou Crossing Subdivision Projects. (Mayor)
This Budget Ordinance was enacted.

[2026-19-02](#) An Ordinance Appropriating Funds from the General Fund for Utilities, Maintenance, and Insurance Costs of the Nikolaevsk, Seward, Sterling, and Tustumena Surplus School Facilities for Fiscal Year 2027 (Mayor)
This Budget Ordinance was enacted.

NEW BUSINESS

[2026-044](#) A Resolution Accepting the Resignation of Assembly Member Michael Hicks and Declaring a Vacancy on the Assembly (Tunseth)
This Resolution was adopted.

[2025-19-48](#) An Ordinance Recording FY2026 Expenditures Paid by the State of Alaska Department of Administration, Division of Retirement & Benefits on behalf of the Kenai Peninsula Borough toward the Borough's Unfunded PERS Liability (Mayor) (Hearing on 08/18/26)
This Budget Ordinance was introduced and set for public hearing.

[2026-19-04](#) An Ordinance Appropriating Supplemental Funds from the Nikiski

Senior Service Area Fund to Provide for a Financial Audit of the Nikiski Senior Citizens, Inc. for Fiscal Year 2025 (Mayor) (Hearing on 08/18/26)

[Clerk's Note: Assembly Member Niesen declared a conflict as she was a Nikiski Senior Citizens, Inc. board member. President Tunseth ruled a conflict existed and Ms. Niesen abstained from the discussion and vote.]

This Budget Ordinance was introduced and set for public hearing.

Yes: 6 - Tunseth, Cooper, Ecklund, Dunne, Eicher, and Truesdell

Excused: 1 - Hicks

Abstain: 1 - Niesen

[2026-19-05](#) An Ordinance Appropriating Funds from the General Fund for the McNeil Canyon School Waterline Replacement Project (Mayor) (Hearing on 08/18/26)

This Budget Ordinance was introduced and set for public hearing.

[2026-19-03](#) An Ordinance Approving a Capital Improvement Project and Appropriating Funds from the Central Kenai Peninsula Hospital Service Area Plant Replacement and Expansion Fund for Development of Central Peninsula Hospital's Dermatology Clinic (Mayor) (Hearing on 08/18/26)

This Budget Ordinance was introduced and set for public hearing.

[2026-19-06](#) An Ordinance Appropriating Grant Funds for a Capital Improvement Project at Central Peninsula Landfill (Mayor) (Hearing on 08/18/26)

This Budget Ordinance was introduced and set for public hearing.

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This Ordinance was introduced and set for public hearing.

[2026-27](#) An Ordinance Authorizing the Kenai Peninsula Borough to Enter Into a Long-Term Lease Agreement with the City of Seward for Operation and Management of a Surplus School Facility in Seward (Mayor) (Hearing on 08/18/26)

This Ordinance was introduced and set for public hearing.

- . [2026-26](#) An Ordinance Amending KPB Code, KPB 1.20.100 and KPB 4.30.010, to Establish Term Limits for School Board Members Subject to Voter Approval (Eicher, Tunseth, Mayor, Niesen,) (Hearing on 09/01/26)

This Ordinance was introduced and set for public hearing.

- [KPB-7886](#) Approving a Right-Of-Way Vacation; KPB File 2026-062V
Submitted By: Peninsula Surveying / Douglas and Cherie Inglis
Request: Vacates Tillygirl Avenue between Alex Shadell Street and BG Davis Street and BG Davis Street from proposed cul-de-sac south of Lot 16E Outlook Sub Add No 1 Amended HM83-123 and proposed cul-de-sac north of Lot 13 Outlook Sub Add No 1 Amended HM83-123 and adjacent easements, Anchor Point Area (Referred to Lands Committee)

[Clerk's Note: At its regular meeting of July 20, 2026, the Planning Commission unanimously approved the referenced petition to vacate.]

approved

- [KPB-7887](#) Fixing the Time and Place for the Assembly's Special Committee to Hold a Community Meeting and Hear Interested Persons Favoring or Opposing Citizen Service Area Petition 2026-01, Establishing the Sterling Recreation Service Area (Tunseth) (Referred to Policies and Procedures Committee)

approved

- [KPB-7879](#) Confirming an Appointment to Eastern Peninsula Highway Emergency Service Area Board (Mayor)
Keith Klingen, Board Seat B, Term Expires 10/2028

approved

Approval of the Agenda and Consent Agenda as amended

President Tunseth called for public comment with none being offered.

The motion to approve the agenda and consent agenda as amended carried by the following vote:

Yes: 7 - Tunseth, Cooper, Ecklund, Dunne, Eicher, Niesen, and Truesdell

Excused: 1 - Hicks

PRESENTATIONS WITH PRIOR NOTICE

1. [KPB-7877](#) South Peninsula Hospital Quarterly Report, Ryan Smith, Chief

Executive Officer (10 minutes)

[Clerk's Note: Ryan Smith, Chief Executive Officer of South Peninsula Hospital, gave a presentation to the Assembly.]

2. [KPB-7878](#) The Landfill Diversion Project, Homer Drawdown, Aaron Ford, Community Organizer, Cook Inletkeeper (10 minutes)

[Clerk's Note: Jan Kaiser, Lasse Holmes, Soph Nielson and Aaron Ford gave a presentation to the Assembly.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Tunseth called for public comment.

Andy Wink, Gig Harbor Washington, addressed the Assembly regarding the 2026 KPEDD Housing Assessment.

Mark Marette, Homer, addressed the Assembly regarding the Kachemak Selo School and recycling.

Mako Haggerty, addressed the Assembly regarding the Land Affordability Program (LAP) and the Homer Drawdown project.

Brent Johnson, addressed the Assembly regarding the Homer Drawdown project and recycling.

There being no one else to speak, the public comment period was closed.

MAYOR'S REPORT

Mayor's Report Cover Memo

[KPB-7880](#) Mayor's Memo

1. Assembly Requests/Responses - None
2. Agreements and Contracts
 - a. [KPB-7881](#) Authorization to Award a Contract for ITB27-002 Oil Well Road-Unnamed Creek Culvert
3. Other
 - a. [KPB-7882](#) Tax Adjustment Request Approval
 - b. [KPB-7883](#) Investment Report quarter end June 30, 2026
 - c. [KPB-7884](#) Budget Revisions-June 2026

d. [KPB-7885](#) Revenue-expenditure Report-June 2026

ITEMS NOT COMPLETED FROM PRIOR AGENDA

PUBLIC HEARINGS ON ORDINANCES

[2026-25](#) An Ordinance Amending Borough Code, KPB Chapter 10.04, Regarding Solid Waste Disposal Fees and Providing for Collection of Interest and Penalties (Mayor)

Truesdell moved to enact Ordinance 2026-25.

President Tunseth called for public comment with none being offered.

Eicher moved to amend Ordinance 2026-25 as follows:

Section 2. 10.04.075 (B) to read, "Interest at the rate of ten percent per annum will accrue on each invoice due but not paid within [thirty] sixty days of the invoice date."

Assembly Member Cooper spoke in opposition to the amendment.

The motion to amend Ordinance 2026-25 carried by the following vote:

Yes: 4 - Dunne, Eicher, Niesen, and Truesdell

No: 3 - Tunseth, Cooper, and Ecklund

Excused: 1 - Hicks

The motion to enact Ordinance 2026-25 as amended carried by the following vote:

Yes: 7 - Tunseth, Cooper, Ecklund, Dunne, Eicher, Niesen, and Truesdell

Excused: 1 - Hicks

UNFINISHED BUSINESS

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Tunseth called for public comment.

Mark Marette, Homer, addressed the Assembly regarding his property flooding.

Mike Smith, addressed the Assembly regarding property easements.

Alex Koplin, addressed the Assembly regarding mayoral run-off process.

There being no one else who wished to speak, the public comment period was closed.

ASSEMBLY COMMENTS

Assembly Member Eicher acknowledged the one-year anniversary of his father's

passing.

Assembly Member Dunne thanked the Kachemak Bay Campus for hosting the meeting and the City of Homer for providing dinner. Mr. Dunne announced several public meetings: Coffee with Chief Parker on August 6, 2026, at 9:00 a.m. at the McNeil Canyon Fire Station; the Seldovia City Council meeting on August 10, 2026, at 6:00 p.m.; the Seldovia Recreational Service Area Board meeting on August 11, 2026, at 5:15 p.m.; and the Resilience and Security Advisory Commission meeting on August 12, 2026, at 6:00 p.m. Mr. Dunne thanked everyone for their comments and reminded the public that the Kachemak Bay Run for Recovery was August 29, 2026.

Assembly Member Ecklund thanked everyone for a productive meeting and expressed appreciation to the Kachemak Bay Campus for hosting and the City of Homer for providing dinner.

Assembly Member Truesdell thanked the Homer for hosting the meeting and wished everyone a successful school year.

Assembly Member Niesen thanked the Kachemak Bay Campus for hosting the meeting and the City of Homer for providing dinner. Ms. Niesen also thanked the Nikiski Community Council for organizing Nikiski Days and expressed her appreciation to Mr. Hicks for his service on the Assembly.

Vice President Cooper thanked the Kachemak Bay Campus for the use of its facility and the City of Homer for providing dinner. Ms. Cooper announced that early voting for the Alaska State Primary Election was underway at Homer City Hall and noted that candidate packets were available for the November Borough election in the Borough Clerk's Office. Ms. Cooper also spoke in support of the Borough's Land Affordability Program (LAP).

President Tunseth thanked the Kachemak Bay Campus for hosting the meeting and the City of Homer for providing dinner. Mr. Tunseth thanked the presenters for their informational presentations and expressed his appreciation to the Mayor's staff and Borough Clerk Turner for their hard work.

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. August 18, 2026 6:00 PM
Regular Assembly Meeting
Betty J. Glick Assembly Chambers
Borough Administration Building
Remote participation available through Zoom
Meeting ID: 897 1694 8642 Passcode: 075938

ADJOURNMENT

With no further business to come before the assembly, President Tunseth adjourned the meeting at 8:12 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of August 4, 2026.

Michele Turner, MMC, Borough Clerk

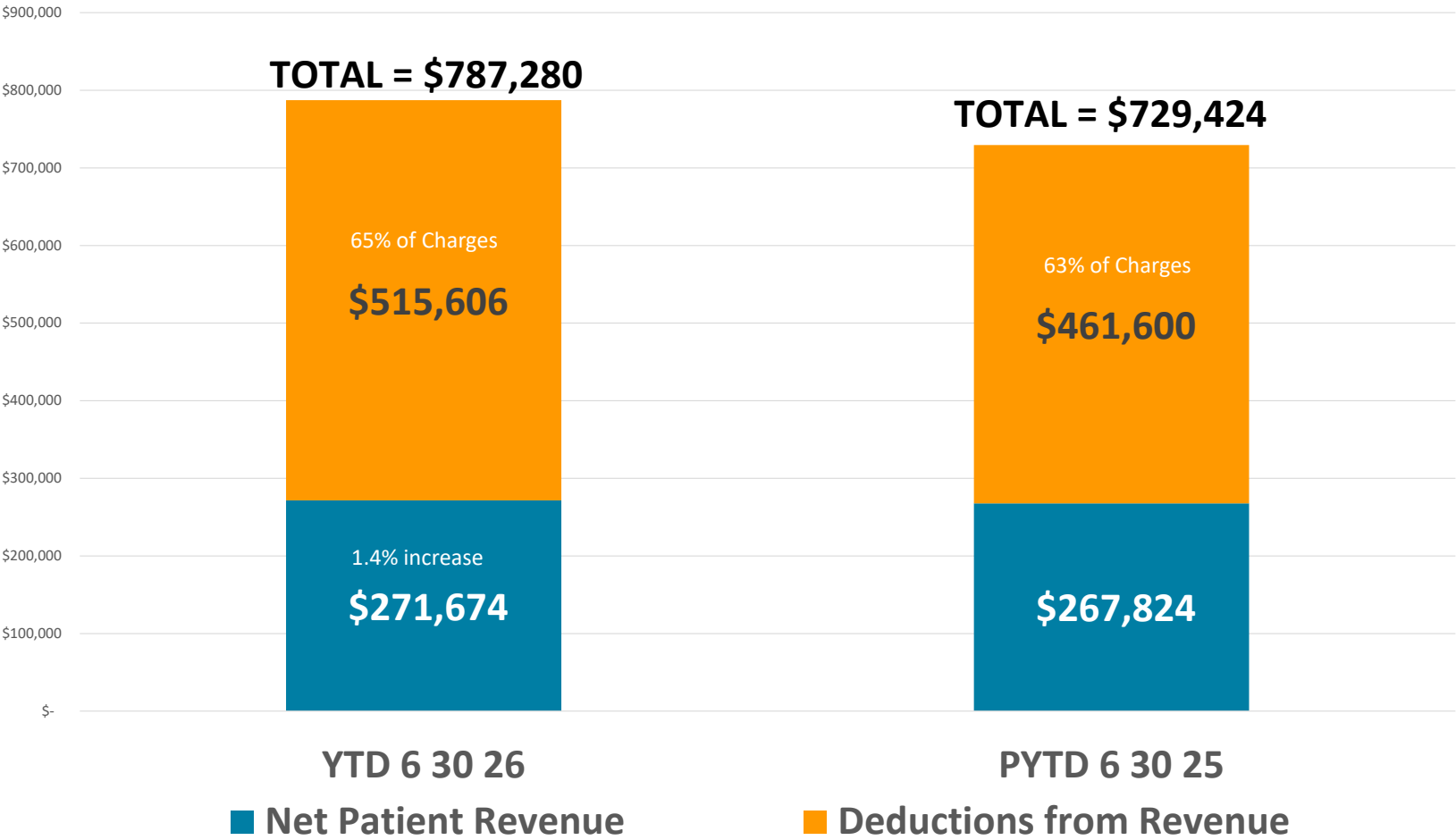
Approved by the Assembly: _____



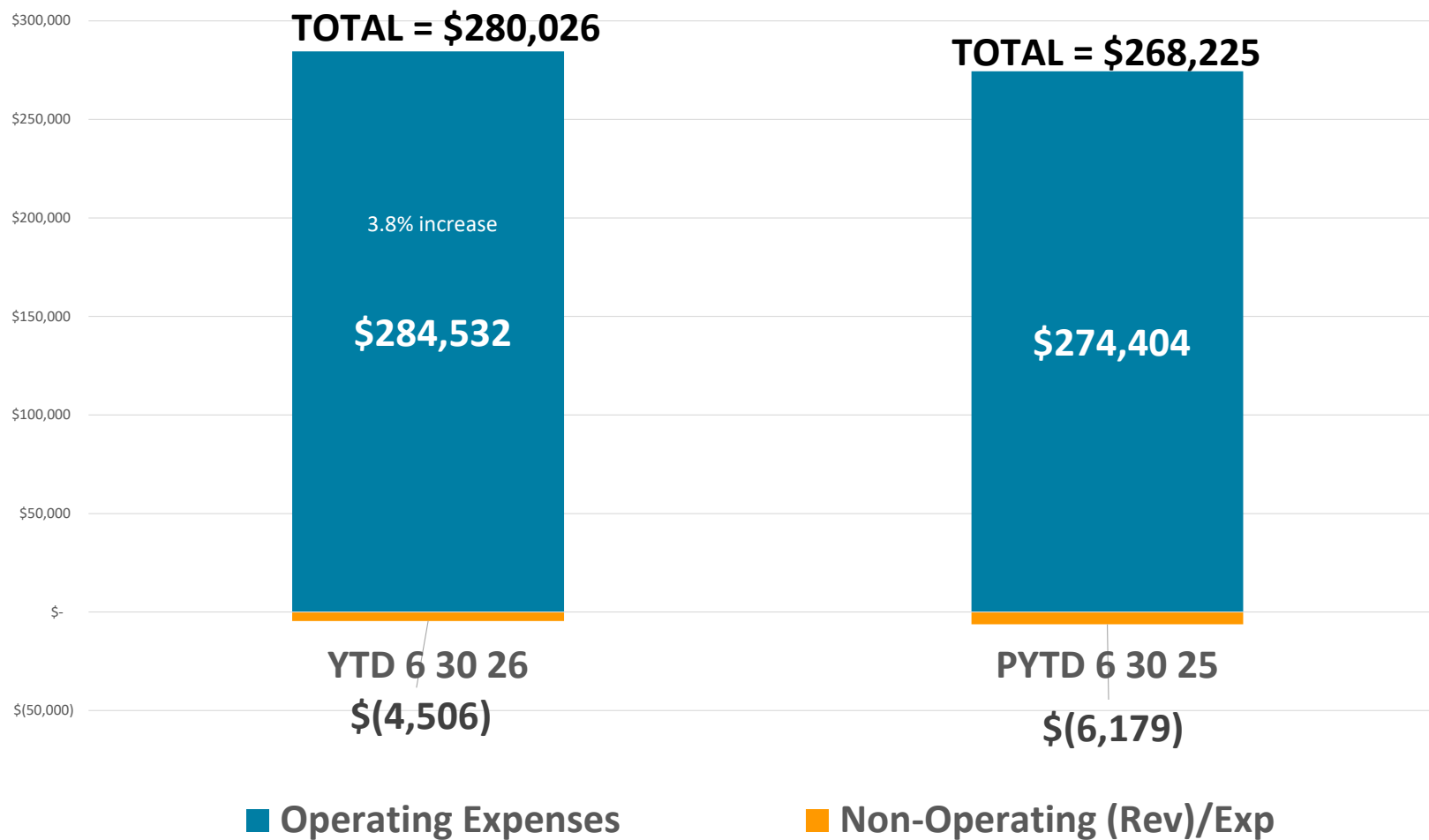
CPGH, Inc. Quarterly Report

Prepared for: The Kenai Peninsula Borough
Assembly and Administration | May 5, 2026

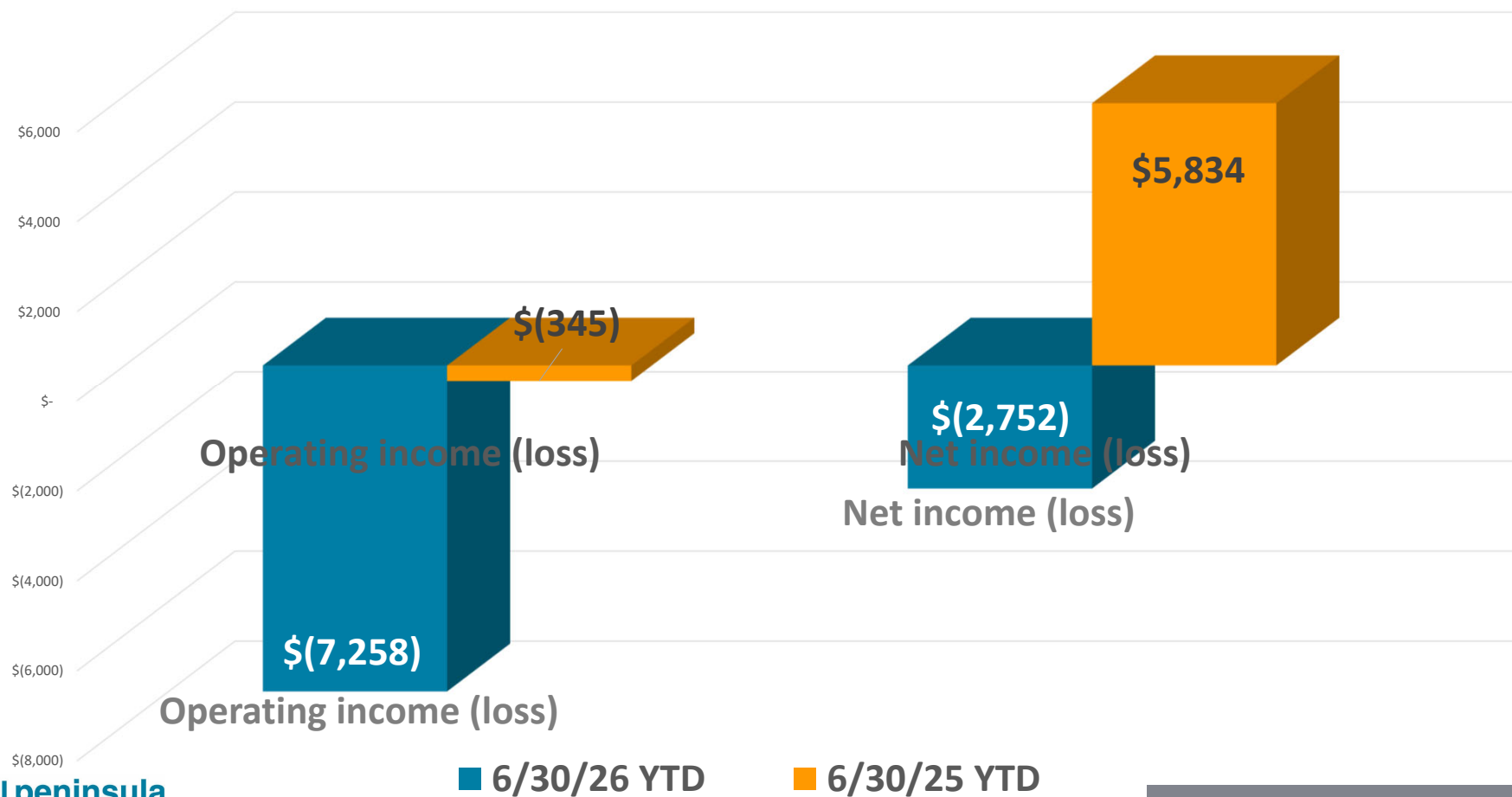
CPH Gross Patient Revenue FYTD 2026 (in thousands)



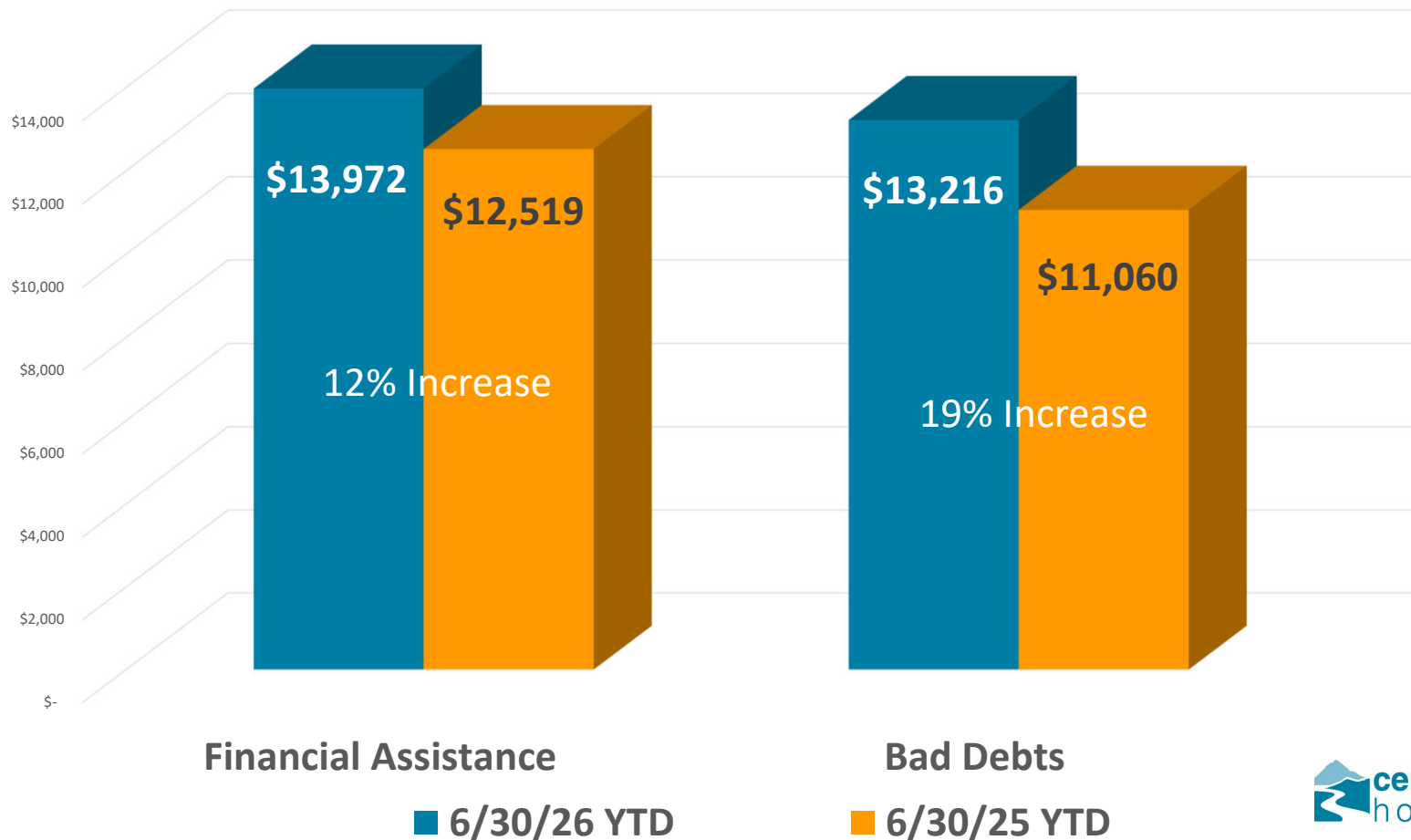
CPH Operating Exp/Non-Op FYTD 2026 (in thousands) (GAAP-Basis)



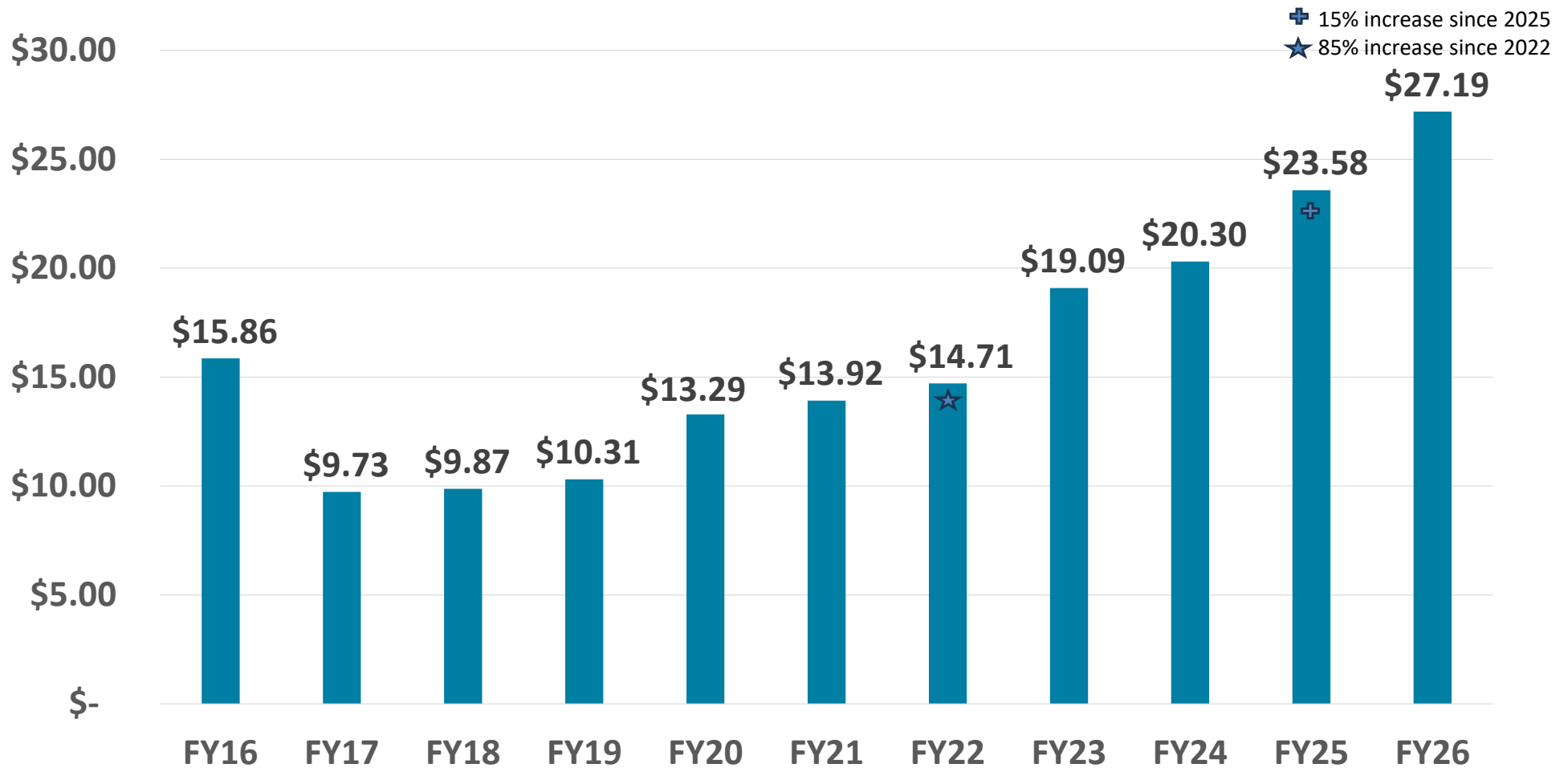
CPH Operating & Net Income FYTD 2026 (in thousands) GAAP-Basis



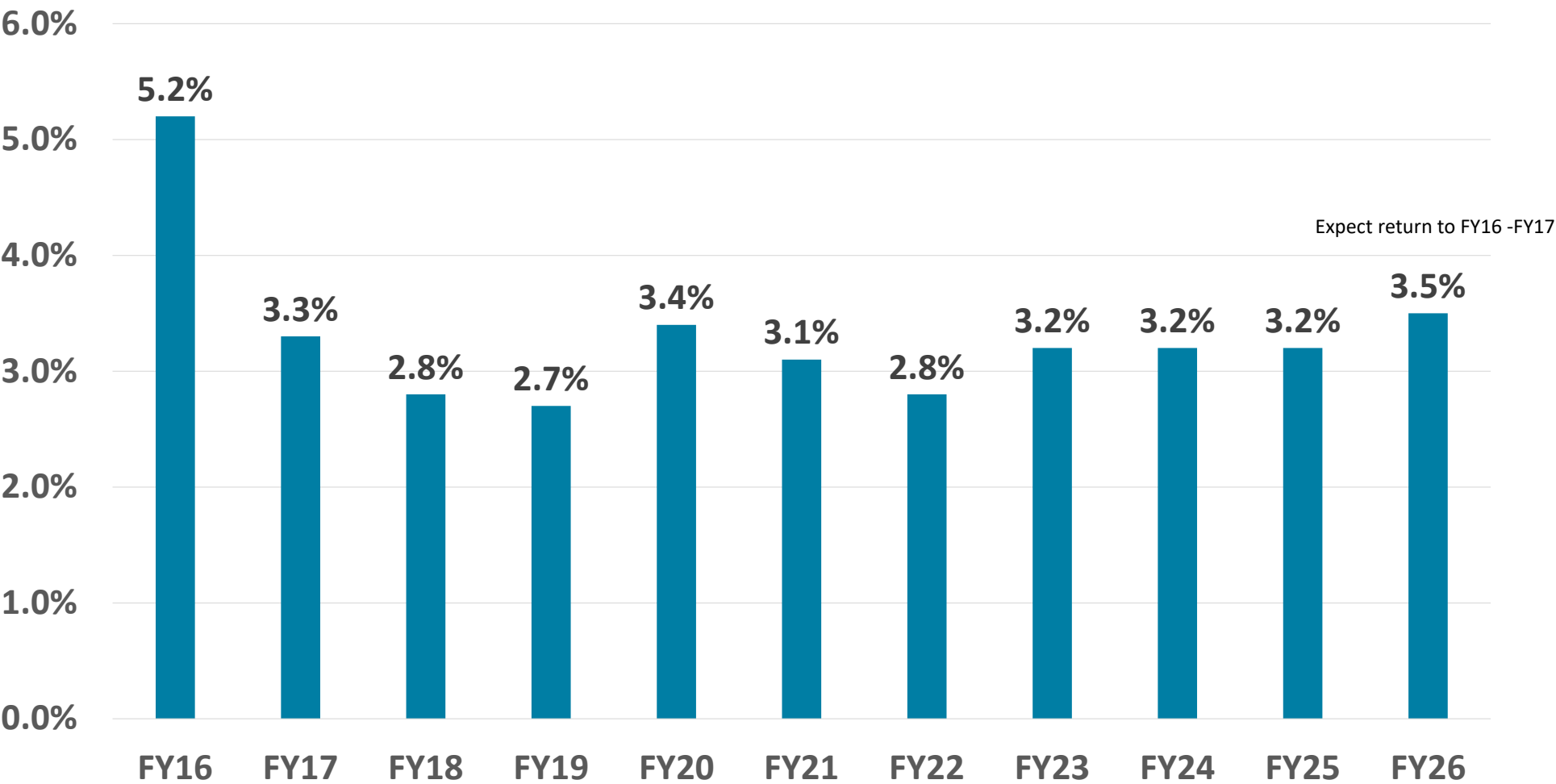
CPH Uncompensated Care FY26 Community Benefits Program (in thousands)



CPH Uncompensated Care Trend (Annually in millions)



Total Uncompensated Care Trend (as a % of Gross Revenue)

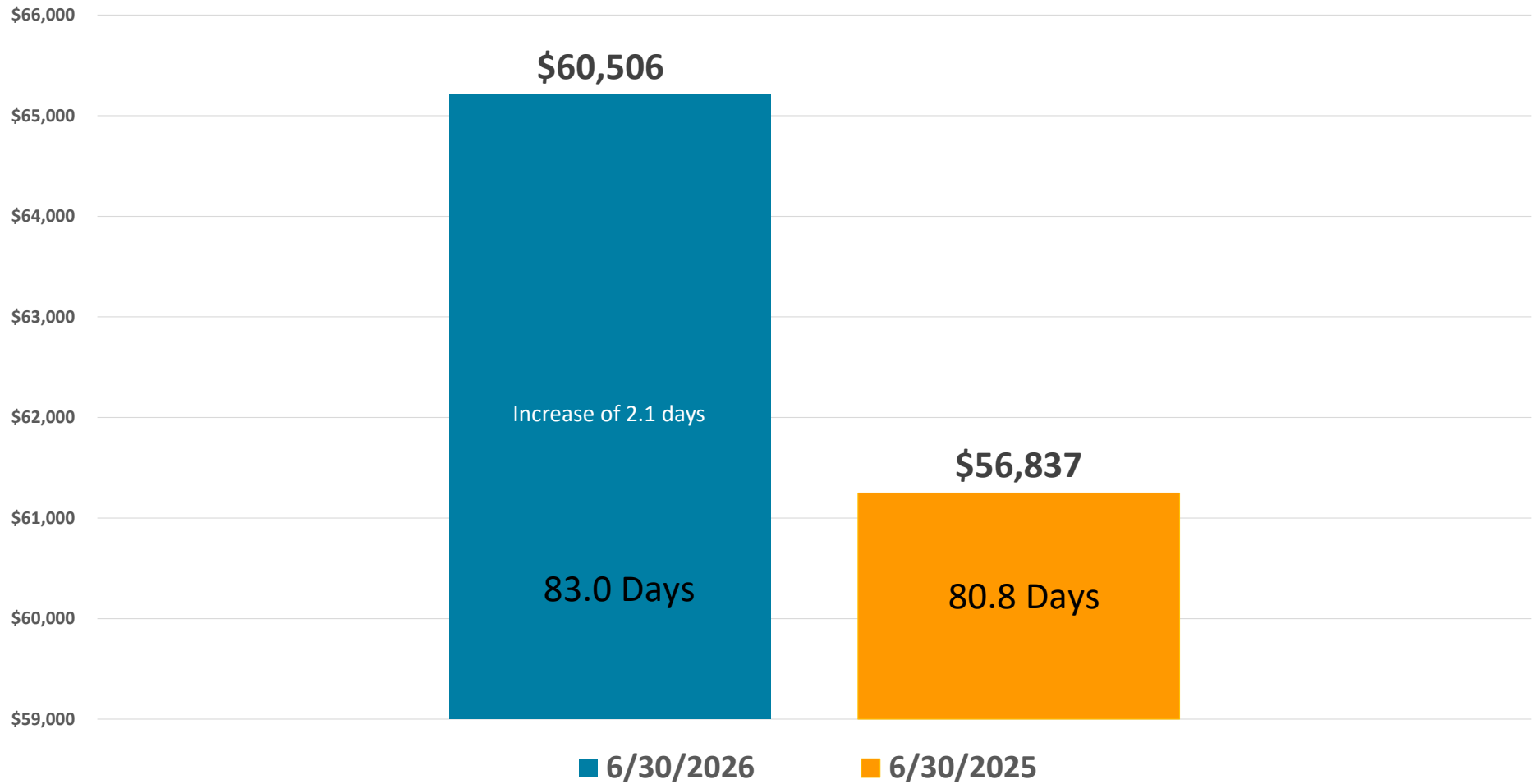


Community Benefits Program & Bad Debt FY26

- \$27 Million in total uncompensated care provided to community members YTD.
- Community Benefits Program Brochure and application available at the following website:
– <https://www.cpgh.org/financial>
- Want to do a quick check to see if you qualify for a Community Benefit Discount?
– <https://www.cpgh.org/check>



Cash & Cash Equivalents FY26



Transfers to Plant Replacement & Expansion Fund

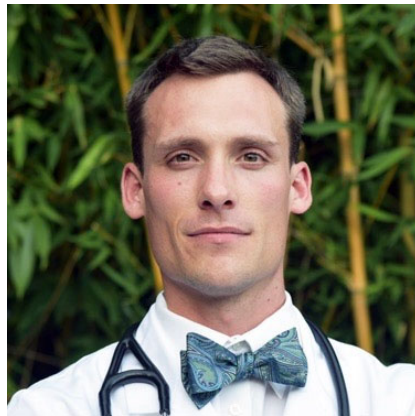
- PREF account balance at 6/30/2026 = \$81,353,901
- Days Operating Cash on Hand (w/out PREF) at 6/30/2026 = 82.9
- Transfers to PREF in FY26 as of 6/30/2026 = \$0.00



CPH Staff Member Additions



CPH Urology is partnering with Alaska Urology Associates to provide consistent Urological Care starting this September.



Dr. Bryce Bunn

General Surgeon



Dr. Brock Davis

Dermatology & MOHS Surgeon

Currently Recruiting

Urology
OB/GYN
Orthopedics / Sports Med
Internal Medicine
Family Practice w/Pediatrics
Ear, Nose, and Throat (ENT)
Hematology / Oncology

CENTRAL PENINSULA HOSPITAL

CPH Updates and Events

Soldotna Field House Quarterly Usage Report

April 1, 2026 through June 30, 2026

Registered Seniors to Date	New Registered Seniors
1,314	119
# of Walking Sessions	
15,540	

This quarter was marked with several weeks of special event closures.
The Field House reopened for regular business on May 26th.



Why Are We Growing?

Preparing today for the healthcare needs of tomorrow.

Community Trends



Kenai Peninsula population continues to grow



Residents age 70+ projected to nearly double over the next decade



Older populations require more specialty and chronic care services

Our Response

- Recruiting physicians in specialties our community needs most
- Expanded clinical services
- Modern facilities and infrastructure
- Greater access to care close to home

Result

- Shorter wait times
- Better access to specialists
- Less travel outside the Peninsula
- High-quality care for future generations

We aren't growing because we want to be bigger. We're growing because our community needs more healthcare—and deserves to receive it close to home.

Business Center Consolidation

Creating space for today while planning for tomorrow.

55 Employees Relocated

Administrative teams moved in the former JoAnn Fabrics building, creating a dedicated Business Center.

Departments Co-Located

- Patient Financial Services (PFS)
- Central Billing Office (CBO)
- Accounting

Benefits

- ✓ Relieves overcrowding on the hospital campus
- ✓ Creates a more functional, collaborative work environment
- ✓ Improves coordination between closely related departments
- ✓ Frees valuable space on the main campus for future operational and clinical needs.

A strategic investment that improves efficiency today while creating flexibility for tomorrow's healthcare needs.



Bringing Healthcare Into the Community

Expanding access. Building partnerships. Promoting healthier lives.

Central Peninsula Kenai Health Center



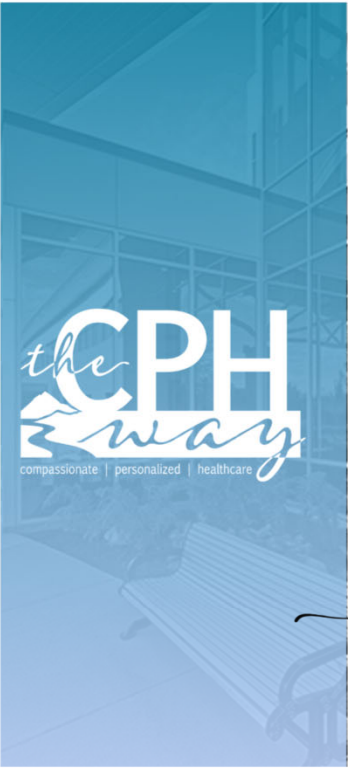
- Ribbon cutting celebrating expanded services in Kenai
- Laboratory Services
- Screening Mammography
- Bone Density (DEXA) Screening
- Improving access to care closer to home

CPH Ladies Night with the Peninsula Oilers



- Community partnership promoting breast cancer awareness
- Reduced admission to encourage participation
- Breast cancer survivors honored on the field
- Education, outreach, and screening awareness

Patient Stories Card



At Central Peninsula Hospital, we are honored to care for our community and strive every day to provide exceptional care to every patient and family we serve. We know that a hospital visit or stay can be a significant moment in someone's life. Whether it was a kind word, a comforting gesture, or superior care from a staff member, we would love to hear about the people and moments that made a difference in your experience.

Your story helps us celebrate the extraordinary people who make Compassionate, Personalized Healthcare possible every day. Please use the space on the back of this card to share your story with us.

If you would like to provide additional feedback, please scan the QR code to complete a short questionnaire about your experience.

Thank you for taking your time and for choosing Central Peninsula Hospital to be part of your care journey.

thank you

Central Peninsula Hospital



Why is CPH the best place to receive care?

Name: _____

May we share your story? ☐ With Staff ☐ On Facebook

A photograph of the Central Peninsula Hospital building at dusk. The building is a modern, multi-story structure with large windows and brickwork. The sky is dark, and the building's lights are on. A large, white, sans-serif text "Questions?" is overlaid in the center of the image.

Questions?

Kenai Peninsula Borough
Office of the Borough Mayor

MAYOR'S REPORT TO THE ASSEMBLY

TO: Members, Kenai Peninsula Borough Assembly

FROM: Peter A. Micciche, Kenai Peninsula Borough Mayor



DATE: August 18, 2026

Assembly Request / Response

- a. None

Agreements and Contracts

- a. Authorization to Award a Contract for ITB27-004 Rocky Ridge Operations and Maintenance
- b. Authorization to Award a Contract for ITB27-006 FY27 Fire Alarm Inspections
- c. Authorization to Award a Contract for ITB27-007 Kachemak Emergency Services Station #1 Asphalt Paving
- d. Authorization to Award a Contract for ITB26-014 Nikiski North Star Elementary Roof Replacement
- e. Authorization to Award a Contract for RFP27-001 Central Peninsula Landfill Cell 4 Design
- f. Authorization to Award a Contract for RFP27-003 General Land Sale Marketing and Auction Services

Other

- a. Litigation Status Report- FY26 Year End

Kenai Peninsula Borough
Solid Waste Department

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Eric Lervig, Acting Solid Waste Director *EL*

DATE: July 23, 2026

RE: Authorization to Award a Contract for ITB27-004 Rocky Ridge Operations and Maintenance

The Purchasing and Contracting Office formally solicited and received bids for ITB27-004 Rocky Ridge Operations and Maintenance. Bid packets were released on June 15, 2026, and the Invitation to Bid was advertised on BidExpress from June 15 to July 7, 2026.

The project consists of a term contract for operations and maintenance of the Rocky Ridge Landfill in Seldovia, Alaska, under the supervision of the Solid Waste Department.

On the due date of July 7, 2026, one bid was received and reviewed to ensure that all the specifications and delivery schedules were met. The bid of \$193,472.52.00 was submitted by Black Spruce Equipment.

Your approval for this bid award is hereby requested. Funding for this project is in account number 290.32570.00000.43011.



Peter A. Micciche, Borough Mayor

7/27/2026

Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>290.32570.00000.43011</u>
Amount	<u>\$193,472.52</u>
By: <i>CS</i> <i>BH</i>	Date: <u>7/23/2026</u>
NOTES: NA	

Kenai Peninsula Borough

Maintenance Department

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Lewis Elke, Maintenance Foreman *LE*

DATE: August 4, 2026

RE: Authorization to Award a Contract for ITB27-006 FY27 Fire Alarm Inspections

The Purchasing and Contracting Office formally solicited and received bids for the ITB27-006 FY27 Fire Alarm Inspections. Bid packets were released on July 13, 2026, and the Invitation to Bid was advertised on BidExpress.com from July 13 to July 28, 2026.

The project consists of providing all equipment, materials, qualified personnel (to include travel and per diem) to perform annual fire alarm inspections Borough wide.

On the due date of July 28, 2026, four (4) bids were received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$64,000.00 was submitted by Johnson Controls Fire Protection, LP.

Your approval for this bid award is hereby requested. Funding for this project is in account number 241.41010.00000.43780.



Peter A. Micciche, Borough Mayor

8/5/2026

Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>241.41010.00000.43780</u>
Amount	<u>\$64,000.00</u>
By: <i>CS</i> - <i>BA</i>	Date: <u>8/4/2026</u>
NOTES: NA	

**KENAI PENINSULA BOROUGH
PURCHASING & CONTRACTING**

BID TAB FOR: ITB27-006 FY27 Fire Alarm Inspections

CONTRACTOR	LOCATION	BASE BID
Siemens Industry, Inc	Anchorage, AK	\$136,584.00
Chinook Fire Protection, LLC	Anchorage, AK	\$99,909.00
Johnson Controls Fire Protection	Anchorage, AK	\$64,000.00
Northern Support Services	Anchorage, AK	\$109,000.00

DUE DATE: July 29, 2026

KPB OFFICIAL:


John Hedges, Purchasing & Contracting Director

Kenai Peninsula Borough
Purchasing and Contracting Department

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Joseph Nations, Project Manager *DAFJN*

DATE: July 30, 2026

RE: Authorization to Award a Contract for ITB27-007 Kachemak Emergency Services Station #1 Asphalt Paving

The Purchasing and Contracting Office formally solicited and received bids for ITB27-007 Kachemak Emergency Services Station #1 Asphalt Paving. Bid packets were released on July 9, 2026, and the Invitation to Bid was advertised on BidExpress.com from July 9 until July 22, 2026.

The project consists of Preparing the site and applying asphalt paving at a 3-inch depth in the South East Paving Area as identified on the Paving Layout Document. Asphalt to be compacted and smoothed to industry standard with appropriate slope for drainage.

On the due date of July 22, 2026, two (2) bids were received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$76,465.00 was submitted by East Road Services of Homer, Alaska.

Your approval for this bid award is hereby requested. Funding for this project is in account number 446-51810-26482-43011.



Peter A. Micciche, Borough Mayor

7/31/2026

Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>446-51810-26482-43011</u>
Amount	<u>\$76,465.00</u>
By: <i>CJ</i> <i>BA</i>	Date: <u>7/31/2026</u>
NOTES: NA	

KENAI PENINSULA BOROUGH PURCHASING & CONTRACTING

ITB27-007 Kachemak Emergency Services Asphalt Paving

CONTRACTOR	LOCATION	BASE BID	AD ALT	TOTAL BID
East Road Services	Homer, AK	\$ 49,375.00	\$ 27,090.00	\$ 76,465.00
Peninsula Paving	Soldotna, AK	\$ 52,750.00	\$ 28,980.00	\$ 81,730.00

DUE DATE: July 23, 2026

KPB OFFICIAL:



John Hedges, Purchasing & Contracting Director

Kenai Peninsula Borough
Purchasing and Contracting Department

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Daniel Howard, Project Manager *DH*

DATE: July 13, 2026

RE: Authorization to Award a Contract for ITB26-014 Nikiski North Star Elementary Roof Replacement

The Purchasing and Contracting Office formally solicited and received bids for the ITB26-014 Nikiski North Star Elementary Roof Replacement. Bid packets were released on May 22, 2026, and the Invitation to Bid was advertised on BidExpress from May 22 through June 17, 2026.

The project consists of providing all labor and materials to demo and replace the roof per contract documents at Nikiski North Star Elementary Roof.

On the due date of June 17, 2026, two (2) bids were received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$3,686,400.00 was submitted by Orion Construction of Soldotna, Alaska.

Your approval for this bid award is hereby requested. Funding for this project is in account number 401-78050-23S06-43011.


Peter A. Micciche, Borough Mayor

7/31/2026
Date

FINANCE DEPARTMENT	
FUNDS VERIFIED	
401-71081-26S06-43011	
Acct. No.	401-78050-23S06-43011 XXXX
Amount	\$3,686,400.00
By: <i>CH</i> - <i>BH</i>	Date: 7/15/2026
NOTES: NA	

**KENAI PENINSULA BOROUGH
PURCHASING & CONTRACTING**

BID TAB FOR: ITB26-014 North Star Elementary Roof Replacement

CONTRACTOR	LOCATION	BASE BID
Orion Construction	Soldotna, AK	\$3,686,400.00
Wolverine Supply	Wasilla, AK	\$4,497,000.00

DUE DATE: July 1, 2026

KPB OFFICIAL:  John Hedges, Purchasing & Contracting Director

Kenai Peninsula Borough
Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Joseph Nations, Project Manager *JN*

DATE: July 16, 2026

RE: Authorization to Award a Contract for RFP27-001 Central Peninsula Landfill Cell 4 Design

On May 27, 2026, the Kenai Peninsula Borough Purchasing & Contracting Department formally solicited proposals for RFP27-001 Central Peninsula Landfill Cell 4 Design. The request for proposals was advertised on Bid Express from May 27 through June 18, 2026.

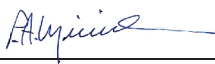
The project consists of providing professional design services for the Central Peninsula Landfill Cell 4.

On the due date of June 18, 2026, three (3) proposals were received and reviewed by a review committee as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
Trihydro Corporation	Soldotna, Alaska	361
Jacobs Project Management Co	Dallas, Texas	275
HDR Engineering, Inc	Anchorage, Alaska	265

The highest-ranking proposal was submitted by Trihydro Corporation, with a cost proposal of \$369,997.00. The proposal review committee recommends award of a contract to Trihydro Corporation of Soldotna, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 411-32122-25494-49311.


Peter A. Micciche, Borough Mayor

7/23/2026
Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>411-32122-25494-49311</u>
Amount	<u>\$369,997.00 \$369,997.00</u>
By: <i>CS</i> <i>BA</i>	Date: <u>7/22/2026</u>
NOTES: NA	

Kenai Peninsula Borough

Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Aaron Hughes, Land Management Officer *AH*

DATE: August 4, 2026

RE: Authorization to Award a Contract for RFP27-003 General Land Sale Marketing and Auction Services

On June 29, 2026, the Kenai Peninsula Borough Purchasing & Contracting Department formally solicited proposals for RFP27-General Land Sale Marketing and Auction Services. The request for proposals was advertised on Bid Express from June 29 to July 22, 2026.

The project consists of providing specified marketing and auction services required for the successful sale of approximately fifteen (15) to twenty (20) parcels of Borough owned lands.

On the due date of July 22, 2026, two (2) proposals were received and reviewed by a review committee as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
Alaska Premiere Auctions	Anchorage, AK	270
Wild Alaska Auction Co, LLC	Palmer, AK	252

The highest-ranking proposal was submitted by Alaska Premiere Auctions and Appraisals LLC, with a cost proposal of \$34,000.00. The proposal review committee recommends award of a contract to Alaska Premiere Auctions and Appraisals LLC of Anchorage, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 250-21210-00000-43011.

A. Micciche

Peter A. Micciche, Borough Mayor

8/5/2026

Date

FINANCE DEPARTMENT
FUNDS VERIFIED

Acct. No. 250-21210-00000-43011

Amount \$34,000.00

By: *CSH* *BH* Date: 8/4/2026

NOTES: NA

Kenai Peninsula Borough

Legal Department

LITIGATION STATUS REPORT

TO: Ryan Tunseth KPB Assembly President
Members, KPB Assembly
Jason Tauriainen, KPBSD Board of Education President
Members, KPBSD Board of Education

THRU: Peter A. Micciche, Mayor *PM*
Clayton Holland, KPBSD Superintendent *CH*

FROM: Sean Kelley, Borough Attorney *SK*

DATE: July 23, 2026

RE: Litigation Status Report – FY26 Year End

This report includes brief descriptions of pending non-routine court cases, as well as administrative appeals and code compliance enforcement actions set for hearing before the administrative hearing officer, which name the KPB and/or School District as parties, as of June 30, 2026.

(A) Administrative Appeals. The following is a summary of open or recently resolved administrative appeals from Planning Commission decisions:

(1) None.

(B) Alaska Superior Court cases. This list does not include the real property tax foreclosures and numerous standard tax collection cases pursued by the KPB:

- (1) *Kenai Peninsula Borough School District v. Fischer*, No. 3KN-19-00185CI. The Supreme Court upheld summary judgment in favor of the School District on breach of contract grounds but determined a genuine dispute of material fact remained regarding damages and remanded this case to the Superior Court on the limited issue of determining if some of the costs included in the damage determination were not subject to subrogation. The judgment funds in the amount of \$367,676.83 have been deposited into a constructive trust. Trial is scheduled for the week of October 12, 2026.
- (2) *Harvath v. KPB, et al.*, Case No. 3KN-25-00734CI. The Harvath plaintiffs filed a quiet title complaint alleging they are entitled to use KPB land to access their property. The Court said it would rule on KPB's motion for summary judgment on July 20, 2026. The parties await the Court's decision.
- (3) *Parker v. Schultz and KPB*, Case No. 3KN-25-00706CI. This complaint alleges the wrongful discharge of a probationary firefighter with Kachemak Emergency Service Area (KESA). Discovery is currently ongoing. A trial setting conference is set for September 2, 2026.

Page -2-
 FY26 Year End
 Re: Litigation Status Report

- (4) *Purcell v. KPBSD*, 3KN-26-00396CI. This complaint alleges injuries sustained by a minor struck by the rubber floor hockey stick of another student while playing floor hockey in physical education class was due to negligence of KPBSD. A trial setting conference is set for August 25, 2026.
 - (5) *Spurgeon v. KPB*, 3KN-26-00244CI. This complaint alleges whistleblower and wrongful employment actions taken in response to investigation into to a claim of misconduct against the Plaintiff. KPB filed a motion to dismiss on May 13, 2026. The parties await the Court's decision.
 - (6) *Wells v. Colaska, Inc., et. al. and Colaska, Inc. v. Severs*, 3SW-25-00055CI. A Third - Party complaint was filed in this automobile accident matter by Colaska, Inc. bringing claims against Mr. Severs, a volunteer with the BCFSA, for injuries sustained by Ms. Wells in an automobile accident. Clayton & Diemer, LLC has been retained by KPB to represent Mr. Severs. A trial setting conference is set in this matter for August 4, 2026.
 - (7) *Wright v. Humphreys, et. al.*, 3AN-26-05397CI. The Wright plaintiffs filed an action for a fall that occurred at Tsalteshi Trails resulting in alleged injuries as well as a medical malpractice claims against CPGH, Inc. and multiple providers. Discovery is ongoing.
 - (8) *Yragui v. Kenai Peninsula Borough*, 3KN-24-00123CI. Plaintiff, David Yragui, filed suit for damages to property and for defamation related to water issues in the K-Beach area. Trial is scheduled to begin on August 31, 2026. Cross motions for summary judgment were filed and the parties await a decision from the Court.
- (C) Alaska Supreme Court cases.
- (1) *Beachcomber v. Kenai Peninsula Borough Planning Commission*, Case Nos. S-19091 & S-19092 (Consolidated) (Trial Court Case Nos. 3KN-20-00034CI & 3KN-23-00004CI). The parties await the Court's decision on appeal.
 - (2) *Furie Operating Alaska, LLC. v. State of Alaska, Department of Revenue, and State Assessment Review Board*, Case No. S-19169, (Trial Court Case No. 3AN-21-06462CI). Taxpayer appeal of State assessment of oil and gas production property per AS 43.56. KPB did not participate in the appeal to the Alaska Supreme Court and the Court has not yet entered a final decision in this case.
- (D) U.S. District Court cases.
- (1) *Conner v. Kenai Peninsula Borough, et al.*, Case No. 3:25-cv-00054-SLG. Plaintiff's Complaint alleges that KPB trespassing him for disruptive and threatening behavior violates his constitutional right to film public officials in public spaces and asks the court to permanently enjoin application of KPB Ordinance 2024-27, and declare the ordinance unconstitutional, and for costs and attorney fees. On July 9, 2026, KPB filed a motion for summary judgment.

Introduced by: Mayor
Date: 08/04/26
Hearing: 08/18/26
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2025-19-48**

**AN ORDINANCE RECORDING FY2026 EXPENDITURES PAID BY THE
STATE OF ALASKA DEPARTMENT OF ADMINISTRATION, DIVISION
OF RETIREMENT & BENEFITS ON BEHALF OF THE KENAI
PENINSULA BOROUGH TOWARD THE BOROUGH'S UNFUNDED
PERS LIABILITY**

WHEREAS, the 2025 Alaska Legislature enacted HB53 which appropriated funds to the Department of Administration, Division of Retirement & Benefits (DRB) on behalf of the Kenai Peninsula Borough (KPB), to reduce the liability of political subdivisions to the Public Employees Retirement System (PERS) for FY2026; and

WHEREAS, it is anticipated that the DRB will notify KPB mid-August, of the amount received on behalf of KPB, which will be an amount equal to the difference between KPB's budgeted PERS rate of 22 percent and a total contribution rate of 28-33 percent; and

WHEREAS, Generally Accepted Accounting Principles (GAAP) require KPB to record expenditures paid on its behalf; and

WHEREAS, FY2026 expenditure budgets should be increased (for which there will be a corresponding revenue adjustment) to reflect the receipt of these funds by the DRB on behalf of KPB;

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. That FY2026 revenue budgets are increased by the following amounts to reflect funds the Department of Administration, Division of Retirement & Benefits received on behalf of the Kenai Peninsula Borough:

Fund	Amount
General fund	\$ _____

Fund	Amount
Nikiski Fire Service Area	\$ _____
Bear Creek Fire Service Area	_____
Western Emergency Service Area	_____
Central Emergency Services	_____
Kachemak Emergency Service Area	_____
North Peninsula Recreation Service Area	_____
Road Service Area	_____
School Maintenance	_____
Land Trust	_____
Seward Bear Creek Flood Service Area	_____
911 Emergency Communications	_____
Solid Waste	_____
Risk Management Fund	_____
	\$ _____

SECTION 3. That \$_____ is appropriated to the following accounts:

Account	Amount
100-11110-00000-40221	\$ _____
100-11120-00000-40221	_____
100-11140-00000-40221	_____
100-11210-00000-40221	_____
100-11227-00000-40221	_____
100-11230-00000-40221	_____
100-11231-00000-40221	_____
100-11232-00000-40221	_____
100-11233-00000-40221	_____
100-11235-00000-40221	_____
100-11250-00000-40221	_____
100-11310-00000-40221	_____
100-11410-00000-40221	_____
100-11430-00000-40221	_____
100-11440-00000-40221	_____
100-11441-00000-40221	_____
100-11510-00000-40221	_____

Account	Amount
100-11520-00000-40221	\$ _____
100-21110-00000-40221	_____
100-21135-00000-40221	_____
206-51110-00000-40221	_____
207-51210-00000-40221	_____
209-51410-00000-40221	_____
211-51610-00000-40221	_____
212-51810-00000-40221	_____
225-61110-00000-40221	_____
236-33950-00000-40221	_____
241-11235-00000-40221	_____
241-41010-00000-40221	_____
250-21210-00000-40221	_____
259-21212-00000-40221	_____
264-11255-00000-40221	_____
290-32010-00000-40221	_____
290-32122-00000-40221	_____
290-32310-00000-40221	_____
700-11234-00000-40221	_____
	\$ _____

SECTION 4. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

SECTION 5. That this ordinance shall be effective retroactively to June 30, 2026.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2026.

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Ryan Tunseth Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: July 23, 2026

SUBJECT: Ordinance 2025-19-48 __, Recording FY2026 Expenditures Paid by the State of Alaska Department of Administration, Division of Retirement & Benefits on behalf of the Kenai Peninsula Borough toward the Borough's Unfunded PERS Liability (Mayor)

As part of the 2025 Alaska legislative session, the legislature passed, and the Governor signed, HB53 which appropriated funds to help defray the cost of increased employer contributions to the Public Employees' Retirement System (PERS) for fiscal year 2025. The purpose of this legislation was to contribute to the PERS system an amount estimated to be equal to the difference between municipalities' budgeted PERS rate of 22 percent and the actuarially determined rate of 28.33 percent. The amount contributed on the Borough's behalf for FY2026 is estimated to be \$1.7 million. However, the exact amount will not be known until notification is received mid-August.

Generally Accepted Accounting Principles (GAAP) require that the Borough record expenditures paid on their behalf. This ordinance also amends the budget to reflect these expenditures; there will be no impact to fund balances of any fund as revenues equal to the expenditures will also be recorded.

Upon receipt of an official notification of the amount(s) from DRB, an amendment memorandum will be provided to fill-in the amounts that are currently blank in the Ordinance.

Your consideration is appreciated.

Introduced by:	Mayor
Date:	08/04/26
Hearing:	08/18/26
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-19-04**

**AN ORDINANCE APPROPRIATING SUPPLEMENTAL FUNDS FROM
THE NIKISKI SENIOR SERVICE AREA FUND TO PROVIDE FOR A
FINANCIAL AUDIT OF THE NIKISKI SENIOR CITIZENS, INC. FOR
FISCAL YEAR 2025**

WHEREAS, the Kenai Peninsula Borough (KPB) currently has an operating agreement with Nikiski Senior Center, Inc. (NSC) to provide specific services to senior citizens of the Service Area; and

WHEREAS, as part of the operating agreement, KPB requires that a financial audit be done no less than every three years; and

WHEREAS, the most recent audit completed for NSC was for FY2023 and with the change in leadership both organizations agree that a financial audit of FY2025 would provide a good measure of the current financial condition of NSC; and

WHEREAS, the Nikiski Senior Service Area has adequate funds in its fund balance to provide for this service and remain with the minimum fund balance policy; and

WHEREAS, the Nikiski Senior Service Area Board, at its regularly scheduled meeting held on _____, 2026, recommended recommend _____;

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. That \$20,000 is appropriated from the Nikiski Senior Service Area fund balance to Account No. 280.63190.27AUD.49999 to provide for a financial audit of NSC for the year ended June 30, 2025.

SECTION 4. That appropriations made in this ordinance are of a project nature and as such do not lapse at the end of any particular fiscal year.

SECTION 5. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

SECTION 6. That this ordinance shall become effective immediately.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2026.

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: July 23, 2026

SUBJECT: Ordinance 2026-19-04, Appropriating Supplemental Funds from the Nikiski Senior Service Area Fund to Provide for a Financial Audit of the Nikiski Senior Citizens Inc. for Fiscal Year 2025 (Mayor)

Per the Operating Agreement between the Nikiski Senior Center Inc. (‘NSC’) and the Kenai Peninsula Borough (KPB), on behalf of the Nikiski Senior Service Area, NSC at a minimum of every 3 years, will periodically engage an independent third-party auditor to audit financial activities and compliance with this agreement. The KPB also reserves the right to engage its own independent auditor if the Mayor determines necessary, therefore after meeting with the new leadership of NSC and agreeing that an independent financial audit would be a good measure of the current financial condition of NSC, we are requesting an appropriation from the Nikiski Senior Service Area Fund Balance of \$20,000 to provide for a FY2025 financial audit of NSC.

Your consideration is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>280.27910</u>
Amount:	<u>\$20,000</u>
By: <i>CH</i>	Date: <u>7/22/2026</u>

Introduced by:	Mayor
Date:	08/04/26
Hearing:	08/18/26
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-19-05**

**AN ORDINANCE APPROPRIATING FUNDS FROM THE GENERAL
FUND FOR THE MCNEIL CANYON SCHOOL WATERLINE
REPLACEMENT PROJECT**

WHEREAS, this project is to complete replacement of the failed domestic water line which services McNeil Canyon School; and

WHEREAS, the appropriation of fund balance for a large-scale repair on a KPB-owned facility does not implicate the local school funding contribution;

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. That \$302,000 is appropriated from the General Fund to be transferred to the School Capital Project Fund to account 400.71060.27MCN.49999, for the replacement of the domestic water line for McNeil Canyon School and other related project costs.

SECTION 3. That 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 4. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

SECTION 5. That this ordinance shall be effective immediately.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2026.**

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough
Maintenance Department

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*

FROM: Nick Kemp, Maintenance Director *NK*

DATE: July 23, 2026

RE: Ordinance 2026-19- 05 , Appropriating Funds from the General Fund for the McNeil Canyon School Waterline Replacement Project (Mayor)

The ordinance requests an appropriation of \$302,000 from the General Fund to be transferred to the School Capital Project Fund to complete the replacement of the failed domestic water line serving McNeil Canyon School. Maintenance previously funded and completed the design for the replacement line, and the project is now ready to move into construction.

McNeil Canyon School’s existing ductile iron supply line, installed more than 40 years ago, ruptured beneath the building’s structural footprint. After evaluating repair options, the recommended approach is full replacement of the line to ensure long-term reliability, reduce future maintenance risk, and meet the project’s time constraints.

Approval of this supplemental appropriation will allow KPB to complete the repair before winter conditions set in, ensuring uninterrupted water service and providing McNeil Canyon School with a modern, durable water line for the foreseeable future.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>100-27910</u>	Amount <u>\$302,000</u>
By: <u><i>CK</i></u>	Date: <u>7/22/2026</u>

Introduced by:	Mayor
Date:	08/04/26
Hearing:	08/18/26
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-19-03**

**AN ORDINANCE APPROVING A CAPITAL IMPROVEMENT PROJECT
AND APPROPRIATING FUNDS FROM THE CENTRAL KENAI
PENINSULA HOSPITAL SERVICE AREA PLANT REPLACEMENT AND
EXPANSION FUND FOR DEVELOPMENT OF CENTRAL PENINSULA
HOSPITAL’S DERMATOLOGY CLINIC**

- WHEREAS,** the Kenai Peninsula Borough (KPB), on behalf of the Central Kenai Peninsula Hospital Service Area, owns the Central Peninsula Hospital related medical facilities, and campus (CPH) medical facilities, which are managed and operated on a nonprofit basis pursuant to an Operating Agreement with Central Peninsula General Hospital, Inc. (CPGH, Inc.); and
- WHEREAS,** Resolution 2026-043 approved the new dermatology services at CPH; and
- WHEREAS,** space located at 254 N. Binkley, within 250 yards of the hospital campus and owned by KPB has been identified the most suitable location for the dermatology practice; and
- WHEREAS,** the dermatology clinic development will be completed in two phases, with Phase 1 (clinic renovation) budgeted at \$747,403 and Phase 2 (facility expansion) budgeted at \$2,110,822 for a combined estimated project cost of \$2,858,225; and
- WHEREAS,** Phase 2 of the project will include three MOHS surgery procedure rooms, a pathology lab, and remodeling of existing space to provide specialized surgery services on the Kenai Peninsula; and
- WHEREAS,** in accordance with the Operating Agreement, Assembly pre-approval is required for capital improvement projects expected to cost in excess of \$1,000,000; and
- WHEREAS,** in order to meet the clinic’s opening timeline, CPH has commenced funding Phase 1 renovation costs using hospital operating dollars and consistent with CPH's existing authority under Section 3 and Section 13(b)(i) of the Operating Agreement; and

WHEREAS, the CPGH, Inc. Board of Directors, at its regularly scheduled meeting held on June 25, 2026, adopted Board Resolution 2026-31 approving the Phase 1 and Phase 2 project plans for the 254 N. Binkley building; and

WHEREAS, the Plant Replacement and Expansion Fund (PREF) is a designated source of funding for major repairs and replacement of, and improvements, fixtures, and equipment for, Medical Facilities, and requires Assembly approval and appropriation prior to any obligation, expenditure, or transfer of PREF funds;

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. That the Assembly approves the Capital Improvement Project consisting of Phase 1 and Phase 2 development of the dermatology clinic located at 254 N. Binkley Street, Soldotna, Alaska, with a combined estimated cost of \$2,858,225, pursuant to Section 13(b)(i) of the Operating Agreement.

SECTION 3. That \$2,110,822 is appropriated from the Central Kenai Peninsula Hospital Service Area Plant Replacement and Expansion Fund to Account No. 490.81110.27DER.49999 for Phase 2 of the dermatology clinic project.

SECTION 4. That appropriations made in this ordinance are project length in nature and as such do not lapse at the end of any particular fiscal year.

SECTION 5. That if any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

SECTION 6. That this ordinance shall be effective immediately.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2026.

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough
Purchasing & Contracting Department

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*

FROM: John Hedges, Purchasing & Contracting Director *JH*

DATE: July 23, 2026

RE: Ordinance 2026-19-03, Approving a Capital Improvement Project and Appropriating Funds from the Central Kenai Peninsula Hospital Service Area Plant Replacement and Expansion Fund for Development of Central Peninsula Hospital’s Dermatology Clinic (Mayor)

The Kenai Peninsula Borough (KPB) has entered into an Operating Agreement with Central Peninsula General Hospital, Inc. (CPGH) for management and operation of the Central Peninsula Hospital (CPH) and other related facilities, and to provide other healthcare programs and services, on a nonprofit basis in order to ensure the continued availability to the Central Kenai Peninsula Hospital Service Area residents.

Space currently owned by KPB on behalf of the service area and located at 254 N. Binkley St. in Soldotna will be remodeled to accommodate and support a dermatology practice in two phases. The first phase is in progress and budgeted to cost \$747,403. CPGH, Inc. is managing phase 1 of the project which will remodel the building into a suitable physician’s practice with office space and patient rooms. Phase 2 of the project will include three MOHS procedure rooms, a pathology lab, and remodeling of existing space to support both dermatology and MOHS surgery services. Phase 2 is budgeted at \$2,110,822. The Operating Agreement requires Assembly approval for capital improvement projects in excess of \$1,000,000; therefore, the ordinance approves the phase two of the project and appropriates Plant Replacement and Expansion funds for Phase 2 of the project.

Your consideration is appreciated

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>490.20602</u>	Amount: <u>\$2,110,822</u>
By: <u><i>CH</i></u>	Date: <u>7/22/2026</u>

RESOLUTION 2026-31

A RESOLUTION APPROVING THE DEVELOPMENT OF A DERMATOLOGY CLINIC

1. **WHEREAS**, the Kenai Peninsula Borough has entered into an Operating Agreement with Central Peninsula General Hospital, Inc. (CPGH, Inc.) for the operation of Central Peninsula Hospital and other Medical Facilities, and to provide other healthcare programs and services on a nonprofit basis in order to ensure continued availability to the Service Area residents; and
2. **WHEREAS**, Central Peninsula Hospital (CPH) has recruited dermatologist Dr. Brock Davis to establish a new practice providing MOHS surgery and dermatology services to the service area; and
3. **WHEREAS**, space located at 254 N. Binkley, within 250 yards of the hospital campus and owned and operated by Central Peninsula Hospital, has been identified as a suitable location for this practice; and
4. **WHEREAS**, the facility at 254 N. Binkley requires an expansion of approximately 1,200 square feet to accommodate three MOHS procedure rooms, a pathology lab, and remodeling of existing space to support the physician practice; and
5. **WHEREAS**, the dermatology clinic development will be completed in two phases, with Phase 1 budgeted at \$747,403 and Phase 2 budgeted at \$2,110,822, for a total project cost of \$2,858,225, to be funded through the PREF; and
6. **WHEREAS**, this project requires approval by the Kenai Peninsula Borough Assembly following approval by the CPGH, Inc. Board of Directors;

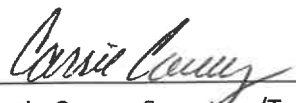
NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF CENTRAL PENINSULA GENERAL HOSPITAL, INC., A NOT-FOR-PROFIT ALASKA CORPORATION, THAT:

SECTION 1. The Board of Directors of Central Peninsula General Hospital, Inc. d/b/a Central Peninsula Hospital ("CPH") approves the development of the dermatology clinic at 254 N. Binkley, including the associated expansion and remodeling, and authorizes management to proceed with the project as outlined, subject to securing approval from the Kenai Peninsula Borough Assembly.

SECTION 2. This resolution becomes effective immediately upon adoption by the CPGH, Inc. Board of Directors.

I certify that the above resolution was approved by vote of the Board of Directors of Central Peninsula General Hospital, Inc. at the 06/25/26 Board meeting.

Dated: 06/25/26


Carrie Couey, Secretary/Treasurer
CPGH, Inc. Board of Directors

Introduced by:	Mayor
Date:	07/07/26
Action:	Adopted
Vote:	9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2026-043**

**A RESOLUTION AUTHORIZING THE EXPANSION OF NEW CENTRAL
PENINSULA HOSPITAL SERVICES FOR THE DEVELOPMENT OF A
DERMATOLOGY CLINIC**

WHEREAS, the Kenai Peninsula Borough has entered into an Operating Agreement with Central Peninsula General Hospital, Inc. (CPGH, Inc.) for the operation of Central Peninsula Hospital (CPH) and other Medical Facilities, and to provide other healthcare programs and services on a nonprofit basis in order to ensure continued availability to the Central Kenai Peninsula Hospital Service Area (Service Area) residents; and

WHEREAS, CPH has recruited dermatologist Dr. Brock Davis to establish a new practice providing MOHS surgery and dermatology services to the Service Area; and

WHEREAS, the dermatology clinic development located at 254 N. Binkley will be completed in two phases, with Phase 1 budgeted at \$747,403 and Phase 2 budgeted at \$2,110,822, for a total project cost of \$2,858,225, to be funded through the PREF; and

WHEREAS, Section 24.b of the Operating Agreement states, “Borough Assembly approval shall be required to the extent it would otherwise be required in this Agreement, and for new services that have an expected total capital cost in excess of \$250,000”; and

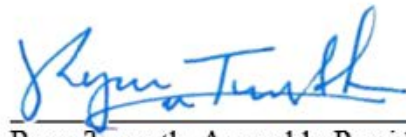
WHEREAS, the CPGH, Inc. Board of Directors approved this project during its regularly-scheduled session on June 25, 2026;

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

SECTION 1. The Kenai Peninsula Borough Assembly hereby authorizes the expansion of new services for the development of the dermatology clinic at 254 N. Binkley as approved by the CPGH, Inc. Board of Directors during its regularly-scheduled session on June 25, 2026.

SECTION 2. That this resolution is effective immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 7TH DAY JULY, 2026.



Ryan Tunseth, Assembly President

ATTEST:



Michele Turner, MMC, Borough Clerk



Yes: Cooper, Dunne, Ecklund, Eicher, Griebel, Hicks, Niesen, Truesdell, Tunseth
No: None
Absent: None

Introduced by:	Mayor
Date:	08/04/26
Hearing:	08/18/26
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-19-06**

**AN ORDINANCE APPROPRIATING GRANT FUNDS FOR A CAPITAL
IMPROVEMENT PROJECT AT CENTRAL PENINSULA LANDFILL**

WHEREAS, the Kenai Peninsula Borough (KPB) Solid Waste Department operates the Central Peninsula Landfill (CPL); and

WHEREAS, a capital improvement project (CIP) is underway to improve service quality and efficiency at CPL, and Phase 1 of that CIP is to move the municipal solid waste collection operation to a new adjacent transfer site at CPL; and

WHEREAS, Local Tribal and Consistency grant funds are available for the estimated cost of \$1,200,000 for the CIP Phase 1 development project;

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. That \$1,200,000 in grant funds are appropriated to Account No. 411.32122.LATC5.49999 for the CIP Phase 1 development project to move the current municipal solid waste collection operation at the bailer facility to a new adjacent transfer site at CPL for the project and associated costs.

SECTION 3. That appropriations made in this ordinance are of a project nature and as such do not lapse at the end of any particular fiscal year.

SECTION 4. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

SECTION 5. That this ordinance shall become effective immediately.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2026.**

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough
Purchasing & Contracting Department

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*

FROM: John Hedges, Purchasing & Contracting Director *JH*

DATE: July 23, 2026

RE: Ordinance 2026-19-06, Appropriating Grant Funds for a Capital Improvement Project at Central Peninsula Landfill (Mayor)

The Kenai Peninsula Borough (KPB) Solid Waste Department operates the Central Peninsula Landfill (CPL) as KPB’s primary waste disposal site. A capital improvement project (CIP) is underway to improve service quality and efficiency at CPL by changing waste segregation, recycling, solid waste administration, and waste handling operations.

Phase I of that CIP is to move the current municipal solid waste collection operation at the outdated bailer facility to a new adjacent transfer site at CPL for better traffic queuing, increased public accessibility, more efficient waste handling, and improved recycling collection. It is in KPB’s best interest to implement Phase I as soon as possible.

Local Assistance and Tribal Consistency grant funds are available for the estimated cost of \$1,200,000 for the Phase 1 development project.

Your consideration is appreciated

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>411.32122.LATC5.49999</u>	
Amount: <u>\$1,200,000</u>	
By: <u><i>CH</i></u>	Date: <u>7/22/2026</u>

Introduced by:	Mayor
Date:	08/04/26
Hearing:	08/18/26
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-28**

**AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN PARCELS
OWNED BY THE KENAI PENINSULA BOROUGH VIA LIVE PUBLIC
OUTCRY/SIMULCAST ONLINE AUCTION FOLLOWED BY A
SECONDARY ONLINE-ONLY AUCTION**

- WHEREAS,** the Kenai Peninsula Borough (KPB) has title to the parcels listed in Section 2 of this ordinance; and
- WHEREAS,** these parcels have been reviewed by KPB, the School District, KPB administrative departments, service areas, affected cities, Advisory Planning Commissions, and the KPB Planning Commission; and
- WHEREAS,** the parcels are surplus to KPB needs; and
- WHEREAS,** the parcels listed in Section 3 of this ordinance were acquired through tax foreclosure and retained for public purposes; and
- WHEREAS,** this ordinance enacts an exception to the requirement under KPB 17.10.090 that KPB-owned lands are classified prior to disposal; and
- WHEREAS,** pursuant to KPB 17.10.080(A) the purposes served through classification include review, plan implementation, and management of KPB-owned land or resources; and
- WHEREAS,** classification is not zoning and classification of land pursuant to KPB 17.10.080, does not run with the land, and does not restrict land use after disposal; therefore, classification for the sole purpose of disposal may only confuse buyers, create unnecessary conflict for neighboring land owners, and does not accomplish the code purposes classification aims to provide; and
- WHEREAS,** pursuant to KPB 21.04.010, land outside of municipal zoning districts is deemed as the rural zoning district, whereby regulation of land use shall be unrestricted except as otherwise provided in Title 21; and

WHEREAS, the Assembly enacted Ordinance 2025-09 to create a Land Affordability Program (LAP) which provides an opportunity for qualifying participants to purchase certain residential properties identified as "LAP Eligible" under an approved sale ordinance; and

WHEREAS, LAP is designed to support residential development and homeownership while maintaining and ensuring a competitive bid process for authorized KPB land sale offerings; and

WHEREAS, the parcels listed in Section 5 of this ordinance have been deemed eligible to participate in the LAP; and

WHEREAS, the KPB Planning Commission at its regularly scheduled meeting held on _____, 2026, and recommended _____.

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. That the parcels listed below are authorized for sale at a minimum of the reserve amounts listed.

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	RESERVE AMOUNT
01713003	3.87	LOT FIFTEEN (15), SECTION 23, TOWNSHIP 6 NORTH, RANGE 12 WEST, SEWARD MERIDIAN, STATE OF ALASKA, ACCORDING TO THE SUPPLEMENTAL PLAT ACCEPTED BY THE UNITED STATES, DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON, D.C., ON MARCH 18, 1953; AND FURTHER DEPICTED ON THE RECORD OF SURVEY, SURVEY OF STATE LAND, DNR FILE NUMBER 58-7, SERIALIZED AS EPF 580007, FILED IN THE KENAI RECORDING DISTRICT ON AUGUST 8, 1969, AS PLAT NO. K-1637, KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 01713003)	Salamatof	\$100,000
02533008	5.24	LOT TWO HUNDRED THIRTY-THREE (233), GRAY CLIFF SUBDIVISION, ACCORDING TO PLAT NO. 82-80, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 02533008)	Gray Cliff	\$20,000

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	RESERVE AMOUNT
02544718	7.40	LOT TWO HUNDRED FORTY-FIVE (245), MOOSE POINT SUBDIVISION, ACCORDING TO PLAT NO. 84-65, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 02544718)	Moose Point	\$37,000
04938045	0.24	LOT FIFTEEN (15), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938045)	City of Kenai	\$25,000
04938046	0.28	LOT SIXTEEN (16), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938046)	City of Kenai	\$26,000
05503503	1.35	LOT THREE (3), BLOCK ONE (1), WIDGEON WOODS PHASE TWO SUBDIVISION, ACCORDING TO PLAT NO. 2012-32, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 05503503)	Kalifornsky	\$52,000
06301164	9.12	TRACT A, OWL PERCH SUBDIVISION, ACCORDING TO PLAT NO. 2024-92, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 06301164)	Sterling	\$119,000
11907106	2.02	LOT THIRTEEN B (13B) OF U.S. SURVEY 3306, ALASKA, ACCORDING TO THE SURVEY PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON, D.C. ON JANUARY 24, 1955. (KPB PIN 11907106)	Cooper Landing	\$180,000
11907155	2.44	LOT EIGHTEEN (18), BIRCH AND GROUSE RIDGE SUBDIVISION, ACCORDING TO PLAT NO. 2004-14, ON FILE IN THE SEWARD RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 11907155)	Cooper Landing	\$185,000
12516010	0.81	LOT SEVEN (7) OF ALASKA STATE LAND SURVEY NO. 86-176, ACCORDING TO THE PLAT FILED IN THE SEWARD RECORDING DISTRICT ON APRIL 27, 1988, AS PLAT NO. 88-2, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 12516010)	Crown Point	\$70,000

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	RESERVE AMOUNT
13301049	2.41	LOT ONE (1), HUMPY POINT SUBDIVISION, ACCORDING TO PLAT NO. 2025-5, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 13301049)	Kasilof	\$145,000
13301050	2.81	LOT TWO (2), HUMPY POINT SUBDIVISION, ACCORDING TO PLAT NO. 2025-5, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 13301050)	Kasilof	\$145,000
16905102	0.51	LOT TWO (2), COMMON GROUND SUBDIVISION, ACCORDING TO PLAT NO. 2024-15, ON FILE IN THE HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16905102)	Anchor Point	\$30,000
16913228	13.64	THE SW¼ SE¼ SE¼ AND THAT PORTION OF THE W½ SE¼ SE¼ SE¼ LYING SOUTH OF THE STERLING HIGHWAY, SECTION 13, TOWNSHIP 5 SOUTH, RANGE 15 WEST, SEWARD MERIDIAN, HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16913228)	Anchor Point	\$44,000
17908012	2.50	GOVERNMENT LOT THIRTEEN (13), SECTION 14, TOWNSHIP 6 SOUTH, RANGE 13 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE SUPPLEMENTAL SURVEY PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON, D.C. ON MAY 26, 1952. (KPB PIN 17908012)	City of Homer	\$125,000
19209106 AND 19209108	0.28	LOT 2-C, BLOCK 39, EAST ADDITION SELDOVIA TOWNSITE ALASKA, ACCORDING TO PLAT NO. 66-28, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209106) AND LOT T35, ALASKA TIDELANDS SURVEY NO. 219, TIDELAND ADDITION TO SELDOVIA ALASKA, ACCORDING TO PLAT NO. 64-13, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209108)	City of Seldovia	\$75,000

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	RESERVE AMOUNT
19326114	8.77	LOT TWO (2), BLOCK SIX (6), MARINERS WALK SUBDIVISION CORRECTED PLAT, ACCORDING TO PLAT NO. 86-75, HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19326114)	Bear Cove (Kachemak Bay)	\$35,000

SECTION 3. That the parcels listed below were obtained by KPB through prior tax foreclosure actions and retained for a public purpose. In accordance with provisions of AS 29.45.460, the Assembly finds that a public need no longer exists for these parcels. The parcels listed below have been retained by KPB in excess of ten (10) years.

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	PRIOR OWNER
02533008	5.24	LOT TWO HUNDRED THIRTY-THREE (233), GRAY CLIFF SUBDIVISION, ACCORDING TO PLAT NO. 82-80, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 02533008)	Gray Cliff	\$20,000
19209106 AND 19209108	0.28	LOT 2-C, BLOCK 39, EAST ADDITION SELDOVIA TOWNSITE ALASKA, ACCORDING TO PLAT NO. 66-28, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209106) AND LOT T35, ALASKA TIDELANDS SURVEY NO. 219, TIDELAND ADDITION TO SELDOVIA ALASKA, ACCORDING TO PLAT NO. 64-13, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209108)	City of Seldovia	\$75,000

SECTION 4. That the Assembly makes an exception to KPB 17.10.090 requiring classification prior to disposal. This exception is based on the following findings of fact pursuant to KPB 17.10.230:

1. That special circumstances or conditions exist.
 - a. The parcels to be disposed of are deemed surplus to borough needs, thereby eliminating the need for a borough management plan for those lands.
 - b. KPB 17.10.130(D) requires that land shall be conveyed without deed restrictions.

- c. Local option zoning is available when the borough is marketing subdivision land with a development plan for future land use.
2. That the exception is necessary for the preservation and enjoyment of a substantial property right and is the most practical manner of complying with the intent of this chapter.
 - a. Classification of surplus land to be disposed of would place land use restrictions on land that the borough will not have management responsibility over once conveyed.
 - b. The preservation of a substantial property right is not applicable to this case; the considerations under this ordinance as to the management of the land are substantially similar to classification thereby being a practical manner of complying with the intent of classification.
3. That the granting of the exception will not be detrimental to the public or injurious to other property in the area.
 - a. Classifying land uses for surplus land to be disposed of does not serve a useful purpose in guiding future borough management decisions.

SECTION 5. That the parcels listed below are hereby designated as eligible to participate in the Land Affordability Program (LAP) enacted by Ordinance 2025-09.

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	LAP ELIGIBLE
04938045	0.24	LOT FIFTEEN (15), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938045)	City of Kenai	\$25,000
04938046	0.28	LOT SIXTEEN (16), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938046)	City of Kenai	\$26,000
05503503	1.35	LOT THREE (3), BLOCK ONE (1), WIDGEON WOODS PHASE TWO SUBDIVISION, ACCORDING TO PLAT NO. 2012-32, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 05503503)	Kalifornsky	\$52,000

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	LAP ELIGIBLE
06301164	9.12	TRACT A, OWL PERCH SUBDIVISION, ACCORDING TO PLAT NO. 2024-92, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 06301164)	Sterling	\$119,000
12516010	0.81	LOT SEVEN (7) OF ALASKA STATE LAND SURVEY NO. 86-176, ACCORDING TO THE PLAT FILED IN THE SEWARD RECORDING DISTRICT ON APRIL 27, 1988, AS PLAT NO. 88-2, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 12516010)	Crown Point	\$70,000
16905102	0.51	LOT TWO (2), COMMON GROUND SUBDIVISION, ACCORDING TO PLAT NO. 2024-15, ON FILE IN THE HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16905102)	Anchor Point	\$30,000
16913228	13.64	THE SW¼ SE¼ SE¼ AND THAT PORTION OF THE W½ SE¼ SE¼ LYING SOUTH OF THE STERLING HIGHWAY, SECTION 13, TOWNSHIP 5 SOUTH, RANGE 15 WEST, SEWARD MERIDIAN, HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16913228)	Anchor Point	\$44,000

SECTION 6. That the method of disposal will be by live public outcry/simulcast online auction pursuant to KPB 17.10.100(B) followed by an online-only auction. The date of the live auction will be October 10, 2026. The auction will be held at the KPB Assembly Chamber or other such advertised location. A secondary online-only auction will be conducted for those parcels not sold as part of the live auction. The secondary online-only auction is to run a minimum of two weeks beginning not later than November 2, 2026.

SECTION 7. That the Mayor is hereby authorized to remove any or all of the proposed land sale offerings for any reason, including real estate market conditions, at any time prior to the date of the live auction and/or the secondary online-only auction. The Mayor may cancel the sale of any property at any time without recourse if it is in the best interests of the borough upon a determination that fraud or collusion undermined the integrity of the sale.

SECTION 8. That in the event the administration is unable to proceed with the live auction on the designated date, the administration will reschedule the live auction and subsequent secondary online-only auction not later than 90 days from the date designated in this ordinance. In the event the dates designated in Section 6 are cancelled and an alternative date is rescheduled, then such sale date and location will be re-advertised for at least 30 days prior to the sale, consistent with the original advertisement.

- SECTION 9.** That all parcels will be conveyed by quitclaim deed. Title insurance in the form of a lenders policy of title insurance must be obtained for all KPB-financed sales. All title insurance and closing fees are at the buyer's expense. Title insurance must show the condition of title and no unsatisfied judgments or liens against the buyer at the time of closing, the latter of which shall also be verified by the buyer prior to closing. In the event a title report showing an acceptable condition of title cannot be obtained by seller, then either the buyer or KPB may elect to terminate the purchase agreement, in which case all monies on deposit will be refunded to the buyer. For KPB financed sales, buyers must execute a release authorizing KPB to obtain a credit report on the said buyers.
- SECTION 10.** That KPB will reserve all right, title and interest in and to all unreserved subsurface mineral rights, if any, together with the right to the future extraction of those rights.
- SECTION 11.** That upon successful sale at auction, the buyer/bidder will enter into an agreement to acquire subject parcel. A down payment of 10 percent of the sale price, or \$1,500.00, whichever is greater, shall be deposited with KPB or its designee and the applicable terms and provisions of KPB 17.10.120 and KPB 17.10.130 shall apply, except that KPB shall retain the down payment, up to \$1,000, if the prospective buyer breaches a term of the sale.
- SECTION 12.** That auction records will contain first and second position bid amounts for each property. In the event the first position bidder is unable to perform, the property will be offered for sale to the second position bidder for the amount of the bid, provided that the bid amount is in excess of the established reserve. A first-place bidder who fails to perform on the purchase is prohibited from bidding on any KPB land sale for a period of three years from the date of the auction.
- SECTION 13.** That the Assembly authorizes the use of seller financing as a payment option for purchasers for all lands authorized for sale under this ordinance. Terms of the seller financing shall be as required in KPB 17.10.120.
- SECTION 14.** That the Mayor is authorized to sign any documents necessary to effectuate this ordinance.
- SECTION 15.** If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.
- SECTION 16.** That this ordinance shall be effective immediately.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2026.**

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Robert Ruffner, Planning Director *RR*
Aaron Hughes, Land Management Officer *AH*

FROM: Jennifer Shields, Land Management Agent *JS*

DATE: July 23, 2026

RE: Ordinance 2026-28, Authorizing the Sale of Certain Parcels Owned by the Kenai Peninsula Borough Via Live Public Outcry/Simulcast Online Auction Followed by a Secondary Online-Only Auction (Mayor)

The Kenai Peninsula Borough (KPB) Land Management Division has identified certain parcels of land that are surplus to KPB needs. Attached are maps showing the location of each parcel. Minimum sale prices, termed reserve amounts, are proposed to be set at the estimated fair market value as determined through consultation with the KPB Assessing Department.

The live public outcry/simulcast online auction is proposed for October 10, 2026, in the KPB Assembly Chamber. A sale brochure will identify the sale parcels and provide a brief explanation of the auction and subsequent closing process. Notice of the land sale will be published in accordance with KPB 17.10.110, and the auction brochure will be made available on the KPB Land Management Division's land sale website. The ordinance provides a framework to reschedule the auction in the event that the live auction date is cancelled, and would authorize a secondary online-only auction land sale of those parcels not sold in the live auction.

An exception to the classification of the parcels to be disposed of by this ordinance is provided, since classifying land uses for surplus, disposed land does not serve a useful purpose in guiding future management decisions of KPB-owned lands.

In recognition of the need to promote affordable land purchase and housing development opportunities for KPB residents, the ordinance designates seven (7) parcels as eligible to participate in the Land Affordability Program (LAP) as authorized by Ordinance 2025-09. The LAP is designed to support residential development and homeownership while maintaining and ensuring a competitive bid process for authorized KPB land sale offerings.

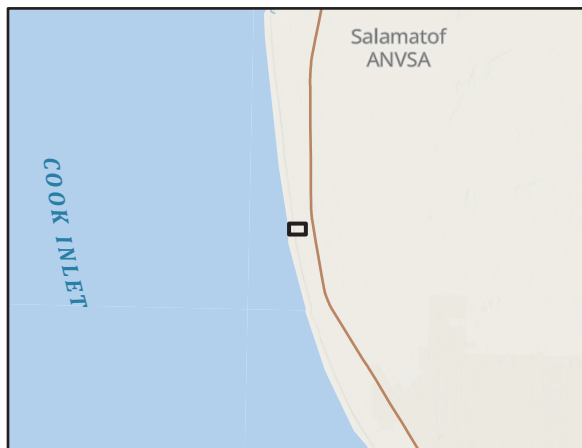
The KPB Planning Commission will hold a public hearing regarding the proposed land sale on August 10, 2026, and will forward its recommendation to the Assembly.

Your consideration is appreciated.



2026 General Land Sale - Vicinity Map





MINIMUM BID: \$100,000

Acres: 3.87

Legal Description: LOT FIFTEEN (15), SEC. 23, TOWNSHIP 6 NORTH, RANGE 12 WEST, SEWARD MERIDIAN, STATE OF ALASKA, ACCORDING TO THE SUPPLEMENTAL PLAT ACCEPTED BY THE UNITED STATES, DEPT OF THE INTERIOR, BUREAU OF LAND MGMT IN WASHINGTON, D.C. ON MARCH 18, 1953; AND FURTHER DEPICTED ON THE RECORD OF SURVEY, SURVEY OF STATE LAND, DNR FILE NUMBER 58-7, SERIALIZED AS EPF 580007, FILED IN THE KENAI RECORDING DISTRICT ON AUGUST 8, 1969 AS PLAT NO. K-1637, KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.

Topography: Nearly level lot with an abrupt steep bluff edge on the west side.

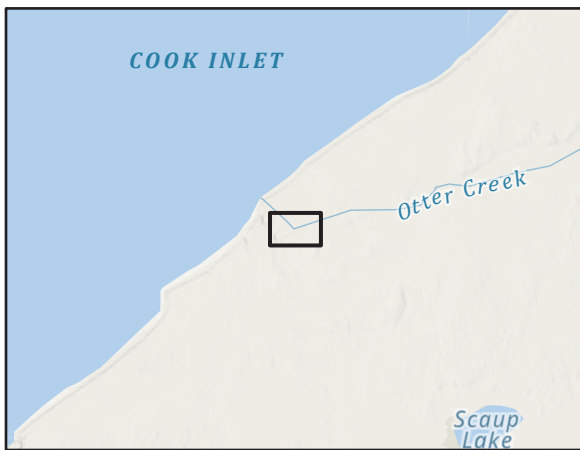
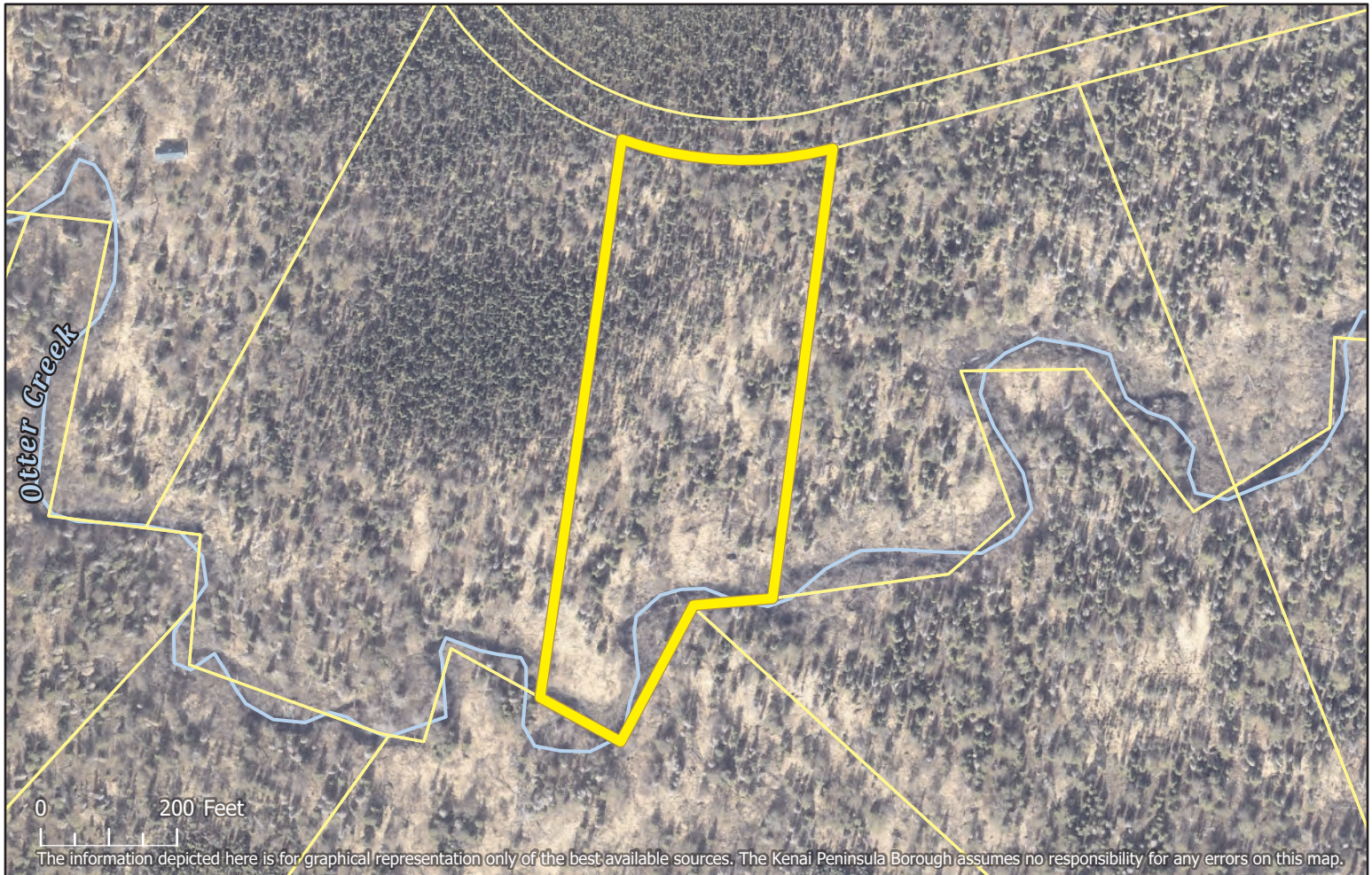
Special Features: Bluff lot north of Kenai with waterfront views of the Cook Inlet.

Disclosures: Subject to Alaska State Statute 38.05.127, Access to Navigable or Public Waters, a 50-foot wide public access easement exists upland of and adjoining the ordinary high water mark of all public waters and mean high water marks of all tidal shores. A 60-foot wide Public Access and Utility Easement exists along the eastern portion of the lot, per ADL 229788 as shown on Plat KN 2012-67 and recorded in document KN 2013-002321-0.

Access: Potential access may be by way of the Kenai Spur Highway to Veco Avenue. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: Electric and natural gas utilities are available in the area.

Land Affordability Program: Not eligible.



MINIMUM BID: \$20,000

Acres: 5.24

Legal Description: LOT TWO HUNDRED THIRTY-THREE (233), GRAY CLIFF SUBDIVISION, ACCORDING TO PLAT NO. 82-80, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 02533008)

Topography: Sloping lot with a mixed stand of spruce and birch.

Special Features: The southern end of the lot contains a section of Otter Creek, an anadromous waterbody.

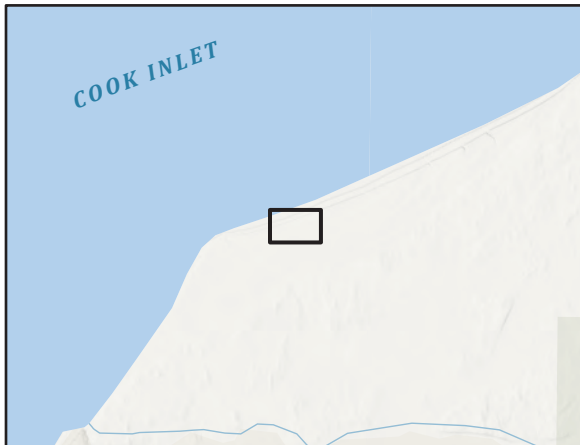
Disclosures: Subject to a 50-foot wide public access easement from the Ordinary High Water Line of each side of Otter Creek. Also subject to the KPB Anadromous Waters Habitat Protection District. The property was conveyed to KPB by Clerks Deed in 1992 as the result of a Tax Foreclosure action. KPB has no historical knowledge of the property or its prior use. Property corners have not been located. It is the responsibility of all interested buyers to conduct their own due diligence to confirm the property will satisfy their future needs. Conveyance deed will expressly reserve mineral rights to KPB.

Access: Potential access may be by the platted North Kenai Road to the undeveloped Warmwood Drive right-of-way. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: No utilities are available in the area.

Land Affordability Program: Not eligible.

(pictometry oblique view or field photo)



MINIMUM BID: \$37,000

Acres: 7.4

Legal Description: LOT TWO HUNDRED FORTY-FIVE (245), MOOSE POINT SUBDIVISION, ACCORDING TO PLAT NO. 84-65, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 02544718)

Topography: Sloping lot with an abrupt steep bluff edge on the northwest side.

Special Features: Platted bluff lot northwest of Nikiski with waterfront views of the Cook Inlet.

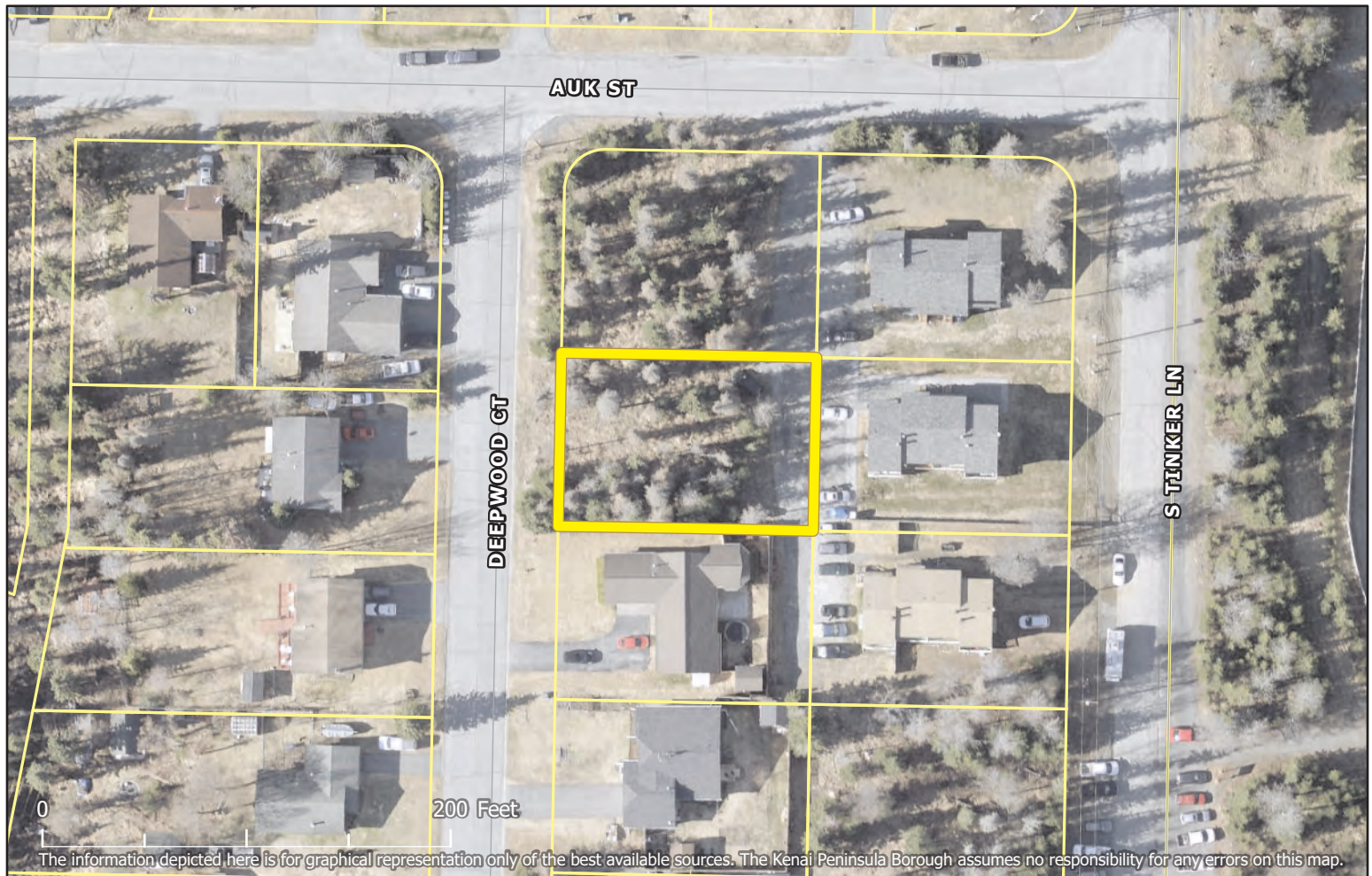
Disclosures: Remote lot. Subject to existing pipeline easements along the southeastern property line, per the subdivision plat.

Access: Potential access may be by the platted, undeveloped North Kenai Road right-of-way. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: No utilities are available in the area.

Land Affordability Program: Not eligible.

(pictometry oblique view or field photo)



MINIMUM BID: \$25,000

Acres: 0.24

Legal Description: LOT FIFTEEN (15), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938045)

Topography: Level lot with a mixed stand of spruce and birch.

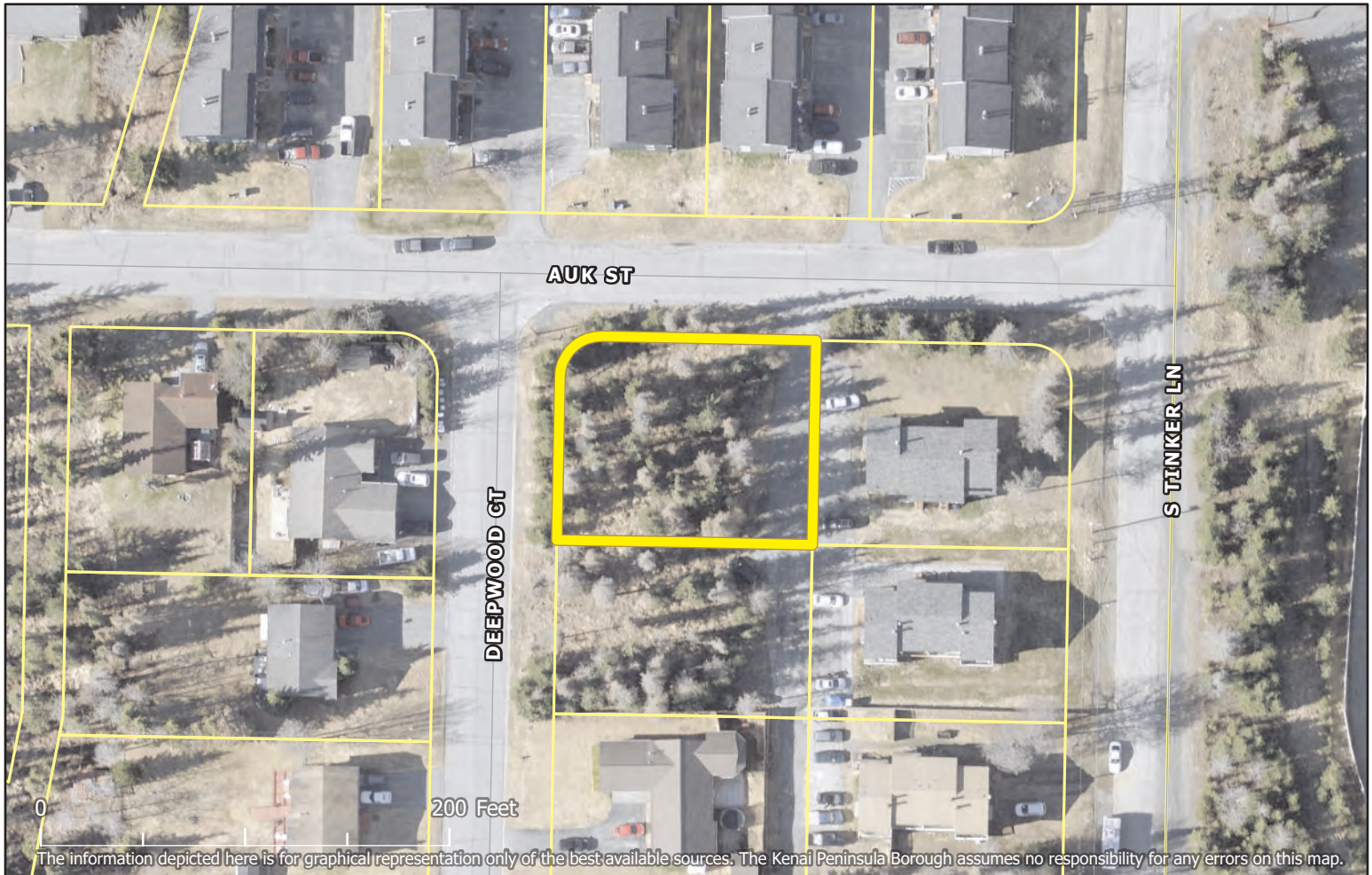
Special Features: Platted lot within the City of Kenai.

Disclosures: Lot is within the City of Kenai Suburban Residential (RS) Zoning District.

Access: Potential access may be by way of N. Tinker Lane and Auk Street to Deepwood Court. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: City of Kenai water and sewer service. Electric and natural gas utilities are available in the area.

Land Affordability Program: This parcel is eligible for participation in the KPB Land Affordability Program (LAP) pursuant to Ordinance 2025-09.



MINIMUM BID: \$26,000

Acres: 0.28

Legal Description: LOT SIXTEEN (16), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938046)

Topography: Level lot with a mixed stand of spruce and birch.

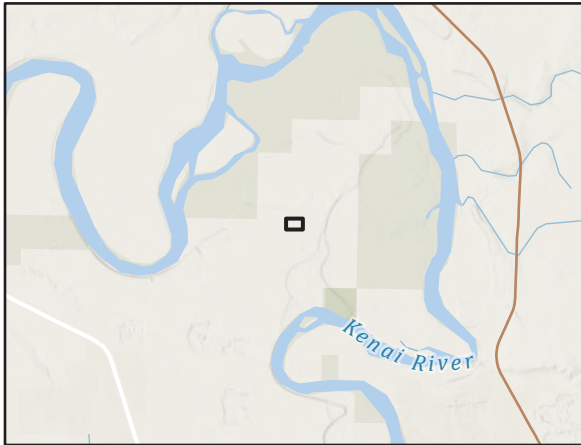
Special Features: Platted corner lot within the City of Kenai.

Disclosures: Lot is within the City of Kenai Suburban Residential (RS) Zoning District.

Access: Potential access may be by way of N. Tinker Lane and Auk Street to Deepwood Court. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: City of Kenai water and sewer service. Electric and natural gas utilities are available in the area.

Land Affordability Program: This parcel is eligible for participation in the KPB Land Affordability Program (LAP) pursuant to Ordinance 2025-09.



MINIMUM BID: \$52,000

Acres: 1.35

Legal Description: LOT THREE (3), BLOCK ONE (1), WIDGEON WOODS PHASE TWO SUBDIVISION, ACCORDING TO PLAT NO. 2012-32, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 05503503)

Topography: Nearly level lot with a mixed stand of spruce and birch.

Special Features: Platted lot within 1-mile of the Kenai River.

Disclosures: Lot is within the Widgeon Woods Single-Family Residential (R-1) Local Option Zoning District.

Access: Potential access may be by way of Woods Drive to Bufflehead Loop. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: Electric and natural gas utilities are available in the area.

Land Affordability Program: This parcel is eligible for participation in the KPB Land Affordability Program (LAP) pursuant to Ordinance 2025-09.



MINIMUM BID: \$119,000

Acres: 9.12

Legal Description: TRACT A, OWL PERCH SUBDIVISION, ACCORDING TO PLAT NO. 2024-92, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 06301164)

Topography: Nearly level lot with moderate slopes on the eastern side and a mixed stand of spruce and birch.

Special Features: Corner lot platted in 2024. Survey corners identified.

Disclosures: Lot may be subject to an overhead primary electric line easement, with no defined location, recorded in 1962.

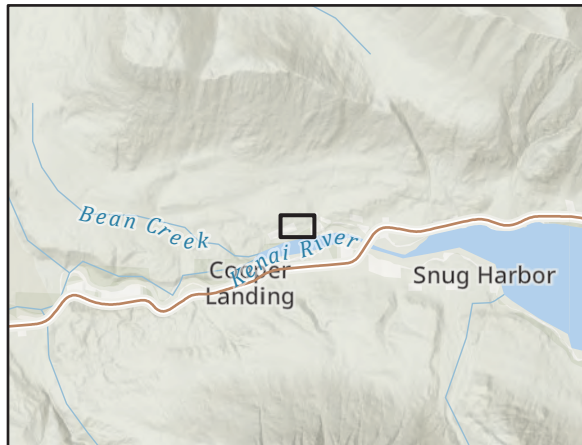
Access: Potential access may be by way of Oomingnak Street to Watkins Avenue. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: Electric utility is available in the area.

Land Affordability Program: This parcel is eligible for participation in the KPB Land Affordability Program (LAP) pursuant to Ordinance 2025-09.



(pictometry oblique view or field photo)



MINIMUM BID: \$180,000

Acres: 2.02

Legal Description: LOT THIRTEEN B (13B) OF U.S. SURVEY 3306, ALASKA, ACCORDING TO THE SURVEY PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON, D.C. ON JANUARY 24, 1955. (KPB PIN 11907106)

Topography: Sloping lot with varied terrain of slopes and benches and a mixed stand of spruce and birch.

Special Features: Potential mountain and river views with proper site preparation. In close proximity to recreational activities.

Disclosures: A 10-foot wide Telecommunications Easement along the south property boundary. Existing driveway encroachment use by neighboring Lot 13A. Survey corners identified. Per the Alaska Office of History and Archaeology (OHA), the parcel is located within the Sqilantnu Archaeological District (SEW-00282). Lot is subject to a recorded lis pendens which will be released prior to sale.

Access: Potential access may be by way of the Sterling Highway to an existing driveway access off of Bean Creek Road. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: Electric utility is available in the area.

Land Affordability Program: Not eligible.

(pictometry oblique view or field photo)



MINIMUM BID: \$185,000

Acres: 2.44

Legal Description: LOT EIGHTEEN (18), BIRCH AND GROUSE RIDGE SUBDIVISION, ACCORDING TO PLAT NO. 2004-14, ON FILE IN THE SEWARD RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 11907155)

Topography: Sloping lot with varied terrain of slopes and benches and a mixed stand of spruce and birch.

Special Features: Potential mountain and river views with proper site preparation. In close proximity to recreational activities. Through lot with public right-of-ways on both the north and south sides of the lot.

Disclosures: Lot is within the Birch and Grouse Ridge Rural Residential (R-R) Local Option Zoning District.

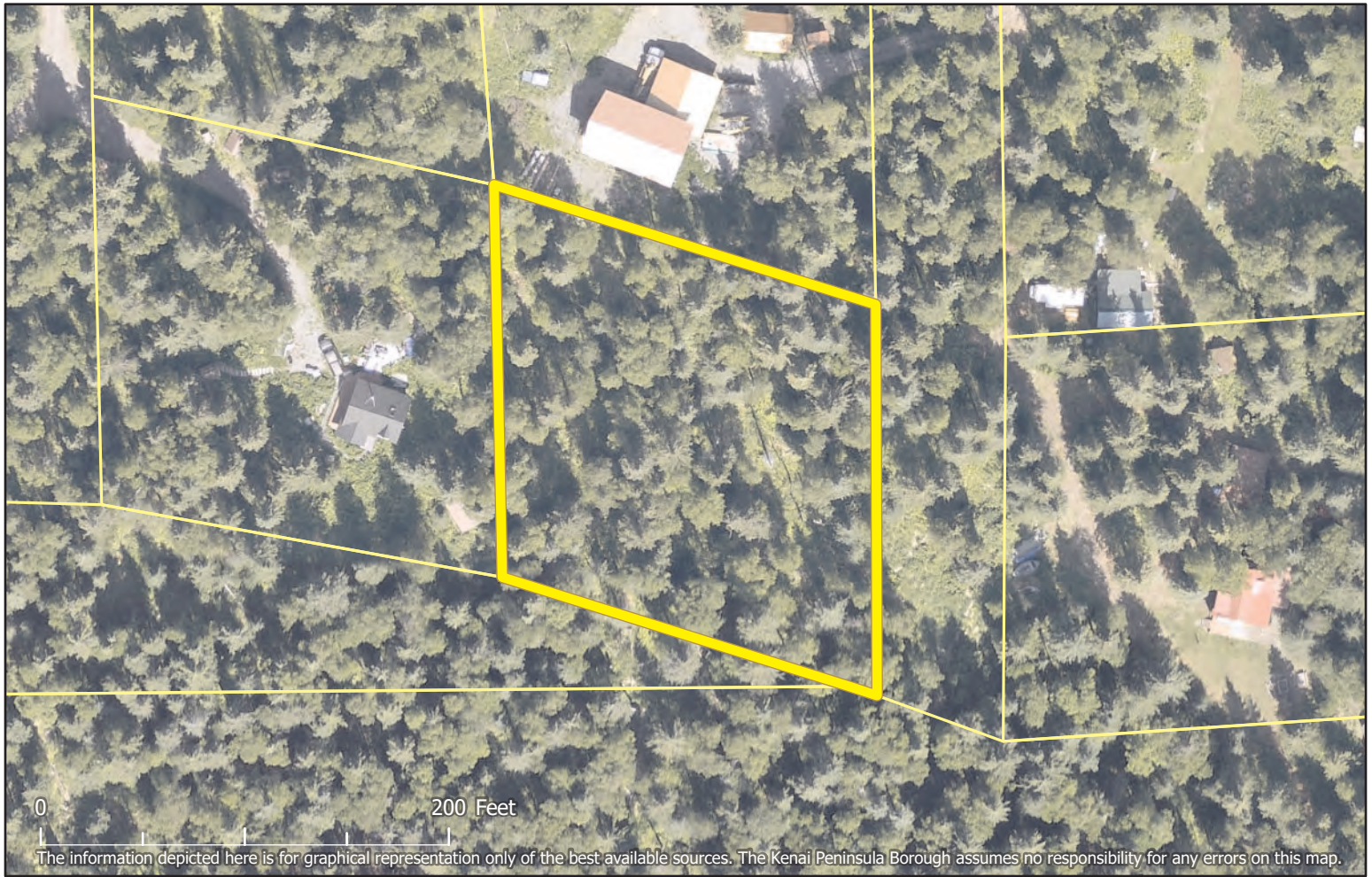
Access: Potential access may be by way of the Sterling Highway and Bean Creek Road to Slaughter Ridge Road. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: Electric utility is available in the area, but not on site and not available without development expenditures.

Land Affordability Program: Not eligible.



(pictometry oblique view or field photo)



MINIMUM BID: \$70,000

Acres: 0.81

Legal Description: LOT SEVEN (7) OF ALASKA STATE LAND SURVEY NO. 86-176, ACCORDING TO THE PLAT FILED IN THE SEWARD RECORDING DISTRICT ON APRIL 27, 1988, AS PLAT NO. 88-2, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 12516010)

Topography: Nearly level lot with a mixed stand of spruce and birch.

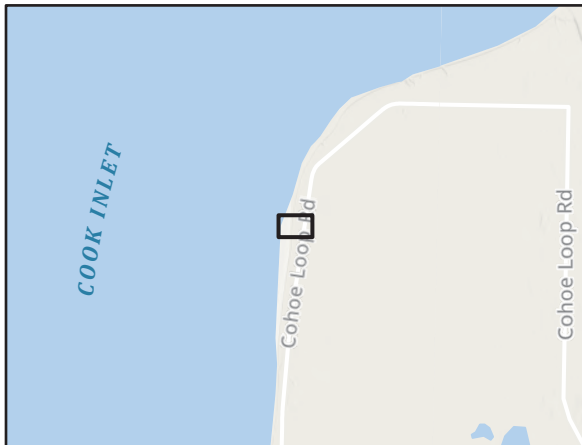
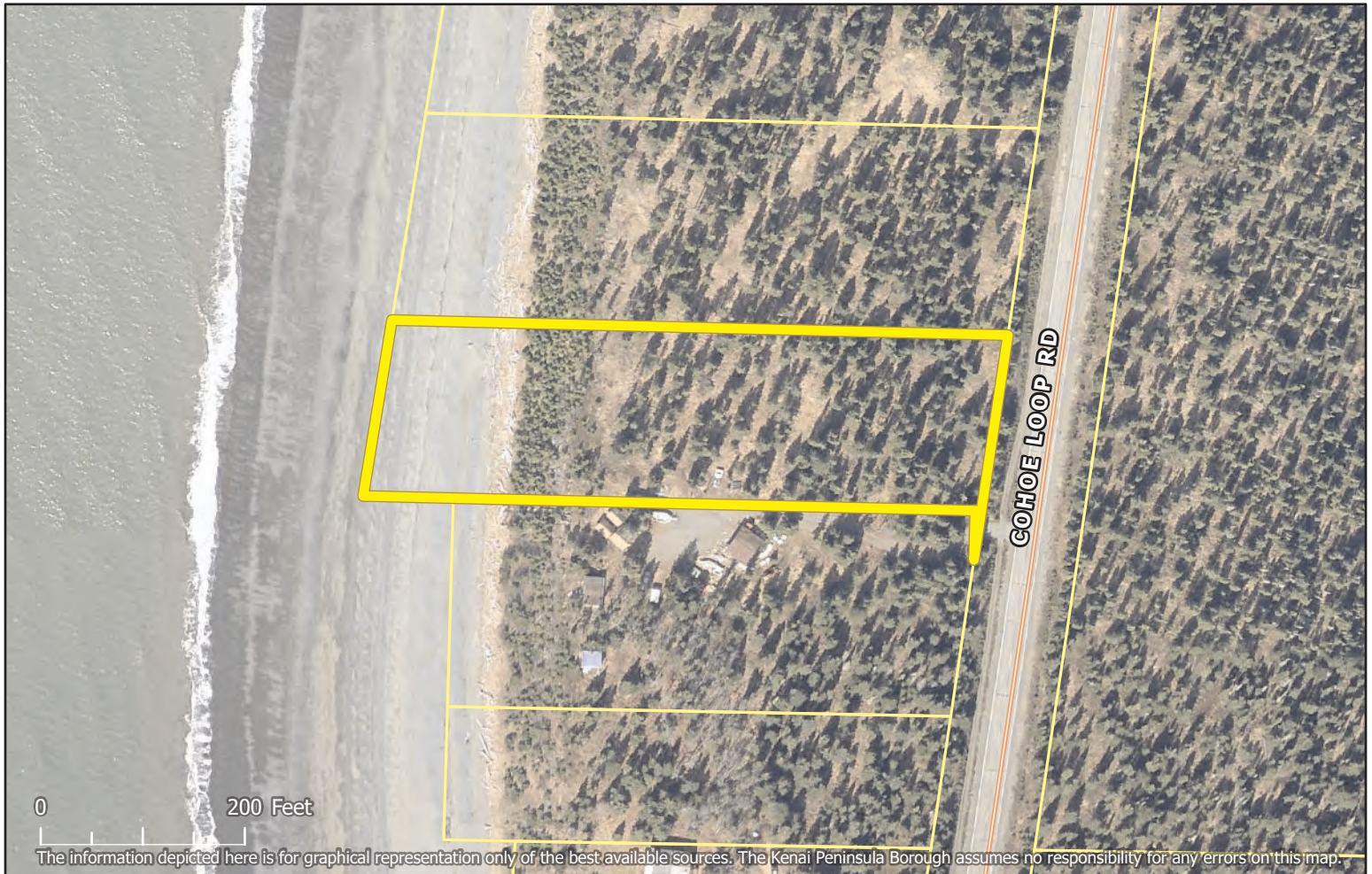
Special Features: Residential lot within close proximity to recreational activities and public land.

Disclosures: Lot is located within an unregulated, FEMA-designated Flood Zone C (also known as X) to identify areas with minimal flood hazard and situated outside of the 500-year flood level.

Access: Potential access may be by way of the Seward Highway and Mine Road to the undeveloped Pegasus Place. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: Electric utility is available in the area.

Land Affordability Program: This parcel is eligible for participation in the KPB Land Affordability Program (LAP) pursuant to Ordinance 2025-09.



MINIMUM BID: \$145,000

Acres: 2.41

Legal Description: LOT ONE (1), HUMPY POINT SUBDIVISION, ACCORDING TO PLAT NO. 2025-5, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 13301049)

Topography: Nearly level lot with an abrupt steep bluff edge on the western side and a mixed stand of spruce and birch.

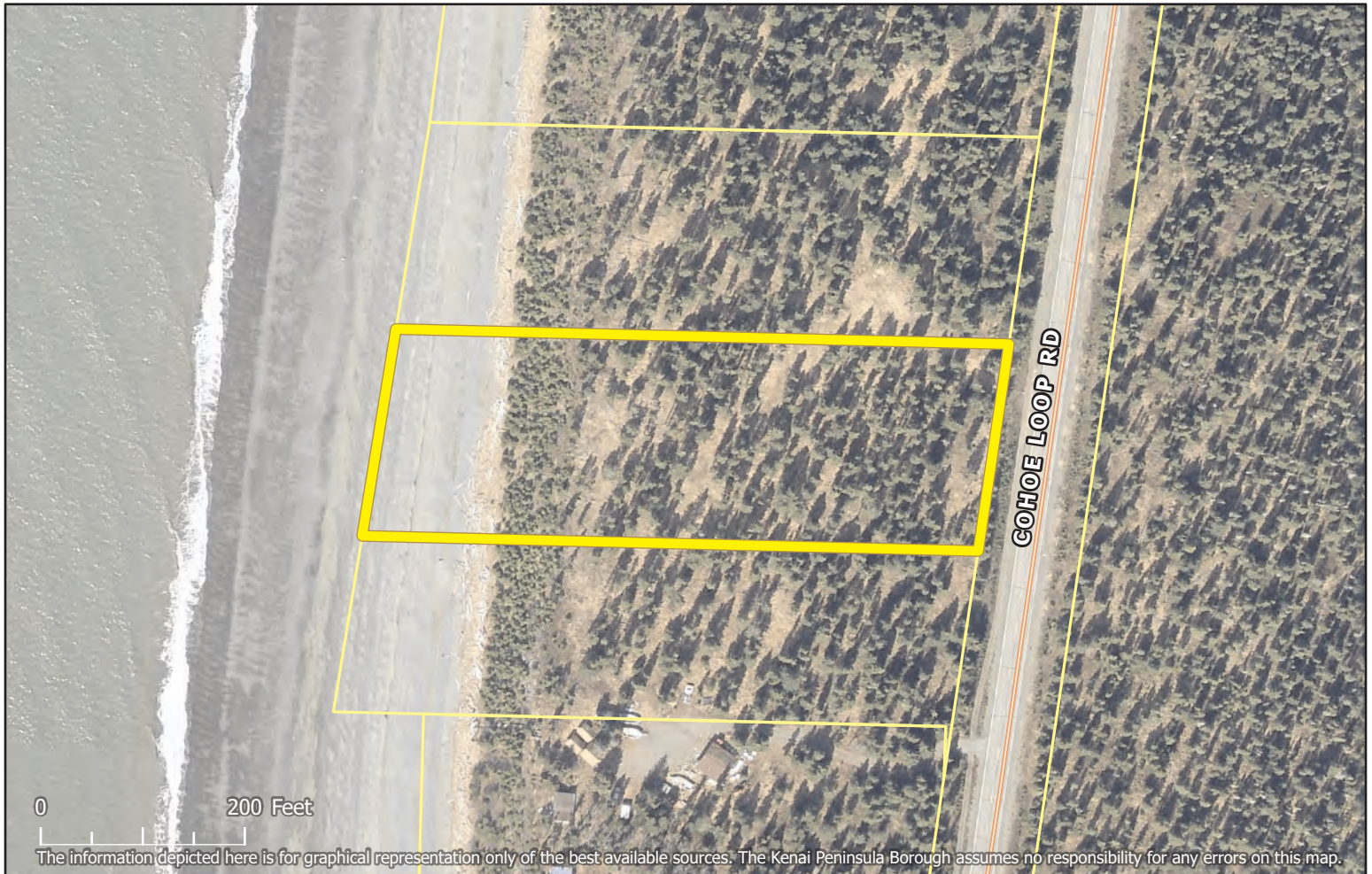
Special Features: Platted bluff lot with waterfront views of the Cook Inlet.

Disclosures: A developed, shared driveway access onto the Sterling Highway was permitted in 2026. Lot is subject to Alaska State Statute 38.05.127, Access to Navigable or Public Waters.

Access: Potential access may be by way of the Sterling Highway to Cohoe Loop Road. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale. At the time of sale, a shared driveway access easement will be reserved for the shared benefit of parcel 13301050 to the north.

Utilities: Electric utility is available in the area, but not on site and not available without development expenditures.

Land Affordability Program: Not eligible.



MINIMUM BID: \$145,000

Acres: 2.81

Legal Description: LOT TWO (2), HUMPY POINT SUBDIVISION, ACCORDING TO PLAT NO. 2025-5, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 13301050)

Topography: Nearly level lot with an abrupt steep bluff edge on the western side and a mixed stand of spruce and birch.

Special Features: Platted bluff lot with waterfront views of the Cook Inlet.

Disclosures: A developed, shared driveway access onto the Sterling Highway was permitted in 2026. Lot is subject to Alaska State Statute 38.05.127, Access to Navigable or Public Waters.

Access: Potential access may be by way of the Sterling Highway to Cohoe Loop Road. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale. At the time of sale, a shared driveway access easement will be reserved for the shared benefit of parcel 13301049 to the south.

Utilities: Electric utility is available in the area, but not on site and not available without development expenditures.

Land Affordability Program: Not eligible.



MINIMUM BID: \$30,000

Acres: 0.51

Legal Description: LOT TWO (2), COMMON GROUND SUBDIVISION, ACCORDING TO PLAT NO. 2024-15, ON FILE IN THE HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16905102)

Topography: Nearly level lot with a mixed stand of spruce and birch.

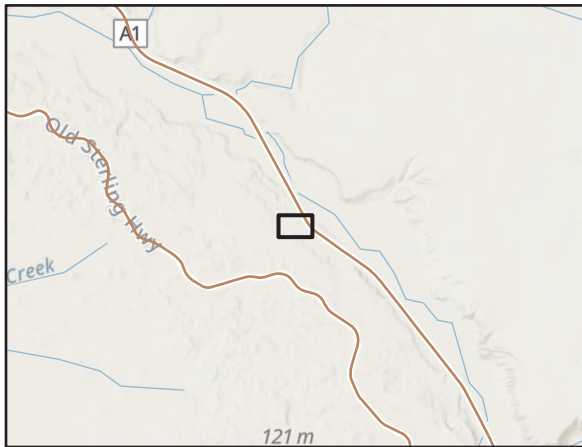
Special Features: Platted lot in close proximity to Chapman School in Anchor Point.

Disclosures: Per the subdivision plat, the lot can be connected to the Anchor Point Safe Water utility company system.

Access: Potential access may be by way of the Sterling Highway to School Avenue and Birch Street. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: Electric and natural gas utilities are available in the area.

Land Affordability Program: This parcel is eligible for participation in the KPB Land Affordability Program (LAP) pursuant to Ordinance 2025-09.



MINIMUM BID: \$44,000

Acres: 13.64

Legal Description: THE SW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ AND THAT PORTION OF THE W $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ LYING SOUTH OF THE STERLING HIGHWAY, SECTION 13, TOWNSHIP 5 SOUTH, RANGE 15 WEST, SEWARD MERIDIAN, HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16913228)

Topography: Varied, from level to rolling terrain with a mixed stand of spruce and birch.

Special Features: Direct access off of the Sterling Highway, between State lands to the north and south.

Disclosures: In 2020, KPB recorded a 50-foot wide Public Access Easement across the parcel, and along the existing gravel road, for the benefit of the public and to provide access to adjacent State land and privately owned land to the North. As a result, the continued existence of the gate restricting public access is contrary to the terms of the easement and the gate is no longer authorized. Approx. 2 acres, located in the southeast corner, are classified as "Kettle" wetlands. An undeveloped 50-foot-wide section-line easement runs along the southern boundary.

Access: Potential access may be by way of the Sterling Highway. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: Electric utility is available in the area, but not on site and not available without development expenditures.

Land Affordability Program: This parcel is eligible for participation in the KPB Land Affordability Program (LAP) pursuant to Ordinance 2025-09.



MINIMUM BID: \$125,000

Acres: 2.5

Legal Description: GOVERNMENT LOT THIRTEEN (13), SECTION 14, TOWNSHIP 6 SOUTH, RANGE 13 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE SUPPLEMENTAL SURVEY PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON, D.C. ON MAY 26, 1952. (KPB PIN 17908012)

Topography: Nearly level lot containing areas of wetland and standing / surface water and low-lying shrubs and grasses in addition to birch, spruce, alder, and willow trees

Special Features: In close proximity to the Homer Boat Yard and Kachemak Bay. City of Homer East End Mixed Use Zoning District.

Disclosures: City of Homer zoning regulations apply. Per City of Homer Wetland Mapping, primarily "High Rank" wetlands; per KPB Wetlands Mapper, KWF Wetland Assessment identifies the property as Discharge Slope Wetlands.

Access: Potential access may be by way of East End Road, Ternview Place, Kilokak Avenue, followed by the use of platted, undeveloped Aksel Street and previously reserved access easements.

Utilities: Electric and natural gas utilities are available in the area, but not on site and not available without development expenditures.

Land Affordability Program: Not eligible.



MINIMUM BID: \$75,000

Acres: 0.28

Legal Description: LOT 2-C, BLOCK 39, EAST ADDITION SELDOVIA TOWNSITE ALASKA, ACCORDING TO PLAT NO. 66-28, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209106) AND LOT T35, ALASKA TIDELANDS SURVEY NO. 219, TIDELAND ADDITION TO SELDOVIA ALASKA, ACCORDING TO PLAT NO. 64-13, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209108)

Topography: Nearly level lot with a mixed stand of spruce and birch, and an adjacent tidelands area of 944 square feet.

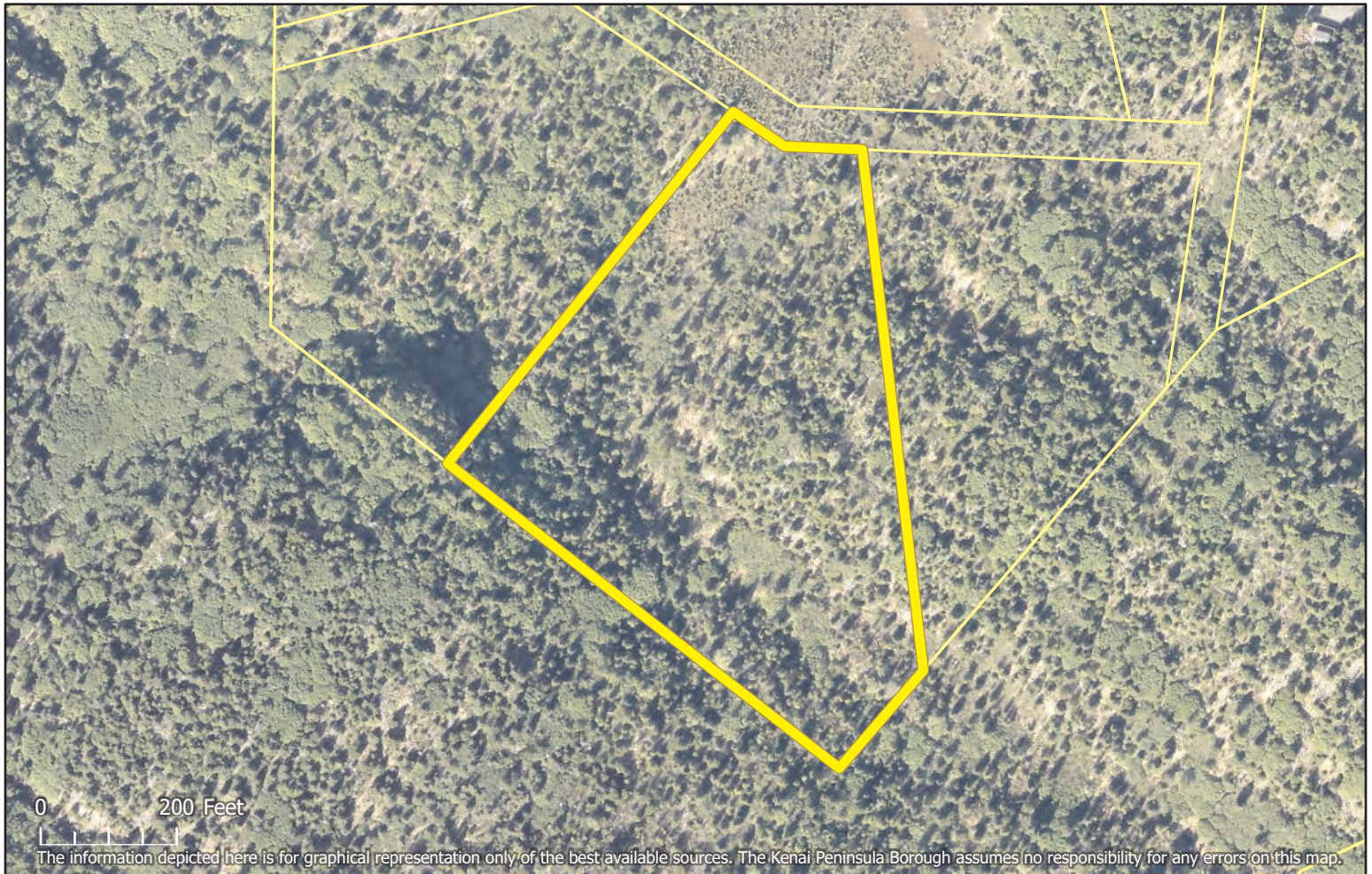
Special Features: Platted corner lot within the City of Seldovia with waterfront views of Kachemak Bay.

Disclosures: City of Seldovia zoning regulations apply. Lot 2-C is partially located within a FEMA-designated Flood Zone A (1% annual chance). Subject to an easement to provide pedestrian and one-lane vehicular ingress to and egress from adjacent Lot 2B. Lots were conveyed to KPB by Clerks Deed in 2013 as the result of a Tax Foreclosure action. KPB has no historical knowledge of the property or its prior use. Conveyance deed will expressly reserve mineral rights to KPB.

Access: Potential access may be by way of ferry, boat, or airplane to Seldovia, and then Augustine North Avenue to D Street. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: Electric utility is available in the area.

Land Affordability Program: Not eligible.



MINIMUM BID: \$35,000

Acres: 8.77

Legal Description: LOT TWO (2), BLOCK SIX (6), MARINERS WALK SUBDIVISION CORRECTED PLAT, ACCORDING TO PLAT NO. 86-75, HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19326114)

Topography: Varied, undulating slopes with a mixed stand of spruce and birch.

Special Features: Platted lot located in the Kachemak Bay / Bear Cove area northeast of Homer, Alaska.

Disclosures: Remote lot platted in 1986. It is the responsibility of all interested buyers to conduct their own due diligence to confirm the property will satisfy their future needs.

Access: Potential access may be by way of boat or float plane to Bear Cove and undeveloped platted trails. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to the sale.

Utilities: No utilities are available in the area.

Land Affordability Program: Not eligible.



(pictometry oblique view or field photo)

Introduced by: Mayor, Ribbens, Tunseth
Date: 05/06/25
Hearing: 05/20/25
Action: Enacted
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2025-09**

**AN ORDINANCE AUTHORIZING AND APPROVING THE LAND
AFFORDABILITY PROGRAM**

WHEREAS, the Kenai Peninsula Borough (KPB) recognizes the need to promote affordable land purchase and residential housing development opportunities for residents; and

WHEREAS, this ordinance authorizes and approves a Land Affordability Program (LAP) to provide an opportunity for qualifying participants to purchase certain residential properties identified as "LAP Eligible" under an approved sale ordinance; and

WHEREAS, the LAP is designed to support residential development and homeownership while maintaining and ensuring a competitive bid process for authorized KPB land sale offerings; and

WHEREAS, high-value (a reserve price equal to or greater than \$120,000), tax foreclosure, and recreational properties will not be considered "LAP Eligible" properties under this program; and

WHEREAS, it is in the best interests of the KPB to establish a program that provides residents additional opportunity to become land owners and develop KPB sold lands for residential purposes, while mitigating speculative land purchases and maintaining a competitive bid process;

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

SECTION 1. Classification. This is a non-code ordinance.

SECTION 2. Definitions. For the purposes of this ordinance, unless the context otherwise requires, the following definitions apply:

- (a) "Affidavit of occupancy" means an executed affidavit validly executed by the LAP participant affirming that the LAP property is occupied as a primary residence.
- (b) "Alaskan residency" means a person who establishes residency in the state by being physically present in the state for no less than the preceding 30

consecutive days with the intent to remain in the state indefinitely and to make a home in the state.

- (c) "High-value" means a set reserve amount equal to or greater than \$120,000.
- (d) "Domiciled in the KPB" means physical presence and residence in the KPB along with an intent to remain permanently.
- (e) "LAP participant" means the initial buyer of a KPB designated "LAP property".
- (f) "Permanent foundation" means a foundation constructed of durable materials such as concrete, treated wood, steel piles, or mortared masonry and is site-built.
- (g) "Property Class Code 110" means a residential single unit dwelling.
- (h) "Property Class Code 112" means a residential 2-4 unit dwelling.
- (i) "Recreational Properties" means any property not legally accessed by a dedicated and developed road right-of-way.
- (j) "Tax Foreclosure" means any property disposed as part of a tax foreclosure action.

SECTION 3. Purpose and eligibility

- (a) The established purpose for the KPB's Land Affordability Program (LAP) is to support additional opportunities for KPB residents to obtain affordable residential property, and to encourage residential property development.
- (b) The LAP will apply only to KPB-selected residential properties specifically identified and authorized for the program under an approved sale ordinance. Such properties must be clearly identified as "LAP Eligible".
- (c) The "LAP Eligible" properties will be consistent with residential parcels. High-value, tax foreclosure, or recreational properties will not be considered "LAP Eligible".

SECTION 4. LAP Parameters, Qualifications, and Restrictions.

- (a) An LAP property must be improved with a permanent foundation and a Property Class Code 110 or 112, as determined by the KPB Assessing Department. An acceptable alternative to the foregoing is an owner provided professional appraisal showing that the property is a habitable residential dwelling qualifying for conventional financing.
- (b) An LAP participant must demonstrate Alaska residency and be domiciled in the KPB upon the LAP property closing date. An individual who intends to immediately establish Alaska residency and be domiciled in the KPB may qualify as an LAP participant by providing:

- (1) a properly executed affidavit affirming: (a) that the individual will be a permanent resident of the KPB by the closing date; (b) that the individual intends to develop the property; and (c) that upon completion of construction, the property will be occupied as a primary residence; and
 - (2) a Alaska driver's license showing a an address within the KPB; or
 - (3) a statement of employment from a sales tax compliant employer within the KPB stating that the LAP participant is employed within the KPB.
- (c) An LAP participant must prequalify prior to the sale through a process administered by the KPB.
 - (d) A property subject to an LAP Lien may not be subdivided without first satisfying all LAP requirements and release of the LAP lien.
 - (e) An LAP participant may not assign their approved interest in the program.
 - (f) An LAP participant may not have more than one LAP property with an active LAP lien against it.

SECTION 5. Financial terms, requirements, and lien

- (a) LAP properties may be financed through the KPB at an authorized rate and term. KPB financing is not a requirement of the program.
- (b) Financing and LAP lien documents must include recapture provisions and be secured through the recording of a deed of trust and or LAP lien.
- (c) Qualified buyers will be eligible, subject to the terms of the LAP program including recapture and development provisions, to receive a 25% discount off the winning bid amount at the time of sale if they choose to participate in the LAP.
- (d) Qualified buyers will be responsible to pay 75% of the winning bid amount over the term of the agreement ("LAP Amount").
- (e) A down payment of 10% of the LAP Amount is required, with the remaining 90% of the LAP Amount eligible for KPB financing.
- (f) Financing documents must identify the total winning bid amount, down payment, and recapture provisions.
- (g) LAP participants who do not satisfy the LAP terms will be subject to Section 6 and Section 7, below.

SECTION 6. LAP Satisfaction, Lien, Release, Assignment, and Foreclosure:

- (a) If KPB tax records indicate construction of a structure on a permanent foundation with Property Class Codes 110 or 112, as determined by the Assessing Department, on the property and the LAP participant has provided the affidavit of occupancy, the LAP requirements and lien will be deemed satisfied. Alternatively, a professional appraisal establishing that a habitable residential dwelling on a permanent foundation is complete in a manner necessary to qualify for conventional financing will satisfy the residential construction verification requirement in this subsection.
- (b) As a condition of the program, the KPB will require a Deed of Trust (LAP lien) be filed against the subject property as formal notice of the recapture terms, provisions and conditions of the LAP.
- (c) Should the Buyer utilize the seller financing option made available to participants of the sale, the LAP lien will be filed in a second position to the purchase money lien.
- (d) If Buyer elects to pay cash at the time of closing, only the LAP lien will be recorded as part of closing. No monthly payment obligations will result from the LAP.
- (e) The LAP lien may be released at any time without satisfying the LAP terms upon payment of the full recapture amount: 25% of the initial winning bid amount plus 50% of the current sales price, or appraised value, whichever is greater, less the initial bid amount. Upon request, consideration will be given for improvements made to the property with valuations of improvements determined by KPB assessor or as identified in a third-party appraisal.
- (f) Upon confirmation all terms of the LAP have been satisfied, the LAP recapture will be waived and LAP lien released.
- (g) No assignment of the LAP lien will be allowed.
- (h) If the property is sold or ownership is transferred without addressing the provisions of LAP lien, the lien will immediately be due and payable. The KPB reserves the right to foreclose any LAP lien that is not satisfied within 90 days of being due and payable.
- (i) The LAP lien shall run with the property until LAP terms have been satisfied, the LAP recapture has been paid in full, or 30 years.

SECTION 7. Recapture provisions

- (a) Upon resale of LAP property:
 - (1) If KPB determines that Section 6(a), above, is complied with then the recapture amount of the LAP lien will be waived and KPB will release the LAP lien.

- (2) If KPB determines that Section 6(a), above, is not complied with, then the LAP recapture amount will be 25% of the winning bid amount plus 50% of the current sales price, less the initial bid amount, or appraised value whichever is greater. The LAP recapture amount must be paid in full to satisfy the LAP lien. Upon request, consideration will be given for improvements made to the property with the valuations for the improvements determined by the KPB Assessor, or as identified in a third-party appraisal provided by the owner, in a form approved by the KPB.
- (b) Upon conventional refinance, construction loan, payoff, or completion of loan term without qualified use:
 - (1) If KPB determines that Section 6(a), above, is complied with then, the LAP requirements will be deemed satisfied and the recapture amount of the LAP lien will be waived and KPB will release the LAP lien.
 - (2) If KPB determines that Section 6(a), above, is not complied with, then, the LAP recapture amount will be 25% of the winning bid amount plus 50% of the current appraised value, less the initial bid amount. The LAP recapture amount must be paid in full to satisfy the LAP lien. Upon request, consideration will be given for improvements made to the property with the valuations for the improvements determined by the KPB Assessor, or as identified in a third-party appraisal provided by the owner, in a form approved by the KPB.
 - (3) With full payoff of KPB financing (if any), the LAP lien may be subordinate to the new construction loan upon review of the final settlement statement and approval from the Finance Director. The LAP lien will continue to be active until such time as the LAP requirements have been satisfied or the LAP terms expire.

SECTION 8. Implementation and Enforcement.

- (a) The KPB Administration will be responsible for overseeing program administration, ensuring compliance with financing and recapture provisions, and maintaining proper financial records.
- (b) The Mayor, or designee, may adopt administrative policies as necessary to implement the LAP effectively.
- (c) The KPB may take legal action to recover unpaid recapture amounts in accordance with this ordinance.
- (d) The KPB may, at its sole discretion, accept a “Deed in lieu of Foreclosure” from a property owner that is no longer willing or able to participate in the program.

SECTION 9. Severability. If any provision of this ordinance or its application is determined to be invalid, the remaining provisions shall continue in full force and effect.

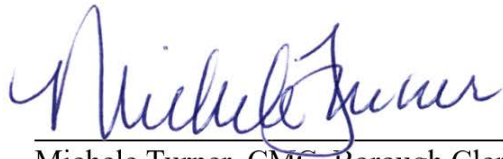
SECTION 10. Effective Date. This ordinance shall be effective immediately.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 20TH DAY OF MAY, 2025.

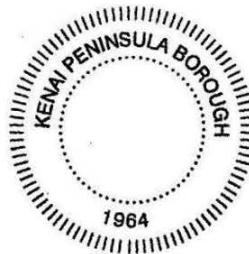


Peter Ribbens, Assembly President

ATTEST:



Michele Turner, CMC, Borough Clerk



Yes: Cox, Cooper, Ecklund, Dunne, Johnson, Morton, Tunseth, Ribbens

No: None

Absent: Baisden

From: Frank Griswold <fsgriz@alaska.net>
Sent: Wednesday, July 29, 2026 12:26 AM
To: G_Notify_AssemblyClerk
Subject: <EXTERNAL-SENDER>Ordinance 2026-28/Cronyism

CAUTION: This email originated from outside of the KPB system. Please use caution when responding or providing information. Do not click on links or open attachments unless you recognize the sender, know the content is safe and were expecting the communication.

Begin forwarded message:

From: Frank Griswold <fsgriz@alaska.net>
Subject: Fwd: Illegal Gate on Parcel 16913228
Date: July 28, 2026 at 11:40:37 PM AKDT
To: william Dunne <wdunne@kpb.us>
Cc: pmicciche@kpb.us, "Ruffner, Robert" <rruffner@kpb.us>, "Hughes, Aaron" <aaronhughes@kpb.us>

Assembly Member Dunn,

On January 27, 2026, Aaron Hughes instructed Ms. Hokkanens, dba SK Resources, to remove the private gate at the entrance to KPB Parcel 16913228 ***"as soon as weather permits (or on or before April 30, 2026). In the interim, the gate must remain unlocked and secured in a manner to prevent the gate from being locked by another unauthorized party."*** These instructions were totally ignored. Weather was never an obstacle to removing the gate which is welded to a large diameter pipe which slides/rotates over a slightly smaller diameter (buried) post. Any equipment with moderate lifting capability could easily pull the gate up over the post rendering it inoperative. On May 27, 2026, Robert Ruffner stated he "will continue pursuing this [gate matter] until resolved." Note that he did not suggest that resolution involved the removal of the gate as previously ordered. Instead, it was apparently decided to resolve this matter by selling Parcel 16913228 to the Hokkanens. I visited the subject site on July 19, 2026 intending to exercise my dog there and the illegal gate, essentially tethered by a frayed string, was still capable of being closed and locked trapping anyone who drove past it. To the disappointment of my dog, we departed right after I hastily took the photos below. Private interests are clearly being coddled at the expense of the general public. The illegal gate should be removed immediately so that members of the public can use the *public* easement without fear of being confronted/harassed by possessive adjacent property owners.

Frank Griswold













Begin forwarded message:

From: "Ruffner, Robert" <RRuffner@kpb.us>
Subject: Re: Parcel 16913228
Date: May 26, 2026 at 8:19:47 PM AKDT
To: "fsgriz@alaska.net" <fsgriz@alaska.net>

Not yet. We did check on this several times and it was open last week, so to my knowledge this closing and locking must have been very recent.
Sent from my iPhone

Robert Ruffner
Director Of Planning
Office: (907) 714-2200



Kenai Peninsula Borough
144 N. Binkley St. Soldotna, AK 99669
kpb.us

PUBLIC RECORDS LAW DISCLOSURE: This email and responses to this email may be considered a public record under the law.

CONFIDENTIALITY NOTICE: This email, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure, or dissemination is prohibited. If you received this email and are not the intended recipient, please inform the sender by email reply.

On May 26, 2026, at 8:07 PM, fsgriz@alaska.net wrote:

CAUTION: This email originated from outside of the KPB system. Please use caution when responding or providing information. Do not click on links or open attachments unless you recognize the sender, know the content is safe and were expecting the communication.

Did you leave a message on any Alaska State Trooper's phone? Too bad KPB doesn't have any equipment that could uproot a couple of gate posts.

On Wed, 27 May 2026 03:58:28 +0000, "Ruffner, Robert" <RRuffner@kpb.us> wrote:

Good evening Frank. I left messages on a couple of phone related to this. I did not speak with anyone today, but will continue pursuing this until resolved.
Sent from my iPhone

Robert Ruffner

Director Of Planning

Office: (907) 714-2200

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cedc27814251.png>

Kenai Peninsula Borough

144 N. Binkley St. Soldotna, AK 99669

kpb.us

On May 26, 2026, at 11:38 AM, Frank Griswold <fsgriz@alaska.net> wrote:

CAUTION: This email originated from outside of the KPB system. Please use caution when responding or providing information. Do not click on links or open attachments unless you recognize the sender, know the content is safe and were expecting the communication.

Mr. Ruffner,

Your understanding that the gate at Mile 161.5 Sterling Highway is open and/or removed is incorrect; as of this morning it is closed, chained, and locked.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT
Resolution 26-27-1

A Resolution Authorizing the Kenai Peninsula Borough Land Management Division to dispose of two properties in Kenai acquired by the Borough for the benefit of school at fair market value with the proceeds directed to benefit school district purposes.

- WHEREAS,** the Kenai Peninsula Borough owns and manages land for municipal school district purposes; and
- WHEREAS,** on December 16, 2016 the Borough accepted title to seven residential lots in Kenai for the benefit of KPBSD as authorized under Resolution 2016-55; and
- WHEREAS,** resolution 2016-55 identifies the intent of any future proceeds from the sale of the subject properties be directed to KPBSD for the primary benefit of vocational education or other school district purposes; and
- WHEREAS,** the Land Management Division has approached the school district administration for consent from the Board to dispose of 2 of these properties in an upcoming general land sale auction; and
- WHEREAS,** KPBSD Board of Education has the authority to authorize the disposal of the parcels;

NOW, THEREFORE BE IT RESOLVED Kenai Peninsula Borough School District Board of Education

Section 1. That the Board find the disposal of the following real property is in the best interest of the school district:

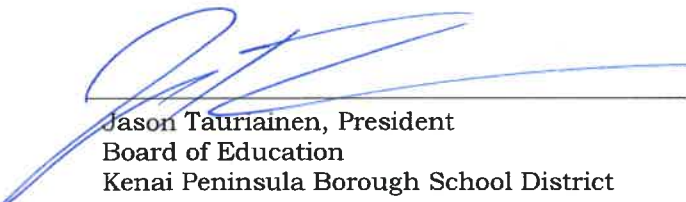
Lots 15 and 16, Block 3, Deepwood Park Subdivision, Amended as shown on Plat No. 84-158, Kenai Recording District, Third Judicial District, State of Alaska. (Parcel No's. 04938046 and 04938045)

Section 2. That the parcels are to be sold for fair market value as part of the Borough's Fall 2026 General Land Sale offering proposed for October 10, 2026.

Section 3. All proceeds from the disposal of the subject parcels are to be directed to the KPBSD and used for District vocational education or other school district purposes. Proceeds to be deposited into fund: Local Sources – 395 Special Revenue Fund

Section 4. This resolution shall take place immediately upon its adoption.

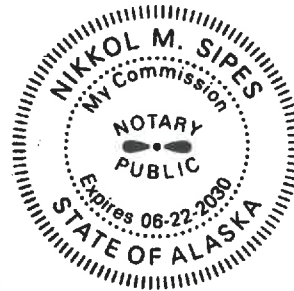
**Adopted by the Kenai Peninsula Borough School District Board of Education
this 3rd day of August 2026.**



Jason Tauriainen, President
Board of Education
Kenai Peninsula Borough School District



Attest:
Nikkol M. Sipes
Notary Public, State of Alaska
My Commission Expires 06/22/2030



Introduced by:	Mayor
Date:	08/04/26
Hearing:	08/18/26
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-27**

**AN ORDINANCE AUTHORIZING THE KENAI PENINSULA BOROUGH
TO ENTER INTO A LONG-TERM LEASE AGREEMENT WITH THE
CITY OF SEWARD FOR OPERATION AND MANAGEMENT OF A
SURPLUS SCHOOL FACILITY IN SEWARD**

- WHEREAS,** the City of Seward (City) has expressed interest in a long-term lease of the Seward Middle School surplus school facility for use as a community center and other public related City needs; and
- WHEREAS,** no direct Kenai Peninsula Borough (KPB) needs have been identified requiring the use of the facility; and
- WHEREAS,** under the lease, the City will be responsible for the ongoing maintenance, utilities, risk of loss, and insurance costs related to the facility; and
- WHEREAS,** on _____the Seward City Council approved Resolution _____ authorizing the City to move forward with the proposed lease agreement with the KPB; and
- WHEREAS,** the KPB Planning Commission at its regularly-scheduled meeting held on _____, 2026 recommended _____;

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. Pursuant to KPB 17.10.100(I), the Assembly finds that entering into a Lease Agreement with the City at less than fair market value on that leased premises more particularly described as follows is in the best interests of the Borough:

A PORTION TRACT A-1 JESSE LEE HOME SUBDIVISION LONG TERM CARE FACILITY REPLAT, PLAT NO. 2007-21, SEWARD RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA, CONTAINING APPROXIMATELY 8 ACRES.

Parcel Number: 14502139
Site Name: Surplus Seward Middle School Facility

- SECTION 3.** That the Mayor is hereby authorized to negotiate and enter into a lease upon all or a portion of the property identified in Section 1, subject to all lease conditions required by this ordinance and the applicable provisions of KPB 17.10.
- SECTION 4.** That the annual rent shall be One Dollar (\$1.00) for the five year initial term, with two successive five year renewal terms upon written consent from the KPB.
- SECTION 5.** Additional consideration in lieu of rent is to be provided by the City through its obligation to pay all utilities, insurance, and all general interior and exterior maintenance costs related to the building. Maintenance and repair of boiler systems and the roof are specifically excluded.
- SECTION 6.** Pursuant to KPB 17.10.230, the Assembly authorizes an exception to the requirements of 17.10.080 “Classification and Reclassification of Borough Lands” and 17.10.110 “Notice of Disposition”, based upon the following facts:
1. Special circumstances or conditions exist.
 - a. The City has existing zoning regulations that justify an exception to classification.
 - b. The City will occupy the property to serve a public need.
 - c. The notice requirement is intended to make the public aware of an opportunity to purchase Borough property, which is unnecessary since the intent of the disposal is to lease the property solely to the City.
 2. That the exception is necessary for the preservation and enjoyment of a substantial property right and is the most practical manner of complying with the intent of this chapter.
 - a. The lease will continue a prior public use of Borough-owned land.
 - b. The City will provide management oversight and cost savings to the borough will providing valuable space to the community.
 3. That the granting of this exception will not be detrimental to the public welfare or injurious to other property in the area.
 - a. Previous school activities have demonstrated compatibility with the proposed City use.

- b. Public use of the facility benefits the health and safety of area residents.

SECTION 7. That the City shall have 90 days from the date of enactment of this ordinance to execute the lease agreement.

SECTION 8. That the Mayor is authorized to execute a lease agreement substantially in the form of the one accompanying this ordinance, and any documents necessary to effectuate this ordinance.

SECTION 9. That rent revenue from the lease shall be submitted to the KPB Finance Department and deposited into Land Management Account No. 250.00000.00000.36316.

SECTION 10. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

SECTION 11. That this ordinance shall be effective immediately.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2026.

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Ryan Tunseth, KPB Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*
Robert Ruffner, Planning Director *RR*

FROM: Aaron Hughes, Land Management Officer *AH*

DATE: July 23, 2026

RE: Ordinance 2026- 27, Authorizing the Kenai Peninsula Borough to Enter Into a Long-Term Lease Agreement with the City of Seward for Operation and Management of a Surplus School Facility in Seward (Mayor)

On April 6, 2026, the Kenai Peninsula Borough School District Board of Education voted to Close the Seward Middle School. On July 6, 2026, the Kenai Peninsula Borough School District Board of Education voted to Surplus the Seward Middle School.

The City of Seward has requested use of the surplus facility through a long-term lease agreement for a community center and other City or public needs. Entering into a long-term lease agreement with the City will result in continued community access to the facility while substantially reducing the Borough's holding costs related to the surplus facility.

If approved, KPB will enter into a long-term lease agreement with the City for an initial 5 year term with two additional 5 year renewal provisions upon written consent from KPB. The annual lease amount would be for \$1.00 with additional consideration in lieu of rent provided by the City through its obligation to pay all utilities, insurance, and all general interior and exterior maintenance costs related to the building. The maintenance and repair of the boiler systems and roof are specifically excluded.

The surplus school is an important public facility in the Seward community, and will continue to serve those needs through City management as a community center. The KPB Planning Commission will hold a public hearing regarding the proposed lease on August 10, 2026, and will forward its recommendation to the Assembly.

Your consideration of this ordinance is appreciated.

FACILITIES SITE LEASE AGREEMENT

This Facilities Site Lease Agreement (Agreement) is entered into by the Kenai Peninsula Borough, an Alaska municipal corporation, whose mailing address is 144 North Binkley Street, Soldotna, Alaska 99669 (KPB or Lessor), and City of Seward, an Alaska municipal corporation, whose mailing address is 410 Adams Street, P.O. Box 167, Seward, AK 99664 (City or Lessee) (together, the Parties). This Agreement becomes effective on the date of signature by KPB (the Effective Date).

PART I. BACKGROUND, AUTHORIZED CONTACT AND CONTRACT DOCUMENTS

1. BACKGROUND. KPB owns certain real property and improvements located in the Kenai Peninsula Borough, in the State of Alaska, that is more particularly described in Exhibit 1 attached hereto (the Property). For good and valuable consideration, the Parties agree that KPB will grant Lessee the right to use the Property, the Leased Premises identified in Section 4, "Description of Property", in accordance with the terms of this Agreement.

2. AUTHORIZED CONTACT. All communications about this Agreement must be directed as follows, and any reliance on a communication with a person other than who is listed below is at the Party's own risk.

LESSOR

Name: Kenai Peninsula Borough
Attn: Land Management Division
Re: Lease No. _____
144 N. Binkley St.
Soldotna, AK 99669

LESSEE

Name: City of Seward
Attn: _____
Re: _____
410 Adams Street
Seward, AK 99664

3. CONTRACT DOCUMENTS. As authorized by Kenai Peninsula Borough Ordinance _____, this Agreement is the final and complete understanding of the Parties. The following Appendix and Exhibits are attached and are considered part of this Agreement as well as anything incorporated by reference or attached to those Appendix and Exhibits:

Appendix A: Lease Provisions Required by KPB 17.10

Exhibit 1: Description of the Property and the Leased Premises

Exhibit 2: Leased Premises Map

Exhibit 3: Memorandum of Lease

If in conflict, the order of precedence will be: the Agreement, Appendix A, Exhibit 1, Exhibit 2, and then Exhibit 3.

PART II. LEASE DESCRIPTION AND TERMS

4. DESCRIPTION OF PROPERTY. Subject to the terms and conditions of this Agreement, KPB hereby grants to Lessee a leasehold interest in and to that certain real Property containing 12.9 Acres, more or less, as described and depicted on Exhibit 1 and Exhibit 2 of this Agreement, attached hereto (collectively, the Leased Premises), for the operation of a Public Community Center and other city uses as may be deemed necessary by the Lessee and as provided for in Section 11, "Use".

5. TERM.

(a) The initial term will be Five (5) years (the Initial Term), commencing on the Effective Date.

(b) Lessee will have the right and option to extend the term of this Agreement for two (2) successive terms of five (5) years each (each, a Renewal Term). Each Renewal Term will commence upon written consent from the Lessor, unless Lessee delivers written notice to Lessor, not less than thirty (30) days prior to the end of the then-current Term, of Lessee's intent not to renew. For purposes of this Agreement, Term includes the Initial Term and any applicable Renewal Term(s).

(c) Should Lessee or, sublessee or licensee of Lessee hold over the Leased Premises or any part thereof after the expiration of this Agreement, such holdover will constitute and be construed as a tenancy from month-to-month only, upon the same terms and conditions and including a monthly escalation to the base Rent of fifteen percent (15%).

6. TERMINATION.

This Agreement may be terminated, without penalty or further liability, as follows:

(a) by Lessee upon ninety (90) days prior written notice to KPB, if Lessee is unable to obtain or maintain any required insurance, approval(s) or the issuance of a license or permit by any agency, board, court or other governmental authority necessary for the operation of the Public Community Center or other city uses as now or hereafter intended by Lessee; or if Lessee determines, in its sole discretion, that the cost of or delay in obtaining or retaining the same is commercially unreasonable; or

(b) by Lessee upon ninety (90) days prior written notice to KPB for any reason or no reason, so long as Lessee pays KPB a termination fee equal to the remaining Rent due under the current Term until such Term expires, and subject to removal requirements contained within Section 14, "Equipment, Fixtures, and Removal".

(c) by KPB in the event of a default in the performance or observance of any of the Agreement terms or conditions, and if such default continues thirty (30) days after written notice of the default, KPB may cancel the Agreement or take any legal action for damages or recovery of the property. No improvements may be removed during the time in which the contract is in default.

7. RENT. Beginning on the Effective Date, Lessee must pay to KPB an annual rent payment of One Dollar (\$1.00) (Rent), at the address set forth above on or before the Effective Date and each anniversary date thereof, in advance. Additional consideration in lieu of rent is being provided by Lessee obligation to pay all utilities and general maintenance costs related to the Leased Premises. Maintenance obligations to specifically exclude roof and boiler replacement.

8. TAXES. Lessee must pay any real or personal property taxes assessed on, or any portion of such taxes attributable to, the Property or Improvements as defined in Section 11, "Use", located on the Leased Premises, including any taxable private leasehold interests.

9. UTILITIES IN LIEU OF RENT. Lessee is responsible for any and all utilities due related to the subject property and improvements. Including but not limited to: solid waste, water and sewer, electric, fuel oil, and natural gas.

10. MAINTENANCE IN LIEU OF RENT. Lessee is responsible for any and all building and property maintenance related to the subject property. Including but not limited to; all interior and exterior maintenance and cleaning, interior and exterior paint, window replacement and repair, boiler and HVAC, sewer and septic, landscaping and snow removal. All major and non-routine repairs in excess of \$5,000 must receive prior consent from the KPB, approval from the KPB Assembly and the Seward City Council as may be required. Due to the age of the existing roof, KPB agrees to contribute 50% of the total roof replacement provided, Assembly approval and the repair or replacement is not the result of negligence by Lessee.

11. USE. The Leased Premises are being leased for the purpose of a city managed community center, or other city use as may be deemed necessary by the city. Any use must be directly related to city government, for a public purpose, and consistent with other existing uses within the adjacent school campus. Lessee will have the right to remove trees, vegetation, or undergrowth which interferes with Lessee's use of the Leased Premises for the intended purposes. Removal of sand, gravel or peat materials or disposal of foreign earthen materials may not occur on the leased premises. No additional improvements may be constructed no or moved to the property without the prior written consent of the KPB.

12. SECURITY MEASURES.

(a) Site Security. Lessee will be responsible for site security within the Leased Premises to protect against unauthorized access and damage to the Leased Premises. Lessee may also elect, at its expense, to construct such other enclosures and/or fences as Lessee reasonably determines to be necessary to secure its improvements situated upon the Leased Premises. Lessee may also undertake any other appropriate means to restrict access to its facilities, and related improvements, including, without limitation, posting signs for security purposes.

13. ACCESS, MAINTENANCE, AND UTILITIES.

(a) Access. During the Term, Lessee, and its sublessees, licensees, customers, guests, agents, and assigns will have the unrestricted, exclusive right to use, and will have free and unfettered access to, the Leased Premises seven (7) days a week, twenty-four (24) hours a day. KPB agrees to cooperate with Lessee's efforts to obtain necessary utilities and services through the granting of prerequisite utility easements as may be required by the utility provider. If there are utilities already existing on the Leased Premises which serve the Leased Premises, Lessee may utilize such utilities and services. Lessee understands the KPB will need access to specific communication and IT infrastructure within the facility on short notice and agrees to work with the KPB to assure access is provided.

(b) Maintenance. Lessee agrees to use the Leased Premises in a manner that does not cause material damage to the condition of the Leased Premises, and will keep and maintain the Leased Premises in good condition, repair, and free of fire hazards. Lessee must take all reasonable precautions to prevent, and take all reasonable actions to suppress, destructive and uncontrolled grass, brush, and forest fires on the Leased Premises, and comply with all laws, regulations and rules promulgated and enforced by the protection agency responsible for forest protection within the area wherein the Leased Premises is located. To proactively mitigate fire risks, Lessee must remove all dead spruce trees, or potential hazard trees within a one-hundred (100) foot radius of the facilities within the Leased Premises. All trees and/or slash produced from these activities must be removed from the site or mechanically processed into chips and removed from the site.

14. EQUIPMENT, FIXTURES, AND REMOVAL. The Facility and Leased Premises will at all times be the property of KPB. Lessee and/or its sublessees, licensees, and customers will have the right to install, maintain, and operate on the Leased Premises such equipment, structures, fixtures, signs, and personal property as Lessee may deem necessary or appropriate, provided that such are consistent with the approved uses. Other equipment, structures, fixtures, signs, and personal property currently on the Leased Premises, will not be deemed to be part of the Leased Premises, but will remain the property of KPB or its customers. Unless otherwise agreed to in writing by the Parties, within ninety (90) days after the expiration or earlier termination of this Agreement, or upon cessation, abandonment, or non-use of the facilities for a period of six (6) consecutive months (the Removal Period), Lessee must remove its improvements and restore the Leased Premises to its original condition free of contamination, reasonable wear and tear excepted provisions, and perform all obligations under this Agreement during the Removal Period, including without limitation, the payment of Rent on a prorated per diem basis, at the rate in effect upon the expiration or termination of this Agreement. Any property not so removed will be deemed abandoned and may be removed and disposed of by KPB in such manner as Lessor may determine, without any obligation on the part of KPB to account to Lessee for any proceeds therefrom. Time is of the essence.

KPB may, at the time of removal, elect in writing to retain general items in a condition free of both contamination and hazards with all other improvements removed by Lessee, subject to inspection by, and of condition satisfactory to, KPB.

15. ASSIGNMENT. Lessee may not assign their interest in this Agreement to any person or entity, at any time.

16. SUBLEASING.

(a) Subleasing. Lessee will have the exclusive right to sublease or grant licenses to use any portion of the Leased Premise, provided the use is consistent with the provisions of this lease and with prior written consent of KPB's Mayor.

(b) Authorized Contact of Sublessee. Lessee must provide KPB the name, telephone number, and email address of the authorized contact for all Sublessees, which authorized contact is responsible for Sublessee's day-to-day operations or activities on the Leased Premises.

17. COVENANTS, WARRANTIES AND REPRESENTATIONS.

(a) KPB represents and warrants that KPB is the owner in fee simple of the Property, free and clear of all liens and encumbrances except as to those which may have been disclosed to Lessee in writing prior to the execution hereof, and that KPB alone has full right to lease the Leased Premises for the Term.

(b) KPB may not do or knowingly permit anything during the Term that will unreasonably interfere with or negate Lessee's quiet enjoyment and use of the Leased Premises or cause Lessee's use of the Leased Premises to be in nonconformance with applicable local, state, or federal laws.

(c) To the best of KPB's knowledge, KPB has complied with, and will comply with, all laws with respect to the Property. No asbestos-containing thermal insulation or products containing PCB, formaldehyde, chlordane, or heptachlor or other hazardous materials have been placed on or in the Property by KPB or, to the knowledge of KPB, by any prior owner or user of the Property. To the knowledge of KPB, there has been no release of or contamination by hazardous materials on the Property.

(d) Except for the sublessees and licensees of Lessee, there currently exist no licenses, sublicenses, or other agreements, written or oral, granting to any party or parties the right of use or occupancy of any

portion of the Leased Premises; there are no outstanding options or rights of first refusal to purchase the Property or any portion thereof or interest therein, nor any equity or interest in KPB if KPB is an entity; and there are no parties (other than KPB) in possession of the Leased Premises except as to those that may have been disclosed to Lessee in writing prior to the execution hereof.

(e) Each Party hereto warrants and represents that it has the necessary power and authority to enter into and perform its respective obligations under this Agreement. Nothing in this Agreement, including such cooperation, will be construed as creating a partnership between the Parties.

18. REQUIRED INSURANCE COVERAGES. Insurance coverages required under this Agreement must be primary and exclusive of any other insurance carried by Lessor. Minimum levels of insurance coverage required under this Agreement will remain in effect for the life of this Agreement. If Lessee's policies contain higher limits, Lessor will be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be delivered to Lessor at the time of submission of the signed Agreement. Lessor may request copies of required policies and endorsements, which must be provided within ten (10) days of Lessor's request. Updated certificates must be provided upon insurance coverage renewal, where applicable.

(a) Commercial General Liability. Lessee must provide and maintain commercial general liability insurance (CGL). The CGL policy must be written on an occurrence basis and with a limit of not less than one million dollars (\$1,000,000.00) per occurrence. If necessary to provide the required limits, the CGLs policy's limits may be layered with an umbrella or excess liability policy. This policy must name Lessor as additional insured with a waiver of subrogation.

(b) Auto Liability. Lessee must provide and maintain commercial automobile liability insurance. The commercial automobile liability policy must include a combined single limit of not less than one million dollars (\$1,000,000.00). Coverage must include non-owned and hired car coverage. This policy must name KPB as additional insured with a waiver of subrogation.

(c) Worker's Comp. Lessee must provide and maintain workers' compensation insurance in accordance with the laws of the State of Alaska for all of its employees engaged in work under this Agreement. This coverage must include statutory coverage for states in which employees are engaging in work and employer's liability protection not less than the minimum amounts required by law. Subrogation will be waived.

(d) Property Insurance. Lessee must maintain property insurance covering the leased premises, including the building and all improvements, against loss or damage. Coverage must be maintained on a replacement cost basis in an amount sufficient to provide for the full replacement value of the leased premises without deduction for depreciation. Lessee will also maintain property insurance covering Lessee's furniture, equipment, inventory, records, supplies, and all other personal property owned, leased, or controlled by Lessee and located on the premises. The property insurance required under this section will name Lessor as a loss payee with respect to the leased premises and any Lessor-owned improvements.

(e) No Representation of Coverage Adequacy. By requiring insurance herein, Lessor does not represent that coverage and limits will necessarily be adequate to protect Lessee, sublessee, contractor(s) or subcontractor(s) of any tier, and any such coverage and limits will not be deemed as a limitation on the liability of the Lessee, sublessee, contractor(s) or subcontractor(s) of any tier under the indemnities granted to Lessor in this Agreement.

(f) Self-Insurance. Notwithstanding the foregoing, Lessee's obligations to provide insurance may be met by providing evidence of fiscal responsibility or self-insurance that is acceptable to Lessor. Lessee

warrants that it has the capacity to self-insure for the risks and coverages specified and will provide evidence of the lines and limits of coverage specified in "Required Insurance Coverages" in this Section. Lessee must provide Lessor with proof of continuing ability to provide self-insurance within thirty (30) calendar days of any written request by KPB for such proof. If there is any change in the ability to self-insure, Lessee must provide Lessor with immediate notice of such change and must immediately purchase insurance as set forth in this Section.

19. NON-EXCLUSIVITY. KPB acknowledges and agrees that, except as may be disclosed to Lessee in writing prior to the execution hereof, there are no prior existing rights, uses, or authorization granted to third parties or retained by KPB to locate improvements below grade on the Leased Premises. Upon at least sixty (60) days prior written notice to Lessee, KPB reserves the right to grant further or additional rights or authorization to locate improvements on, above or below grade or in proximity to the Leased Premises to the extent such rights or authorizations do not unreasonably interfere with Lessee's facilities, equipment or operations.

20. LESSEE LIABILITIES. In addition to other liabilities under this Agreement, Lessee has the following liabilities and agrees:

(a) That Lessee assumes the risk of loss, damage, or destruction to the Leased Premises and Lessee's improvements on and within the Leased Premises;

(b) That Lessee will comply with all applicable federal, state, and local laws or regulations, including relevant environmental laws, as well as public health and safety laws and other laws relating to the siting, permitting, construction, operation and maintenance of any facility, improvement or equipment on the Leased Premises;

(c) That KPB has no duty, either before or during the lease Term, to inspect the Leased Premises or warn of hazards and if KPB inspects the Leased Premises, it will incur no additional duty nor any liability for hazards not identified or discovered through such inspections. This Section will survive the termination or revocation of this Agreement, regardless of cause; and

(d) That Lessee has an affirmative duty to protect from damage the Property and interests of Lessor related to this Agreement.

(e) That Lessee will be responsible for performing scheduled maintenance as identified by the Lessor.

21. ENVIRONMENTAL LIABILITY BASELINE.

1.1. Responsibility for Ascertaining Environmental Condition of Property. Lessee has the sole responsibility under this Agreement to ascertain the environmental condition and presence of contamination in, on, and under the surface of the Property, and is conclusively presumed to have caused or to have materially contributed to any contamination of, or originating on, the Property except as identified in an Environmental Liability Baseline. If known contamination is on the Property that has been closed out under alternate cleanup levels approved by ADEC, Lessee is responsible for following all restrictions set by ADEC including, but not limited to, notifying any assignee of this Agreement in writing of ADEC's restrictions.

1.2. Financial Responsibility for Contamination on the Property and on any Affected Property. Lessee assumes financial responsibility to the KPB for any contamination in, on, and under the Property, except for contamination that is identified in an Environmental Liability Baseline. This is without prejudice to Lessee's right to seek contribution or indemnity from either prior lessees of the

Property, or other potentially responsible parties except for the KPB.

1.3. Establishing an Environmental Liability Baseline

- a. If Lessee wants to establish an Environmental Liability Baseline for any or all portions of the Property, Lessee must provide the Borough with an Environmental Assessment for that portion of the Property prior to its use.
- b. If Lessee discovers contamination in, on, or under the surface of the Property, for any portion of the contamination to be considered for inclusion in the Environmental Liability Baseline, Lessee must demonstrate by reasonable evidence to the satisfaction of the KPB that the contamination proposed for inclusion was not caused or materially contributed to by Lessee or Lessee's operations or activities nor assumed by Lessee. Contamination caused or materially contributed to by activities of Lessee's sublessees, contractors, and guests on the Property are deemed to have been materially contributed to by Lessee.
- c. Only that portion of contamination not caused or materially contributed to by Lessee or Lessee's operations or activities must be included in the Environmental Liability Baseline.

1.4. Adding to an Existing Environmental Liability Baseline

- a. If, after an Environmental Liability Baseline is established for any portion of the Property, Lessee discovers contamination in, on, or under the surface of that portion of the Property having an Environmental Liability Baseline, which contamination Lessee or Lessee's operations or activities did not cause, or to which Lessee or Lessee's operations did not materially contribute, and which Lessee did not assume by reason of assignment, Lessee may, at its own cost, submit an additional Environmental Assessment reflecting that information to the KPB for the KPB's consideration to add to the Environmental Liability Baseline. Lessee's additional Environmental Assessment must demonstrate by reasonable evidence to the satisfaction of the KPB which portion of the additional contamination on the Property was not caused by Lessee or Lessee's activities, or to which Lessee or Lessee's activities did not materially contribute.
- b. Only that portion of contamination not caused by Lessee or Lessee's operations, or to which Lessee or Lessee's operations did not materially contribute, may be added to the existing Environmental Liability Baseline.

1.5. The KPB's Acceptance or Rejection of Lessee's Environmental Assessment. When the KPB receives Lessee's Environmental Assessment to establish an Environmental Liability Baseline or to add to an existing Environment Liability Baseline, the KPB, in its sole discretion, may do one of the following:

- a. Perform additional environmental testing at Lessee's expense to verify the environmental condition of that portion of the Property being assessed. If the results of the KPB's tests conflict with Lessee's Environmental Assessment, the KPB and Lessee will negotiate in good faith an Environmental Liability Baseline or an addition to the existing Environmental Liability Baseline for that portion of the Property being assessed; or
- b. Accept the findings of Lessee's Environmental Assessment and any other relevant documents to establish an Environmental Liability Baseline for that portion of the Property

being assessed or to add to the existing Environmental Liability Baseline; or

- c. Reject the findings of Lessee's Environmental Assessment for that portion of the Property being assessed and offer Lessee the opportunity to perform additional environmental testing if the KPB determines in writing that the findings of the Environmental Assessment are inadequate to establish an Environmental Liability Baseline or to add to an existing Environmental Liability Baseline. The KPB's written rejection of the Lessee's Environmental Assessment will be based on failure of Lessee's Environmental Assessment to either:

- (1) Follow generally accepted professional practices in determining the environmental condition of the Property and the presence of Contamination in, on, or under the surface of the Property; or
- (2) Demonstrate the portion of the contamination that was not caused by Lessee or Lessee's operations, or to which Lessee or Lessee's operations did not materially contribute.

1.6. Amending the Environmental Liability Baseline to Delete Contamination Caused or Assumed by Lessee, or to which Lessee Materially Contributed.

- a. If, after the Environmental Liability Baseline for any portion of the Property is established, it is discovered that the presence of contamination identified in the Environmental Liability Baseline was caused or assumed by Lessee or Lessee's operations, or to which Lessee or Lessee's operations materially contributed, the Environmental Liability Baseline may be amended to delete that portion of the Contamination that was caused by Lessee or Lessee's operations, or to which Lessee or Lessee's operations materially contributed.
- b. The KPB will have the burden of proof to establish that Lessee or Lessee's operations or activities caused or materially contributed to the contamination.
- c. If it is discovered that contamination identified in the Environmental Liability Baseline was caused by Lessee or that Lessee or Lessee's operations materially contributed to the contamination, the Parties will agree upon an amendment to the Environmental Liability Baseline within a reasonable time.

22. INDEMNIFICATION. Lessee agrees to defend, indemnify, and hold harmless KPB, its employees, public officials, and volunteers, with respect to any action claim or lawsuit arising out of (1) a breach of this Agreement or (2) the use and occupancy of the Leased Premises or the Property by the Lessee. This agreement to defend, indemnify, and hold harmless includes all losses and liabilities without limitation as to any damages resulting from judgment, or verdict, and includes the award of any attorney's fees even if in excess of Alaska Civil Rule 82. Lessor will notify Lessee in a timely manner of the need for indemnification but such notice is not a condition precedent to Lessee's obligation and may be waived where Lessee has actual notice. This agreement applies and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against KPB relating to Lessee's use and occupancy of the Leased Premises or the Property. Notwithstanding the foregoing, Lessee's duty to indemnify, defend, and hold harmless KPB as set forth above shall not apply to the extent a claim arises from the negligence or willful misconduct of KPB, its employees, public officials, and volunteers.

23. INSPECTION. KPB reserves the right to enter upon and inspect the Leased Premises at any time to assure compliance with the conditions of this Agreement. Except in case of emergency, KPB will

provide Lessee with at least twenty-four (24) hours' prior written notice of KPB's intention to enter upon and inspect the Leased Premises. Lessee reserves the right to have a representative present at all times during KPB's.

24. FORCE MAJEURE. The time for performance by KPB or Lessee of any term, provision, or covenant of this Agreement will be deemed extended by time lost due to delays resulting from acts of God, strikes, civil riots, floods, material or labor restrictions by governmental authority, and any other cause not within the control of KPB or Lessee, as the case may be.

25. DEFAULT. The failure of Lessee or KPB to perform any of the covenants of this Agreement will constitute a default. The non-defaulting Party must give the other written notice of such default, and the defaulting Party must cure such default within thirty (30) days after receipt of such notice. In the event any such default cannot reasonably be cured within such thirty (30) day period, the defaulting Party must provide prompt notice of inability to cure and provide a plan to cure the default within a time frame provided. The time for curing a default will be extended for such period of time as may be necessary and reasonable; however, in no event will this extension of time to cure be in excess of ninety (90) days, unless agreed upon in writing by the non-defaulting Party.

26. REMEDIES. Should the defaulting Party fail to cure a default under this Agreement, the non-defaulting Party will have all remedies available either at law or in equity, including the right to terminate this Agreement.

27. LESSEE MORTGAGES.

(a) KPB consents to the granting by Lessee of a lien and security interest (each, a Lessee Mortgage) in Lessee's interest in this Agreement and all of Lessee's personal property and fixtures attached to the real property described herein to one or more lenders (any such lender, and any successor, assign, designee or nominee of such lender, hereinafter a Lender) only to the extent and amount necessary to develop and maintain improvements on the Leased Premises. The Lessee may not encumber the leasehold interest or the Leased Premises to finance projects or improvements outside of the Leased Premises. Lessor agrees to recognize Lender as Lessee hereunder upon any such exercise by Lender of its rights of foreclosure. Any such encumbrance will be subordinate to KPB's rights and interest in the Leased Premises and the Property. Any such encumbrance will be limited to the Lessee's interest in the Leased Premises. It is a material breach of this Agreement for Lessee to attempt to encumber any interest in KPB's title to or interest in the Leased Premises or the Property.

(b) KPB acknowledges that nothing contained herein will be deemed or construed to obligate Lender to take any action hereunder, or to perform or discharge any obligation, duty or liability of Lessee under this Agreement. No Lender may become liable under the provisions of this Agreement unless and until such time as the Lender assumes ownership of the leasehold estate created hereby and agrees to comply with the terms and conditions of this Agreement and any extensions and modifications thereof.

28. MISCELLANEOUS.

(a) Survival. If any term of this Agreement is found to be void or invalid, such invalidity will not affect the remaining terms of this Agreement, which will continue in full force and effect.

(b) Non-waiver. Failure of a Party to insist on strict performance of any of the conditions or provisions of this Agreement, or failure to exercise any of a Party's rights hereunder, will not waive such rights.

(c) Governing Law and Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of Alaska, without regard to conflict of law principles. Any lawsuits filed in connection with this Agreement must be filed and prosecuted in the Third Judicial District, State of Alaska, at Kenai, Alaska.

(d) Bind and Benefit. This Agreement is binding upon and will inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors, and assigns.

(e) Memorandum. A short-form Memorandum of Lease may be recorded at KPB's or Lessee's option in the form as depicted in Exhibit 4, attached hereto. KPB will promptly execute any Memorandum of Lease or Memorandum of Amendment to Lease, or corrective amendments thereto, upon written request of Lessee.

(f) W-9. KPB agrees to provide Lessee with a complete IRS Form W-9, or its equivalent, upon request.

(g) Counterparts. This Agreement may be executed in counterpart, each of which when so executed and delivered will be considered an original and all of which when taken together will constitute one and the same instrument.

(h) Amendment. This Agreement may be amended in writing upon mutual agreement of the Parties.

(i) Entire Agreement. This Agreement and its Exhibits, Appendices or incorporated attachments hereto, constitute the entire agreement and will supersede all prior offers, negotiations and agreements with respect to the subject matter of this Agreement.

[SIGNATURES BEGIN ON NEXT PAGE]

PART III. EXECUTION

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

LESSOR: Kenai Peninsula Borough
an Alaska municipal corporation

LESSEE: City of Seward
an Alaska municipal corporation

By: _____
Peter A. Micciche, Borough Mayor

By: _____
Kat Sorenson, City Manager

Date: _____

Date: _____

ATTEST:

Michele Turner MMC, Borough Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Wayne Cary, Deputy Borough Attorney

Date: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

Notary Public for State of Alaska
My commission expires: _____

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

Notary Public for State of _____
My commission expires: _____

APPENDIX A

LEASE PROVISIONS REQUIRED BY KPB 17.10

(1) **Accounts Current.** Lessee shall not be delinquent in the payment of any tax, debt or obligation owed to KPB prior to execution of the Agreement.

(2) **Assignment.** Lessee may assign the lands upon which it has an agreement only if approved by the KPB Mayor or Land Management Officer when applicable. Applications for assignment shall be made in writing on a form provided by the Land Management Division. The assignment shall be approved if it is found that all interests of KPB are fully protected.

(3) **Breach of Agreement.** In the event of a default in the performance or observance of any of the Agreement terms or conditions, and such default continues thirty (30) days after written notice of the default, KPB may cancel the Agreement or take any legal action for damages or recovery of the property. No improvements may be removed during the time which the contract is in default.

(4) **Cancellation.** This Agreement, if in good standing, may be cancelled at any time upon mutual written agreement of the Parties.

(5) **Entry or Re-entry.** In the event the Agreement is terminated, canceled or forfeited, or in the event of abandonment of the Leased Premises by Lessee during the Term, KPB, its agents, or representatives, may immediately enter or re-enter and resume possession of the Leased Premises. Entry or re-entry by KPB shall not be deemed an acceptance of surrender of the Agreement.

(6) **Fire Protection.** Lessee shall take all reasonable precautions to prevent, and take all reasonable actions to suppress destructive and uncontrolled grass, brush, and forest fires on the Property under the Agreement, and comply with all laws, regulations and rules promulgated and enforced by the protection agency responsible for forest protection within the area wherein the Property is located.

(7) **Hazardous Waste.** The storage, handling and disposal of hazardous waste shall not be allowed on the Leased Premises.

(8) **Modification.** The Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the Parties or their respective successors in interest.

(9) **Notice.** Any notice or demand, which under the terms of the Agreement or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other Party at the address shown on the Agreement. However, either party may designate in writing such other address to which such notice of demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed received when deposited in a U.S. general or branch post office by the addressor.

(10) **Notice of Default.** Notice of default will be in writing as provided in Paragraph 9 Notice.

(11) **Removal or Reversion of Improvements Upon Cancellation of Purchase Agreement or Lease.**

(a) Improvements on Leased Premises owned by Lessee shall, within thirty (30) calendar days

after the termination of the Agreement, be removed by Lessee; provided, such removal will not cause injury or damage to the land; and further provided, that the KPB Mayor or Land Management Officer when applicable may extend the time for removing such improvements in cases where hardship is proven. The Lessee may, with the consent of the KPB Mayor or Land Management Officer when applicable, dispose of its improvements to the Sublessee or Assignee, if applicable.

(b) If any improvements and/or chattels having an appraised value in excess of ten thousand dollars, as determined by a qualified appraiser, are not removed within the time allowed, such improvements and/or chattels shall, upon due notice to Lessee, be sold at public sale under the direction of the KPB Mayor and in accordance with the provisions of KPB Chapter 5. The proceeds of the sale shall inure to the former Lessee who placed such improvements and/or chattels on the lands, or its successors in interest, after paying to KPB all moneys due and owing and expenses incurred in making such a sale. In case there are no other bidders at any such sale, the KPB Mayor is authorized to bid, in the name of KPB, on such improvements and/or chattels. The bid money shall be taken from the fund to which said lands belong, and the fund shall receive all moneys or other value subsequently derived from the sale of leasing of such improvements and/or chattels. KPB shall acquire all the rights, both legal and equitable, that any other purchaser could acquire by reason of the purchase.

(c) If any improvements and/or chattels having an appraised value of ten thousand dollars or less, as determined by the KPB Mayor, are not removed within the time allowed, such improvements and/or chattels shall revert and absolute title shall vest in KPB. Upon request, Lessee shall convey said improvements and/or chattels by appropriate instrument to KPB.

(12) Rental for Improvements or Chattels not Removed. Any improvements and/or chattels belonging to Lessee or placed on the Property and remaining upon the premises after the termination of the Agreement shall entitle KPB to charge a reasonable rent therefor.

(13) Re-rent. In the event that the Agreement should be terminated, canceled, forfeited or abandoned, KPB may offer said lands for lease or other appropriate disposal pursuant to the provisions of KPB 17.10 or other applicable regulations.

(14) Responsibility for Location. It shall be the responsibility of Lessee to properly locate improvements on the Leased Premises.

(15) Rights of Mortgage or Lienholder. In the event of cancellation or forfeiture the Agreement for cause, the holder of a properly recorded mortgage, conditional assignment, or collateral assignment will have the option to acquire the lease for the unexpired term thereof, subject to the same terms and conditions as in the Agreement. Any party acquiring the lease agreement must meet the same requirements as Lessee.

(16) Sanitation. Lessee shall comply with all regulations or ordinances which a proper public authority in its discretion shall promulgate for the promotion of sanitation. The Leased Premises under the Agreement shall be kept in a clean and sanitary condition and every effort shall be made to prevent any pollution of the waters and lands.

(17) Shore Land Public Access Easement. As established by AS 38.05, KPB lands sold or leased may be subject to a minimum 50-foot public access easement landward from the ordinary high-water mark or mean high water mark.

(18) **Subleasing.** No lessee may sublease lands or any part thereof without written permission of the KPB Mayor or Land Management Officer when applicable. A sublease shall be in writing and subject to the terms and conditions of the original lease.

(19) **Violation.** Violation of any provision KPB 17.10 or of the terms of the Agreement may expose Lessee to appropriate legal action including forfeiture of purchase interest, termination, or cancellation of its interest in accordance with state law.

(20) **Written Waiver.** The receipt of payment by KPB, regardless of knowledge of any breach of the purchase agreement by the purchaser, lessee or permittee, or of any default on the part of the purchaser, lessee or permittee in observance or performance of any of the conditions or covenants of the agreement, shall not be deemed to be a waiver of any provision of the agreement. Failure of KPB to enforce any covenant or provision therein contained shall not discharge or invalidate such covenants or provision or affect the right of KPB to enforce the same in the event of any subsequent breach or default. The receipt by KPB of any payment of any other sum of money after notice of termination or after the termination of the agreement for any reason, shall not reinstate, continue or extend the agreement, nor shall it destroy or in any manner impair the efficacy of any such notice of termination unless the sole reason for the notice was nonpayment of money due and payment fully satisfies the breach.

EXHIBIT 1

DESCRIPTION OF PROPERTY AND LEASED PREMISES

Page 1 of 1

The Property is legally described as follows:

TRACT A-1 JESSE LEE HOME SUBDIVISION LONG TERM CARE FACILITY REPLAT, PLAT NO. 2007-21, SEWARD RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.

Parcel Number: 14502139

The Leased Premises are described as follows:

THAT PORTION OF TRACT A-1 JESSE LEE HOME SUBDIVISION LONG TERM CARE FACILITY REPLAT, PLAT NO. 2007-21, LYING NORTH OF SEA LION AVENUE, SEWARD RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. CONTAINING APPROXIMATELY 8 ACRES AND AS DEPICTED ON THE ATTACHED EXHIBIT.

Page 1 of 2

Page 2 of 2

TRACT A
1.51 AC

TRACT B
10.70 AC

TRACT C
14.00 AC

TRACT D
6.00 AC

TRACT E
1.00 AC

Hemlock Avenue

City of Denver

BASIS OF BEARING
N 89° 00' 00\"

Survey Points
1927, 1928, 1929, 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552

Site Name:

EXHIBIT 4

MEMORANDUM OF LEASE

(Attached)

DRAFT

(Above 2 Space for Recorder's Use Only)

Prepared by and Return to:

Kenai Peninsula Borough
Attn: Land Management Division
144 N. Binkley St.
Soldotna, AK 99669

Lessor: Kenai Peninsula Borough
Lessee: City of Seward
Legal Description: Attached as Exhibit 1
Tax Parcel ID: 14502624
State: Alaska
Borough: Kenai Peninsula Borough
Recording District: Seward, Third Judicial

MEMORANDUM OF LEASE

This Memorandum of Lease (Memorandum) is entered into by and between the Kenai Peninsula Borough, an Alaska municipal corporation, having a mailing address of 144 N. Binkley St., Soldotna, AK 99669 (the Lessor) and City of Seward, an Alaska municipal corporation, whose mailing address is 410 Adams Street, P.O. Box 167, Seward, AK 99664 (City or Lessee) (together, the Parties).

1. Lessor and Lessee entered into a certain Facility Site Lease Agreement (the Agreement) on the _____ day of _____, 20____, for the operation of a Public Community Center and other city uses as may be deemed necessary by the Lessee and that comply with the terms of the Agreement.
2. The initial lease term will be five (5) years commencing on the Effective Date with two (2) successive five (5) year options to renew.
3. The land being leased to Lessee (the Leased Premises) is described in Exhibit 1 annexed hereto.
4. Lessor and Lessee now desire to execute this Memorandum to provide constructive knowledge of Lessee's lease of the Leased Premises.
5. This Memorandum is governed by the laws of the State of Alaska.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease as of the day and year first above written.

LESSOR: Kenai Peninsula Borough
an Alaska municipal corporation

LESSEE: City of Seward
an Alaska municipal corporation

By: _____
Peter A. Micciche, Borough Mayor

By: _____
Kat Sorenson, City Manager

Date: _____

Date: _____

ATTEST:

Michele Turner MMC, Borough Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Wayne Cary, Deputy Borough Attorney

Date: _____

LESSOR ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing was acknowledged before me this _____ day of _____, 20____, by Peter A. Micciche, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public for State of Alaska
My commission expires: _____

LESSEE ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

On the _____ day of _____, before me personally appeared Kat Sorenson, and acknowledged under oath that she is the City Manager of the City of Seward, an Alaska municipal corporation, the Lessee named in the attached instrument, and as such was authorized to execute this instrument on behalf of the Lessee.

Notary Public for State of _____
My commission expires: _____

EXHIBIT 1 TO MEMORANDUM OF LEASE
DESCRIPTION OF PROPERTY AND LEASED PREMISES

The Property is legally described as follows:

TRACT A-1 JESSE LEE HOME SUBDIVISION LONG TERM CARE FACILITY REPLAT, PLAT NO. 2007-21, SEWARD RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.

Parcel Number: 14502139

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CITY OF SEWARD, ALASKA
RESOLUTION 2026-065

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, AUTHORIZING THE CITY MANAGER TO AUTHORIZING THE CITY MANAGER TO SIGN AN AGREEMENT WITH THE KENAI PENINSULA BOROUGH TO LEASE THE FORMER SEWARD MIDDLE SCHOOL FACILITY IN THE AMOUNT OF \$150,000 AND APPROPRIATING FUNDS

WHEREAS, The Kenai Peninsula Borough School District closed Seward Middle School at the end of the 2025-2026 school year; and

WHEREAS, on May 26, 2026, City Council held a work session on using the vacated facility as a community center, after which City staff began negotiating a lease with the Kenai Peninsula Borough; and

WHEREAS, the lease sets rent at \$1.00 per year, with the City responsible for utilities and maintenance which are estimated at \$250,000 for utilities and \$25,000 per year in maintenance; and

WHEREAS, the appropriation requested in this resolution covers the September through December 2026 transition period, to include utilities and start up costs for a total of \$150,000; and

WHEREAS, this lease represents a five-year commitment expected to run a General Fund gap of \$64,000 to \$112,000 per year once fully operational, reflecting the facility's role as a subsidized service provided for the public good; and

WHEREAS, the Middle School lease offers a way to meet that demand without new construction, consolidating the Boys and Girls Club, Teen Youth Center, and other Sports and Recreation programs under one roof; and

WHEREAS, results from the City's Comprehensive Plan survey have repeatedly identified resident demand for an indoor community gathering space that is open and available year-round.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA:

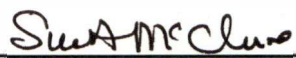
Section 1. The City Council hereby authorizes the City Manager to sign an agreement in substantially similar form to lease the former Middle School Facility for a Parks and Recreation Community Center.

Section 2. Funding in the amount of \$150,000 is hereby transferred and appropriated from the General Fund Unassigned 01000-0000-3400, split into \$83,000 to the 01000-1420-7015 Utilities Expense Account and \$67,000 in the 01000-1420-8103 Capital Equipment Expense Account.

CITY OF SEWARD, ALASKA
RESOLUTION 2026-065
Page 2 of 2

Section 3. This resolution shall take effect immediately upon adoption.

**APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA THIS 27TH
DAY OF JULY 2026.**



Sue McClure, Mayor

AYES: Warner, Calhoon, Osenga, Draper, Barnwell, McClure
NOES: None
ABSENT: Crites
ABSTAIN: None

ATTEST:



Kris Peck
City Clerk

(City Seal)





City Council Agenda Statement

Meeting Date: July 27, 2026

To: City Council

From: Kat Sorensen, City Manager

Subject: Resolution 2026-065: Authorizing the City Manager to Sign an Agreement with the Kenai Peninsula Borough to Lease the Former Seward Middle School Facility in the Amount of \$233,000 and Appropriating Funds

Background and justification:

The Kenai Peninsula Borough School District closed Seward Middle School at the end of the 2025-2026 school year. On May 26, 2026, City Council held a work session to consider using the vacated facility as a community center. Following that discussion, City staff began negotiating a lease with the Kenai Peninsula Borough.

The resulting draft agreement sets rent at \$1.00 per year, with the City responsible for utilities and day-to-day maintenance. In exchange for Connections Homeschool retaining office space in the building, KPBSD agreed to furnish it, including a full industrial kitchen, tables and chairs throughout, office materials, and sports equipment.

For cost, three years of utility billing history show the facility's utility cost has ranged from \$198,307 to \$247,678 per year; staff is budgeting \$250,000 per year going forward. The facility walkthrough that confirmed maintenance responsibilities also set the routine maintenance estimate at \$25,000 per year. Because the City's next budget cycle does not begin until January 2027, the appropriation requested in this resolution covers only the September through December 2026 transition period: approximately \$83,000 in utilities and \$150,000 in one-time startup costs, for a total of \$233,000.

Recognizing that this is a 5-year commitment, staff has projected out estimated costs for FY27 and FY28. The City's current AVTEC contract, about \$140,000 per year, would be reduced to roughly \$70,000 per year to retain evening gym access. Set against a conservative program revenue projection of \$233,000 to \$281,000 per year, the facility is projected to run a General Fund gap of \$64,000 to \$112,000 per year once fully operational, a step down from the current AVTEC arrangement, which runs about \$93,000 per year ahead of program revenue. There is also a strong potential for leased spaces and rental fees that could further offset the facilities expenses, but this facility should definitely be seen as a subsidized service for the greater public good and will require increased investment in Parks and Recreation through the lifetime of the agreement.

Interest in a recreation center predates this specific opportunity. Results from the City's Comprehensive Plan survey repeatedly identified resident demand for an indoor community gathering space and more indoor recreation and family entertainment options. Over the past three years, Parks and Recreation membership grew from 178 to 797, and annual visits rose to nearly 23,000, showing sustained demand for existing programming. The Middle School lease offers a way to meet that

demand without new construction. The Boys and Girls Club, Teen Youth Center, and other Sports and Recreation programs would consolidate under one roof, with full autonomy over hours and programming.

Fiscal Impact

Fiscal Impact: ☒ Yes – Amount: \$233,000 Budgeted: ☐ Yes
☐ No ☒ No
☐ N/A

Funding Source: ☒ General Fund: 01000-1420-7015 / 01000-1420-8103
☐ Enterprise Fund: _____
☐ Grant: _____
☐ Other: _____

Finance Director Signature: Sully Jusino

Comprehensive and Strategic Plan Consistency Information

This legislation is consistent with (citation listed):

Comprehensive Plan: 3.6.1 Improve, expand and diversify year-round parks and recreation opportunities for residents and visitors
3.6.1.1 Improve existing and develop additional recreational infrastructure

Strategic Plan: _____
Other: _____

Attorney Review

☒ Yes Attorney Signature: /s/Sam Severin
☐ Not applicable Comments: _____

Administration Recommendation

☒ Adopt Resolution
☐ Other: _____

Introduced by: Tunseth
Date: 08/18/26
Hearing: 09/01/26
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-29**

**AN ORDINANCE ESTABLISHING THE STERLING RECREATION
SERVICE AREA AND PROVIDING FOR AN APPOINTED BOARD
SUBJECT TO VOTER APPROVAL**

- WHEREAS,** on June 30, 2026, the KPB Clerk certified the citizens petition establishing the Sterling Recreational Service Area as sufficient and initiated the service area establishment process pursuant to KPB Code; and
- WHEREAS,** pursuant to KPB Code, a written Mayor's Report was provided on July 22, 2026, to the Assembly concerning the need for and the estimated cost of the service area; and
- WHEREAS,** the proposed Sterling Recreation Service Area, as stated in the petition, is to preserve and enhance and enhancing recreational opportunities, community programming, and public gathering spaces within the Sterling area; and
- WHEREAS,** a public hearing within the boundaries of the proposed service area was held on August 17, 2026, at 6:00 p.m. at the Sterling Community Center to consider the necessity for the proposed service area in accordance with KPB Code; and
- WHEREAS,** on August 17, 2026, approximately ____ residents and interested parties within the proposed service area attended the meeting; and
- WHEREAS,** funding the proposed service area is estimated to necessitate a mill rate of 0.25 with no KPB employees working for the proposed service area; and
- WHEREAS,** the sponsors of the petition request that the proposed service area be operated and managed by an independent nonprofit entity pursuant to a contract between the entity and KPB; and
- WHEREAS,** if ratification of the service area by a majority of voters within the service area occurs, then the Assembly will enact Code provisions specific to the service area and providing for an appointed board;

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. That the following proposition will be placed before the voters of the proposed Sterling Recreation Service Area at the next regular election to be held November 3, 2026:

PROPOSITION:

“Is the Kenai Peninsula Borough authorized to exercise powers necessary to provide recreation services and programs within the Sterling Recreation Service Area established by Ordinance 2026-29.”

YES _____ a YES vote approves of the Kenai Peninsula Borough establishing the Sterling Recreation Service Area to provide recreation services and programs within the service area

NO _____ a NO vote disapproves of the Kenai Peninsula Borough establishing the Sterling Recreation Service Area

SECTION 3. That if the majority of qualified voters in the service area voting on the proposition at the regular borough election to be held on November 3, 2026, ratify this ordinance and approve establishing the Sterling Recreation Service Area, the service area will be established on July 1, 2027. From the time the election results are certified until a quorum of service area board members are appointed and confirmed, the Assembly will serve as the transitional service area board.

SECTION 4. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

SECTION 5. That this ordinance shall be effective immediately.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2026.

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough Assembly

MEMORANDUM

TO: Members, KPB Assembly

FROM: Ryan Tunseth, Assembly President *(RT) for RT*

DATE: August 6, 2026

SUBJECT: Ordinance 2026-__29__, Establishing the Sterling Recreation Service Area and Providing for an Appointed Board Subject to Voter Approval (Tunseth)

On June 30, 2026, the KPB Clerk certified the citizens petition establishing the Sterling Recreational Service Area as sufficient and initiated the service area establishment process. If approved, the Ordinance will place the proposition authorizing KPB to exercise powers necessary to provide recreation services and programs within the proposed service area before the voters of the proposed service area at the next regular election on November 3, 2026. If that proposition is ratified by a majority of voters within the service area, then the Assembly will enact Code provisions specific to the service area and providing for an appointed board.

Your consideration is appreciated.

Office of the Borough Mayor

144 N. Binkley St., Soldotna, AK 99669 | Peter A. Micciche, Borough Mayor | (P) 907-714-2150 (F) 907-714-2377



155

TO: Ryan Tunseth, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Peter A. Micciche, Borough Mayor

DATE: July 22, 2026

RE: Sterling Recreational Service Area Proposal – Mayor’s Report

REPORT TO THE ASSEMBLY

On June 30, 2026, the Borough Clerk certified the citizens petition establishing the Sterling Recreational Service Area as sufficient and initiated the service area establishment process pursuant to KPB 16.04.025. The petition received 86 verified signatures, meeting the minimum number of 86 verified signatures required for certification.

The purpose of this memorandum is to provide important and accurate information relating to the proposed Sterling Recreational Service Area to assist assembly members and the public on this important decision. Pursuant to KPB 16.04.010 – 16.04.040, the following is submitted for your consideration.

Proposed Sterling Recreational Service Area Boundary

16.90.010 Established—Boundaries

The proposed Sterling Recreation Service Area boundary conforms to existing service area and electoral district boundaries wherever practicable, and is drawn so that no current KPB tax parcel is divided by the boundary.

The boundary begins at the intersection of the Sterling Highway and DeVille Road near Milepost 89, coincident with the current KPB Assembly District 4/5 boundary. From there it follows the Assembly District 4 boundary northward until it becomes coincident with the Kenai National Wildlife Refuge (KNWR) boundary, then continues along the KNWR boundary north, then east, then south, continuing south along the extension of the KNWR boundary line until it intersects the Kenai River.

The boundary follows the Kenai River westward, following the north shore of the Kenai River, to the section line common to Sections 32 and 33, T5N R9W, then follows that section line and its northward extension between Sections 29 and 28 to the south boundary of Section 20. From there it proceeds west, then north, to include the SE $\frac{1}{4}$ SE $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 20.

From there the boundary continues west to St. Theresa Road, north along St. Theresa Road to the Sterling Highway, and west along the Sterling Highway to the point of beginning.

A formal legal description will be prepared and incorporated as part of the service area establishment process. A map depicting the proposed boundary is attached for reference.

Need for Service

This process was initiated by citizen petition, not born by the Assembly or the KPB Administration. The purpose is to establish the Sterling Recreation Service Area indicates a community interest among petitioners in preserving and enhancing recreational opportunities, community programming, and public gathering spaces within the Sterling area. Petitioners have identified a need for a stable and locally governed mechanism to support recreational services that contribute to the health, well-being, and quality of life of area residents.

Currently, no recreation service area exists within the proposed boundaries. Recreational facilities, programs, and community activities in the area are supported through a variety of organizations, volunteers, and funding sources. Petitioners have proposed the creation of a recreation service area to establish a dedicated mechanism for the planning, funding, operation and maintenance of recreation-related facilities, programs, and services within the proposed boundaries.

The proposed Sterling Recreation Service Area would establish a framework for local oversight, planning, and funding of recreation-related facilities, programs, and services. As outlined in the petition, the service area may support operation and maintenance of community facilities, youth and senior programs, educational and cultural activities, community events, outdoor recreation opportunities, and other services that promote community engagement, healthy lifestyles, and overall community well-being.

Creation of the service area would allow residents within the proposed boundaries to determine the level of service they desire and provide a dedicated funding source to support those services. It would also provide a transparent governance structure within the Kenai Peninsula Borough framework, ensuring local input and accountability while allowing recreation services and facilities to be planned and managed in a manner that reflects the priorities of the Sterling community.

Assessed Value for Tax Year 2026 (Fiscal Year 2027) and an Estimated Budget

The assessed real property value of the proposed service area is \$1,086,842,000. The taxable real property value is \$729,833,200. For illustrative purposes, using a .25 mill rate, the estimated property tax revenue for the service area would be \$182,458.

No annual budget, spending plan or capital plan has been provided as part of the proposed service area, only that it can be used to “build and maintain facilities” as well the provided scope of services, which may include labor and employee costs. The KPB structure ensures sustainability in stable revenue conditions to provide for the various service requests of the community, while also providing a fund balance for future capital needs within the service area.

The mill rate for the new service area, as requested by the petitioners, will be .25. The mill/tax revenue associated with this service area will be limited to that .25 mill. The below table is included for Sterling citizens to consider in direct property costs to their household or business.

	.25 Mill Rate scenario
Mill Rate	0.25
Estimated Tax Revenue for the Proposed Service Area	\$ 182,458
Property with a taxable assessed value of \$250,000	
Annual cost to taxpayer	\$ 62.50
monthly cost to the taxpayer	\$ 5.21
Property with a taxable assessed value of \$350,000	
Annual cost to taxpayer	\$ 87.50
monthly cost to the taxpayer	\$ 7.29

Population and Parcels

The exact population of the proposed Sterling Recreation Service Area is currently unknown, as boundaries do not align neatly with census-designated areas, making precise population estimates difficult. However, the population is estimated to be approximately 4,000 residents. Based on parcel data, there are a total of approximately 4,662 parcels within the proposed service area of which 4,018 have a taxable value.

Next Steps – Plan for Service Area

I. Public Hearing to Consider the Necessity for the Proposed Service Area

The public hearing, or community meeting, to further determine the need for the service area and to identify the service area boundaries is tentatively scheduled to be held at the Sterling Community Center, 38377 Swanson River Rd., Sterling, on August 13, 2026 from 6:00p.m.-7:00 p.m.. The Assembly President will appoint a special committee of three Assembly members to attend at the August 4, 2026 Assembly meeting and set the time and place for the community meeting. The Borough Clerk will prepare a report to be included in the ordinance.

II. Introduction and Public Hearing on Ordinance Establishing Service Area Subject to Voter Approval

It is currently anticipated that following the community meeting and gathering of community input, an ordinance will be introduced during the Assembly's regularly scheduled meeting on August 18, 2026, to establish the service area. If that holds, then public hearing on the ordinance would be during the Assembly's regularly scheduled meeting on September 1, 2026. If the ordinance is enacted, it will be subject to ratification by the voters within the proposed service area boundaries.

III. Vote of the People on November 3, 2026

Should sponsors of this service area choose to continue after gathering likely data, it is anticipated that the voters within the proposed service area will decide whether or not to establish a service area during the Borough's regular election held on November 3, 2026.

IV. Service Area Establishment Process following the Vote

In the event the voters approve establishing the service area, the Borough Administration will then work through the process of installing the service area. The KPB must charge a minor fee to the service area for related services. This will involve understanding methods to ensure functional firewalls between the KPB and the entity managing and operating the service area, if that is what is proposed. The ordinance establishing the service area, subject to voter ratification, will contain necessary provisions regarding the legal description of the service area, the service area board of directors, qualifications for board service and terms of office, powers and duties of the advisory service board, and other provisions similar to fire and medical service areas that exist under Borough Code. As proposed, there will be no Borough employees serving in this service area. Accounting, budgeting, and other finance-related activities will be in accordance with the Borough Finance Department practices and procedures. Services, or capital improvement contracts will all be in accordance with the Borough's Purchasing and Contracting Department processes and procedures.

Ultimately, this means that there will be a transition from a local, volunteer governing board to a local advisory board with Borough Administration oversight and responsibility

for the service area. The advisory service area board will be appointed by the Mayor and confirmed by the Assembly. The service area will be a under the executive branch of the Borough. Future budgets and spending approvals will be via the KPB Administration with advisory input and feedback.

Options for the Assembly to Consider After Public Hearing

Option 1. Do not pursue formation of a new service area; maintain status quo.

Option 2. Create a new service area, as proposed, pending voter approval. This would require introduction and hearing of an ordinance to establish the service area subject to voter approval. The ordinance may expand, contract, or otherwise modify the boundaries of the proposed service area.

Summary

The KPB is a 2nd Class borough, which provides for the right of citizens to organize service areas in their community. This proposed citizen's initiative by Sterling community petitioners is designed to preserve and improve sustainability for recreational services important to many who live in the area. As per KPB code, it is specifically my role it to impartially provide the most accurate information possible so that Sterling Area voters can make their own personal decision prior to casting their vote on the proposal.

At this juncture, I look forward to hearing from Sterling residents within the proposed service area during the upcoming public hearing. This will be an important opportunity to gauge the community's interest and level of support for establishing a recreation service area. Following the hearing, we will have a clearer understanding of community priorities and the boundaries that best align with those interests.

Conclusion

If the KPB Assembly chooses to place the proposal to create a Sterling Service Area on the ballot, the decisions will rest solely with the voters of the Sterling Area. I will respect and support their decision either way and will continue my administration's efforts to provide quality services at the lowest cost possible to the Sterling Area or any other KPB taxpayer. Please feel free to reach out to me for additional information at 907-714-2150 or via email at pmicciche@kpb.us.

Respectfully,



Mayor Peter A. Micciche

Kenai Peninsula Borough

Planning Department

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Kenai Peninsula Borough Assembly Members

FROM: Robert Ruffner, Planning Director 

DATE: August 11, 2026

RE: Vacation of Bangerter Court, as granted by Sleepy Hollow Subdivision Longmere Addition, Plat KN 2023-58; KPB File 2026-078V

In accordance with AS 29.40.140, no vacation of a Borough right-of-way and/or easement may be made without the consent of the Borough Assembly.

During their regularly scheduled meeting of August 10, 2026 the Kenai Peninsula Borough Planning Commission granted approval of the above proposed vacation by unanimous vote (8-Yes, 1-Vacant) based on the means of evaluating public necessity established by KPB 20.65. This petition is being sent to you for your consideration and action.

A draft copy of the unapproved minutes of the pertinent portion of the meeting and other related materials are attached.

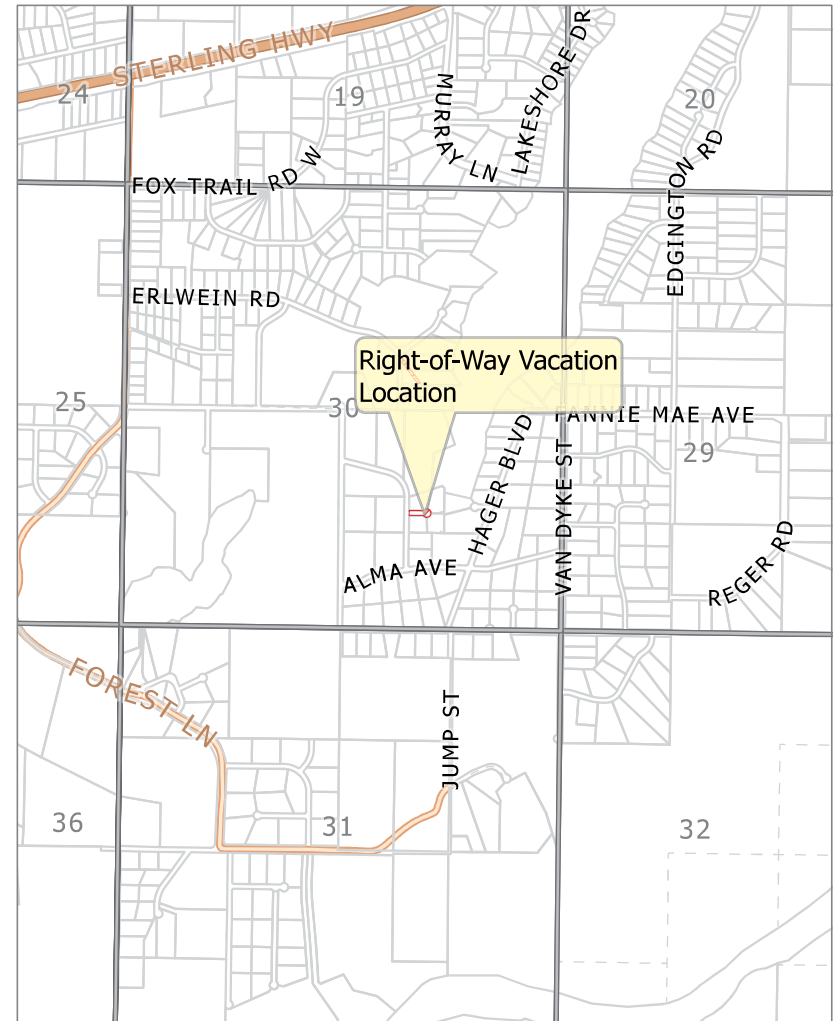
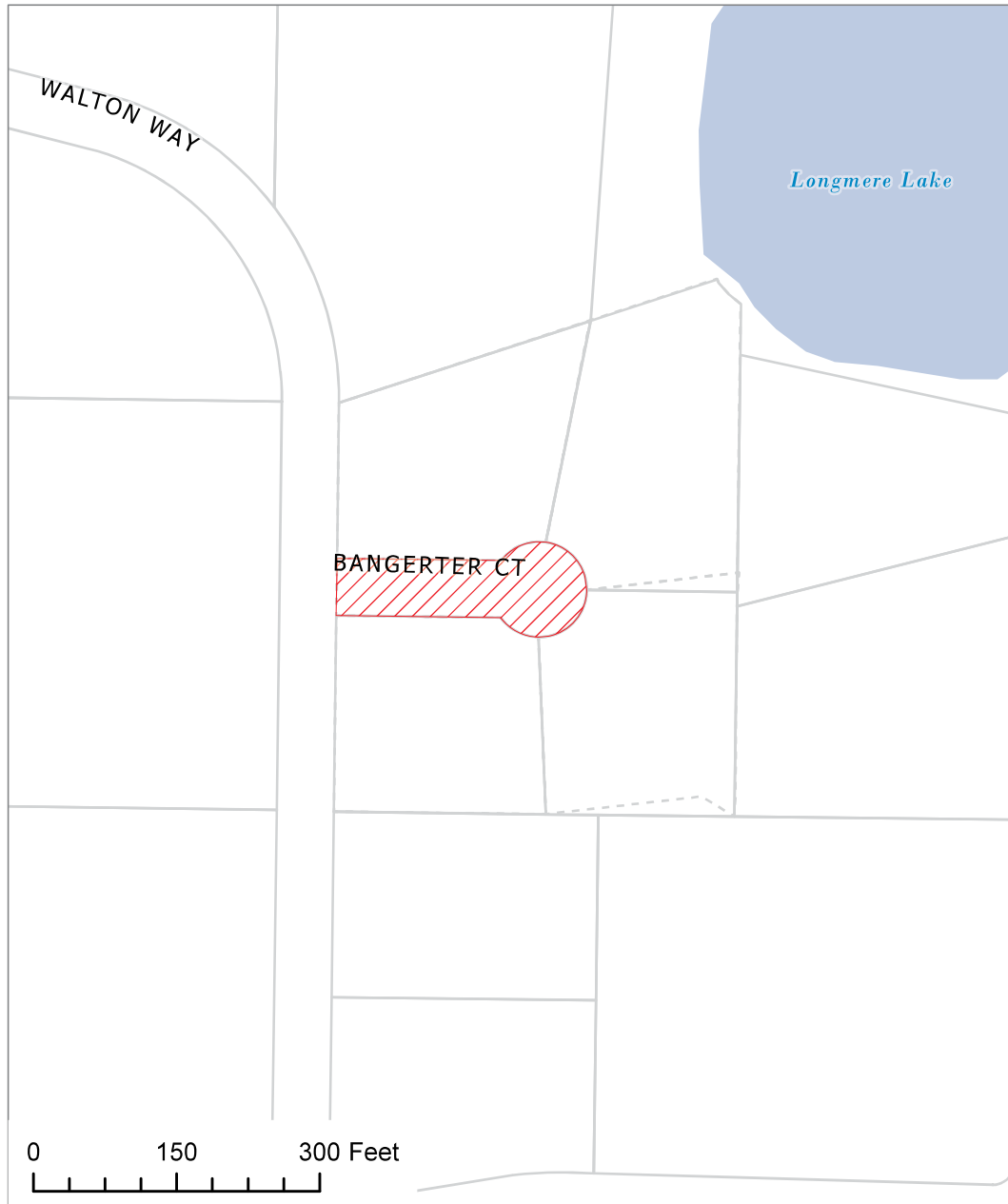
August 10, 2026 Planning Commission Draft Meeting Minutes
August 10, 2026 Agenda Item E3 Meeting Packet Materials

E. NEW BUSINESS

3. ROW Vacation, KPB File 2026-078V

Petitioner: Padrta

**Request: Vacate Bangerter Court, Sleep Hollow Subdivision
Longmere Addition, Plat KN 2023-58
Sterling Area**



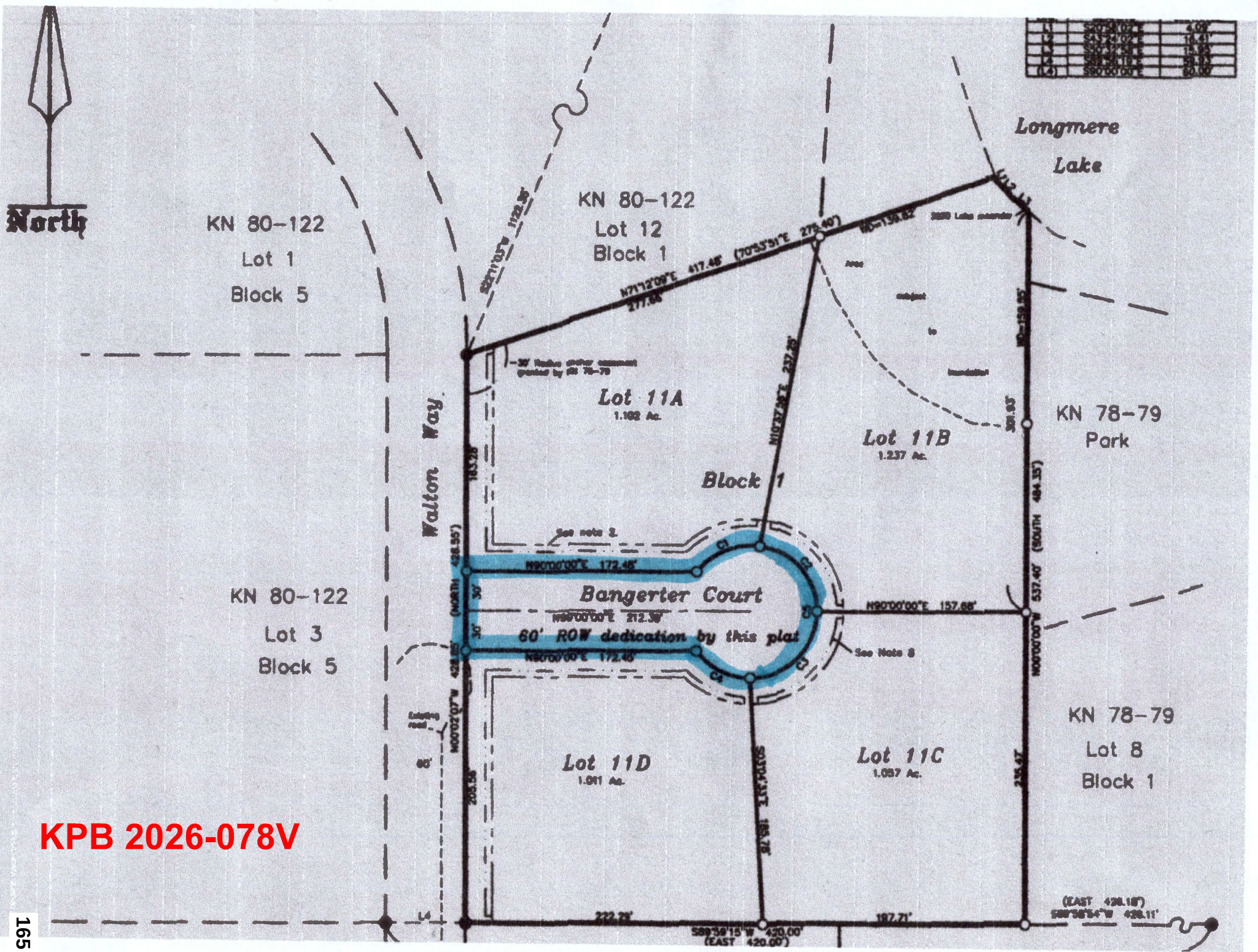
KPB File 2026-078V
T 05N R09W SEC 30
Sterling



The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.

North

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20



KPB 2026-078V

AGENDA ITEM E. NEW BUSINESS

**ITEM #3 - RIGHT OF WAY VACATION
VACATE BANGERTER CT IN SLEEPY HOLLOW SUBD. LONGMERE LANDING ADDITION**

KPB File No.	2026-078V
Planning Commission Meeting:	August 10, 2026
Applicant / Owner:	Dustin Padrta / Sterling
Surveyor:	none
General Location:	South end of Longmere Lake / Sterling area
Legal Description:	Bangerter Ct, T 05N R 09W SEC 30 SEWARD MERIDIAN KN 2023058 SLEEPY HOLLOW SUB LONGMERE LANDING ADDN/ Subdivision / Rec. Dist. / Section Township Range S.M.

STAFF REPORT

Specific Request / Purpose as stated in the petition: Petition to vacate Bangerter Court, an undeveloped road, as granted in Sleepy Hollow Subdivision Longmere Landing Addition HM2023-58

Notification:

The public notice was posted on the Planning Commission bulletin board at the Kenai Peninsula Borough George A. Navarre Administration building. Additional notices were mailed to the following with the request to be posted for public viewing.

Library of Soldotna

Post Office of Sterling

The public notice was posted on the Planning Commission bulletin board at the Kenai Peninsula Borough George A. Navarre Administration building. Additional notices were mailed to the following with the request to be posted for public viewing.

7 certified mailings were sent to owners of property within 300 feet of the proposed vacation. ____ receipts had been returned when the staff report was prepared.

19 public hearing notices were emailed to agencies and interested parties as shown below;

State of Alaska Dept. of Fish and Game
State of Alaska DNR
State of Alaska DOT
State of Alaska DNR Forestry
Central Emergency Services
Kenai Peninsula Borough Office

Kenai Peninsula Borough Land Management
Alaska Communication Systems (ACS)
ENSTAR Natural Gas
General Communications Inc, (GCI)
Homer Electric Association (HEA)

Legal Access (existing and proposed):

Bangerter Ct fronts to Walton Way, a 60' dedication maintained by the Borough. From Walton Way out to the Sterling Highway are Borough maintained roads being, Alma Ave, to Hager Blvd, Fannie Mae Ave to Edgington Rd to St. Theresa Rd out to the highway. Walton Way is only developed from the south to Bangerter Ct. and maintenance stops at that point also.

No new access is being proposed, only vacation of Bangerter Ct and combining it with Lots 11A thru 11D into one large lot is proposed.

No section line easements or patent easements affect the road or lots at issue.

With Bangerter Ct removed, block length will be an issue. From Alma Ave on the south to Low Bush St to the west is over 1320 feet nearly 1860 feet.

KPB Roads Dept. comments	Out of Jurisdiction: No Roads Director: Uhlin, Dil Comments: RSA recommends combining all the lots at the same time as the vacation to ensure no lots are land locked.
SOA DOT comments	

Site Investigation:

The land is relatively flat with a slight slope towards Longmere Lake. There are wet areas that should be shown on the plat when complete.

The River Center review notes that the plat is not in a flood hazard area or a habitat protection district. No notes for either will be needed on the plat.

KPB River Center review	A. Floodplain Reviewer: Hindman, Julie Floodplain Status: Not within flood hazard area Comments: Staff does not object to the vacation of the right-of-way. This is in a non-regulatory zone but low wet areas are present. Plat notes and depictions requirements will be provided on the plat review. B. Habitat Protection Reviewer: Aldridge, Morgan Habitat Protection District Status: Is NOT within HPD Comments: No comments
SOA ADF&G	ADF&G has concerns about use and access of Lots 11B and 11C if Bangerter Court is vacated. Aerial imagery shows use of the area by off-road vehicles, likely to access Longmere Lake and the surrounding public lands and there does not appear to be other access to those lots.

Staff Analysis:

Land was originally surveyed as Government lots 6 & 7 and the S1/2 SE1/4 Section 30, Township 5 North, Range 9 West, SM Alaska. Sleepy Hollow Subdivision KN78-79 was the first subdivision of the land. Sleepy Hollow Subdivision First Addition KN80-122 subdivided Tracts A & B of KN78-79 into 14 new lots. Sleepy Hollow Subdivision Longmere Landing addition KN2023-58 subdivided Lot 11 of KN80-122 into the current 4 lots and the dedication of Bangerter Ct.

The land to the north is undeveloped. Land to the east, adjacent to the lake remains a park, and south of the park is undeveloped. Land to the south is undeveloped, while the parcel to the southeast has a house built on it.

There do not appear to be any access issues getting to the property, as there is Borough maintenance up Walton Way to the south edge of Bangerter Ct and along current Lot 11D.

Petitioner has requested to vacate the 15' utility easement adjacent to Bangerter Ct with the vacation of Bangerter Ct cul-de-sac. HEA and Enstar have commented and they are both included in the packet. HEA and Enstar are both working with the applicant to create a positive solution to the utility issues on site.

Once vacated and the lots are combined, residential use is proposed.

20.65.050 – Action on vacation application

D. The planning commission shall consider the merits of each vacation request and in all cases the planning commission shall deem the area being vacated to be of value to the public. It shall be incumbent upon the applicant to show that the area proposed for vacation is no longer practical for the uses or purposes authorized, or that other provisions have been made which are more beneficial to the public. In evaluating the merits of the proposed vacation, the planning commission shall consider whether:

1. The right-of-way or public easement to be vacated is being used;

Owner comments:

Staff comments:

From the KPB GIS data, the road does not appear to be installed.

2. A road is impossible or impractical to construct, and alternative access has been provided;

Owner comments:

Staff comments:

A road is possible to construct in the location provided.

3. The surrounding area is fully developed and all planned or needed rights-of-way and utilities are constructed;

Owner comments:

Staff comments:

The surrounding area is not developed, with only one lot to the southeast having a house per GIS

Data.

4. The vacation of a public right-of-way provides access to a lake, river, or other area with public interest or value, and if so, whether equal or superior access is provided;

Owner comments:

Staff comments:

The road does not provide access to a lake

5. The proposed vacation would limit opportunities for interconnectivity with adjacent parcels, whether developed or undeveloped;

Owner comments:

Staff comments:

The road is a cul-de-sac

6. Other public access, other than general road use, exist or are feasible for the right-of-way;

Owner comments:

Staff comments:

The road is only used for the access of the four surrounding lots

7. All existing and future utility requirements are met. Rights-of-way which are utilized by a utility, or which logically would be required by a utility, shall not be vacated, unless it can be demonstrated that equal or superior access is or will be available. Where an easement would satisfactorily serve the utility interests,

and no other public need for the right-of-way exists, the commission may approve the vacation and require that a utility easement be granted in place of the right-of-way.

Owner comments:

Staff comments:

No comments have been received from utility companies yet.

8. Any other factors that are relevant to the vacation application or the area proposed to be vacated.

Owner comments:

Staff comments:

A KPB Planning Commission decision denying a vacation application is final. A KPB Planning Commission decision to approve the vacation application is subject to consent or veto by the KPB Assembly, or City Council if located within City boundaries. The KPB Assembly, or City Council must hear the vacation within thirty days of the Planning Commission decision.

The Assembly will hear the vacation at their scheduled August 18, 2026 meeting.

If approved, the owner will need to hire a surveyor to do a vacation plat to finalize the vacation of Bangerter Ct. The vacation plat will not need to be heard by the Plat Committee and will only need have Plat Department review if combining the right-of-way and lots with no exceptions requested.

KPB department / agency review:

Addressing	Reviewer: Pace, Rhealyn Affected Addresses: None Existing Street Names are Correct: Yes List of Correct Street Names: Walton Way, Bangerter Ct Existing Street Name Corrections Needed: All New Street Names are Approved: No List of Approved Street Names: List of Street Names Denied: Comments: No Comment
Code Compliance	
Planner	Reviewer: Raidmae, Ryan There are not any Local Option Zoning District issues with this proposed plat. Material Site Comments: There are not any material site issues with this proposed plat.
Assessing	Reviewer: Windsor, Heather Comments: No comment

Utility provider review:

HEA	See comment in packet
ENSTAR	See comment in packet
ACS	
GCI	Approved as shown

STAFF RECOMMENDATIONS**CORRECTIONS / EDITS**

Surveyor needed to complete vacation plat

RECOMMENDATION:

Based on consideration of the merits as per KPB 20.65.050(D) as outlined by Staff comments, ***Staff recommends APPROVAL*** as petitioned, subject to:

1. Consent by KPB Assembly.
 2. Compliance with the requirements for Right-of-Way Vacation plats per Chapter 20 of the KPB Code including a submittal to and approval by the Plat Committee, if required.
 3. Grant utility easements requested by the utility providers.
 4. Submittal of a final plat within a time frame such that the plat can be recorded within one year of vacation consent (KPB 20.65.050(I)).
-

KPB 20.65.050 – Action on vacation application

- H. A planning commission decision to approve a vacation is not effective without the consent of the city council, if the vacated area to be vacated is within a city, or by the assembly in all other cases. The council or assembly shall have 30 days from the date of the planning commission approval to either consent to or veto the vacation. Notice of veto of the vacation shall be immediately given to the planning commission. Failure to act on the vacation within 30 days shall be considered to be consent to the vacation. This provision does not apply to alterations of utility easements under KPB 20.65.070 which do not require the consent of the assembly or city council unless city code specifically provides otherwise.
- I. Upon approval of the vacation request by the planning commission and no veto by the city council or assembly, where applicable, the applicant shall have a surveyor prepare and submit a plat including the entire area approved for vacation in conformance with KPB 20.10.080. Only the area approved for vacation by the assembly or council may be included on the plat. The final plat must be recorded within one year of the vacation consent.
- J. A planning commission decision denying a vacation application is final. No reapplication or petition concerning the same vacation may be filed within one calendar year of the date of the final denial action except in the case where new evidence or circumstances exist that were not available or present when the original petition was filed.
- K. An appeal of the planning commission, city council or assembly vacation action under this chapter must be filed in the superior court in accordance with the Alaska Rules of Appellate Procedure.

The 2019 Kenai Peninsula Borough Comprehensive Plan adopted November, 2019 by Ordinance No. 2019-25. The relevant objectives are listed.

Goal 3. Preserve and improve quality of life on the Kenai Peninsula Borough through increased access to local and regional facilities, activities, programs and services.

- *Focus Area: Energy and Utilities*
 - o *Objective A - Encourage coordination or residential, commercial, and industrial development with extension of utilities and other infrastructure.*
 - *Strategy 1. Near – Term: Maintain existing easements (especially section line easements) in addition to establishing adequate utility rights of way or easements to serve existing and future utility needs.*
 - *Strategy 2. Near – Term: Maintain regular contact with utility operators to coordinate and review utility easement requests that are part of subdivision plat approval.*
 - *Strategy 3. Near – Term: Identify potential utility routes on Borough lands.*
- *Housing*
 - o *Objective D. Encourage efficient use of land, infrastructure and services outside incorporated cities by prioritizing future growth in the most suitable areas.*
 - *Strategy 1. Near – Term: Collaborate with the AK Department of Transportation, incorporated cities within the borough, utility providers, other agencies overseeing local services, and existing communities located adjacent to the undeveloped areas that are appropriate for future growth, to align plans for future expansion of services to serve future residential development and manage growth.*

Goal 4. Improve access to, from and connectivity within the Kenai Peninsula Borough

- *Focus Area: Transportation*
 - o *Objective B. Ensure new roads are developed in alignment with existing and planned growth and development.*
 - *Strategy 2. Near – Term: Establish subdivision codes that dictate road construction standards to accommodate future interconnectivity and/or public safety.*
 - *Strategy 3. Near – Term: Identify areas of anticipated growth to determine future access needs.*

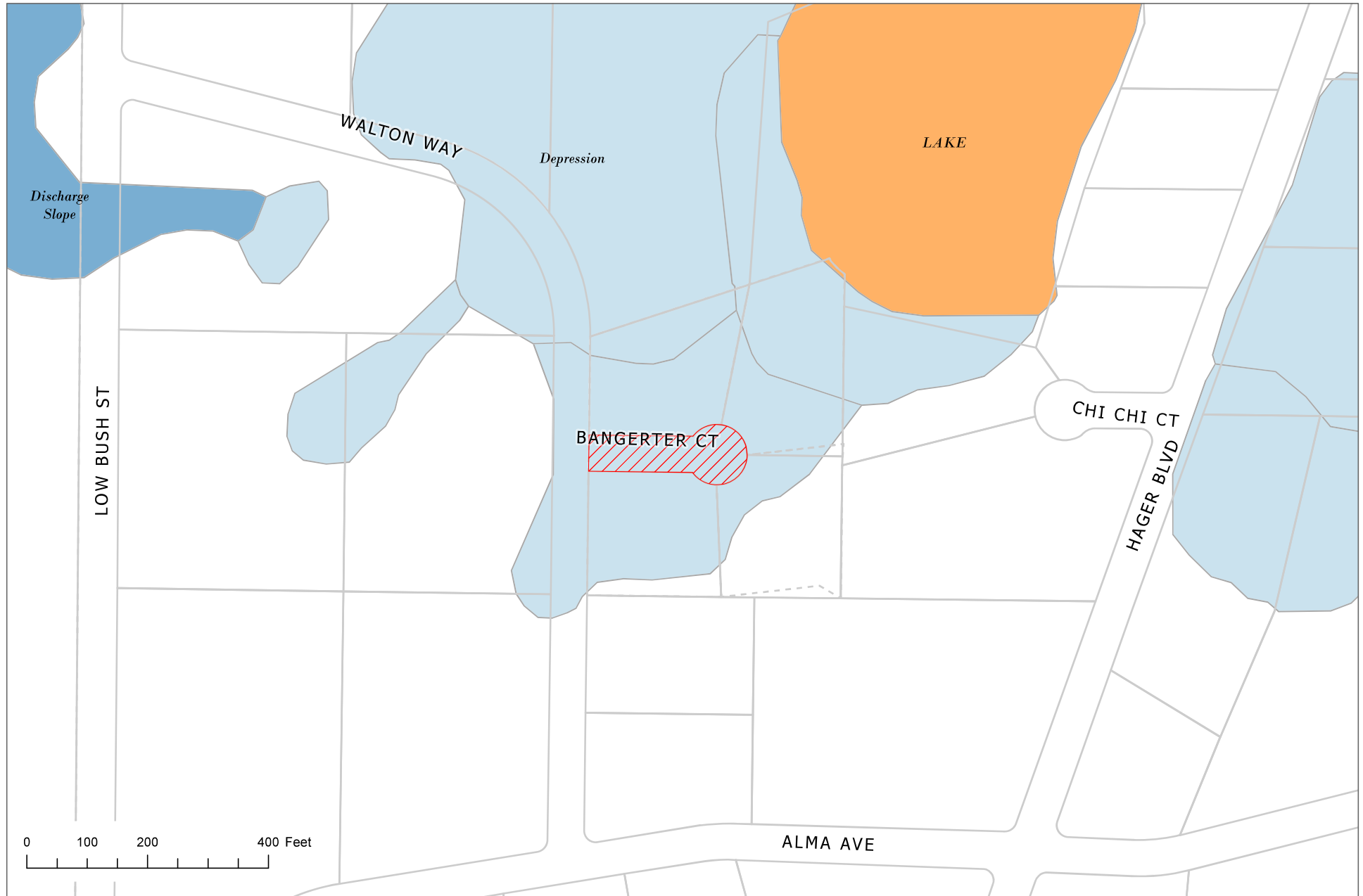
END OF STAFF REPORT



The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.



Wetlands



The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.



Aerial with 5-foot Contours



The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.

LEGEND:

- 3 1/4" BRASS CAP MONUMENT 237-5 FOUND
- 2" ALUM. CAP MONUMENT 1300-3 1976 FOUND
- 1/2" REBAR FOUND
- 5/8" REBAR w/PLASTIC CAP LUNING MET
- () RECORD DATUM PLAT 80-122 RND

NOTES:

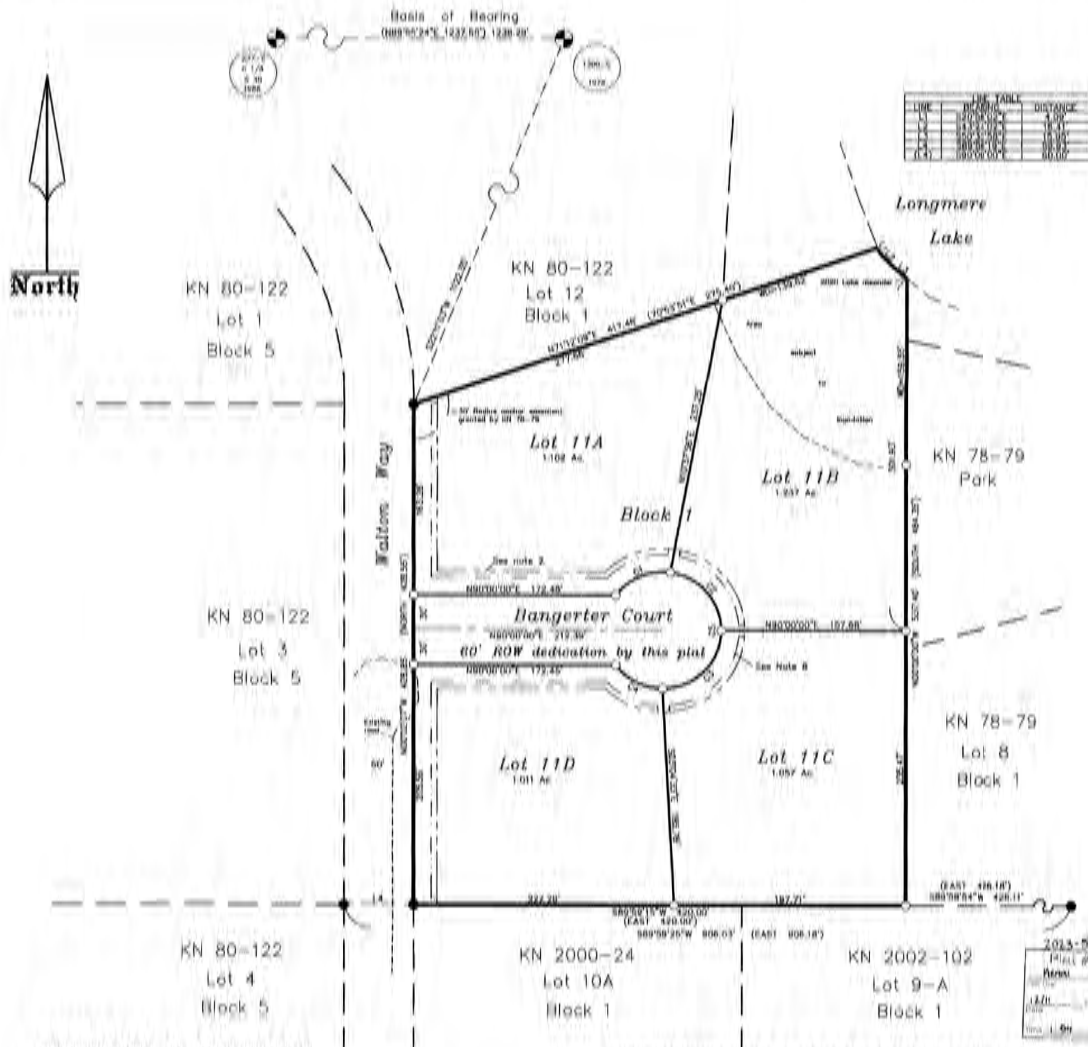
- 1) Basis of bearing taken from Stealy Hollow Subdivision First Addition, Plot 80-122, Kenai Recording District.
- 2) Building Setback-A setback of 80 feet is required from all street Right-of-Way, both public and private, unless a lesser setback is approved by resolution by the appropriate Planning Commission.
- 3) Roads must meet the design and construction standards established by the Borough in order to be considered for certification and inclusion in the Borough road maintenance program. (BMP 14.06)
- 4) Any person developing the property is responsible for obtaining all required local, state, and federal permits, including a U.S. Army Corps of Engineers wetland determination if applicable.
- 5) The natural meanders of ordinary high water is for area computations only, the true corners being on the extension of the side line and the intersection with the natural meanders.
- 6) Covenants, conditions, and restrictions which affect this subdivision are recorded in Book 186 Page 53C Kenai Recording District. The Borough will not enforce private covenants, conditions, or deed restrictions per AS 10.60.30.
- 7) An easement for electric lines of any kind and/or telephone lines granted to Homer Electric Association is recorded in Book 7 Page 125, Kenai Recording District. No definite location disclosed.
- 8) Front 15 feet adjacent to Watson Way and Bangarter Court from the southeast corner of Lot 11D to the corner between Lots 11A and 11B was granted to Homer Electric Association Inc. as a utility easement in document number 2022-008901-0, Kenai Recording District. This plat is granting the front 15 feet adjacent to rights-of-way and 50 feet within 1/2 mile of the site to use as a utility easement. No permanent structure shall be constructed or placed which a utility easement which would interfere with the ability of a utility to use the easement.
- 9) **WASTEWATER DISPOSAL.** Soil Conditions in this subdivision have been found unsuitable for conventional on-site wastewater treatment and disposal systems. Plans for a typical alternate wastewater disposal system for use on lots in this subdivision are included in the Subdivider's Subdivision and Sales Report and are available from the Kenai Planning Department. All alternate onsite wastewater treatment and disposal systems must be designed by a professional engineer registered in practice in Alaska, and any design must be approved by the Alaska Department of Environmental Conservation prior to construction.
- 10) There is a 15 foot (15 FT) wide natural gas easement centered on the existing service line. This service line lies entirely within the Bangarter Court right-of-way.



SURVEYOR'S CERTIFICATE

I hereby certify that: I am properly registered and licensed to practice land surveying in the State of Alaska; this plat represents a survey made by me or under my direct supervision; the monuments shown herein actually exist as described, and all dimensions and other details are correct.

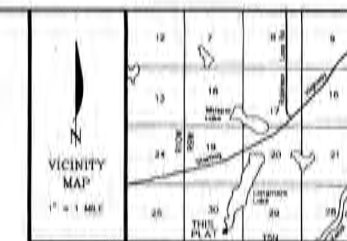
Date 11-14-23



CERTIFICATE of ACCEPTANCE

THE UNDERSIGNED OFFICIAL IDENTIFIED BY NAME AND TITLE IS AUTHORIZED TO ACCEPT AND HEREBY ACCEPTS ON BEHALF OF THE KENAI PENINSULA BOROUGH FOR PUBLIC USES AND FOR PUBLIC PURPOSES THE REAL PROPERTY TO BE DEICATED BY THIS PLAT INCLUDING EASEMENTS, RIGHTS-OF-WAY, ALLEYS, AND OTHER PUBLIC AREAS SHOWN ON THIS PLAT IDENTIFIED AS FOLLOWS: BANGARTER COURT DEEDICATION. THE ACCEPTANCE OF LANDS FOR PUBLIC USE OR PUBLIC PURPOSE DOES NOT OBLIGATE THE PUBLIC OR ANY OTHER GOVERNING BODY TO CONSTRUCT, OPERATE, OR MAINTAIN IMPROVEMENTS.

KENAI PENINSULA BOROUGH



CERTIFICATE of OWNERSHIP and DEDICATION

I, THE UNDERSIGNED, HEREBY CERTIFY THAT THE ESTATE OF KENT G. BANGARTER IS THE OWNER OF THE REAL PROPERTY SHOWN AND DESCRIBED HEREON, AND ON BEHALF OF THE ESTATE OF KENT G. BANGARTER, I HEREBY ADOP THIS PLAN OF SUBDIVISION, AND BY MY FREE CONSENT GRANT ALL RIGHTS-OF-WAY AND GRANT ALL EASEMENTS TO THE USE SHOWN.

TERRY SCOTT ROBINSON, PERSONAL REPRESENTATIVE
ESTATE OF KENT G. BANGARTER
R22 W 2150 S
WOODS CROSS, UTAH 84087

NOTARY'S ACKNOWLEDGEMENT

FOR TERRY SCOTT ROBINSON
ACKNOWLEDGED BEFORE ME THIS 14 DAY OF November, 2023

NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES 11/15/24



PLAT APPROVAL

THIS PLAT WAS APPROVED BY THE KENAI PENINSULA BOROUGH PLANNING COMMISSION AT THE MEETING OF NOVEMBER 14, 2023.

KENAI PENINSULA BOROUGH

[Signature]
AUTHORIZED OFFICIAL

KPI File No. 2021-00381

Sleepy Hollow Subdivision Longmere Landing Addition

A subdivision of Lot 11 Block 1, Sleepy Hollow Subdivision

First Addition, Plot 80-122, Kenai Recording District

Located within the SE 1/4 Section 30, T5N, R9W, 5M

Kenai Peninsula Borough, Alaska

Surveyor Segesser Surveys 30485 Hensland St. Baldwin, AK 99606 (907) 362-3000	Owner Estate of Kent G. Bangarter R22 W 2150 S Woods Cross, Utah 84087
JOB NO. 20020	DATE 8-22-23
SURVEYED Oct., 2019	SCALE 1"=80'
FIELD BOOK 10-4	SHEET 1 of 1

CERTIFICATE OF OWNERSHIP AND DEDICATION

We hereby certify that we are the owners of the property shown and described hereon and that we hereby adopt this plan of subdivision, and dedicate all streets, alleys, walks, parks, utility easements, and other open spaces to public use.

BIP Co.
by: *Secretary*
Secretary

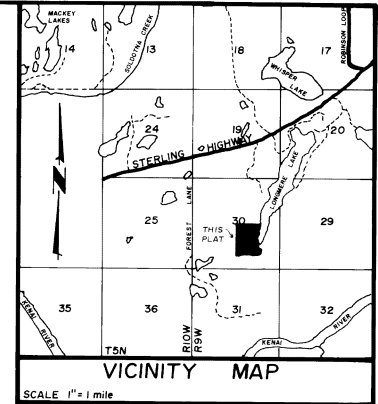
BIP Co., Box 8, Anchorage, AK 99510 by Peter Walton, Secretary

NOTARY'S ACKNOWLEDGEMENT

Subscribed and sworn to before me this 19th day of November, 1978

Notary Public for Alaska

My Commission Expires: 7-7-81



LEGEND AND NOTES

- ⊕ Found Aluminum Cap monument
- Found 1/2" rebar.
- ⊥ Set 1/2" x 20' steel rebar.

All bearings refer to the north/south centerline of Section 30, T5N, R9W, S.M., AK, as being N00°15'05"W

All datum of record shown thus ().

All lots are subject to a 20' bldg. setback along all dedicated R/W's.

All wastewater disposal systems shall comply with existing law at time of construction.

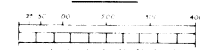
PLAT APPROVAL

This plat having been approved by the Kenai Peninsula Borough Planning Commission as recorded in the official minutes of the meeting of June 5, 1978, is hereby acknowledged and accepted as the official plat, subject to any and all conditions and requirements of ordinances and law appertaining thereto.

KENAI PENINSULA BOROUGH

By: *Philip Waring*

SCALE



SLEEPY HOLLOW SUBDIVISION FIRST ADDITION

DESCRIPTION: A resubdivision of Tracts A and B, Sleepy Hollow Subdivision, plat 78-79, K.R.D., and within Government Lot 7 and a portion of S1/2SE1/4, Section 30, T5N, R9W, S.M., AK and within the Kenai Peninsula Borough containing 55.295 acres more or less

OWNER: BIP Co.

Box 8, Anchorage, AK 99510

Box 476, Soldotna, Ak 99669

G S Best
Geologist, Registered Land Surveyor

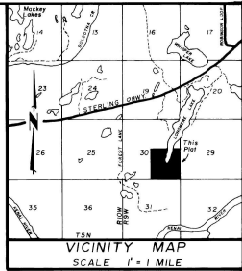
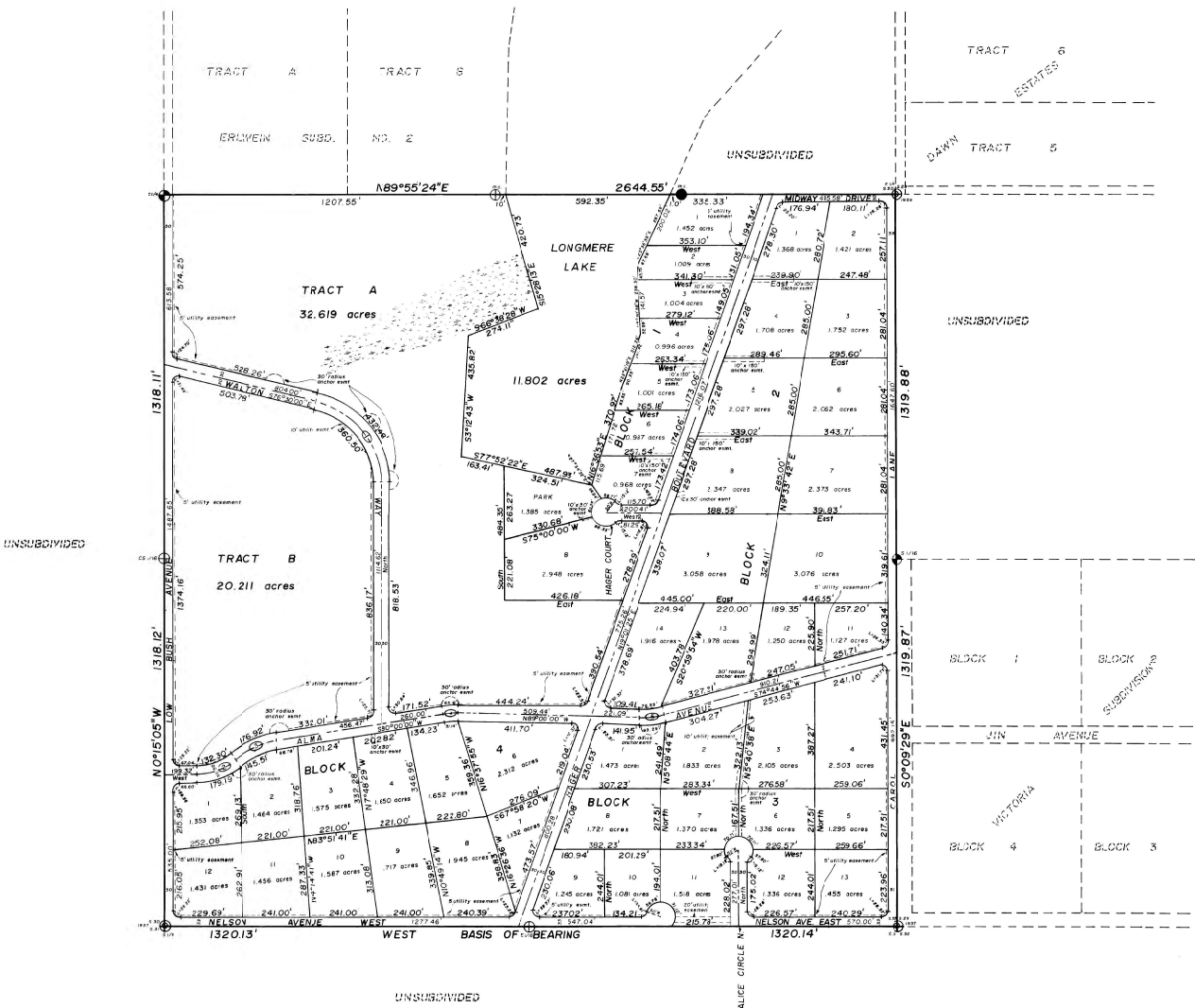
Date Surveyed: April 1978
Scale: 1" = 200'
Bk No: 77-3

CENTERLINE CURVE DATA

NO.	Δ	RADIUS	TANGENT	LENGTH
①	76° 30' 00"	300.00'	236.50'	400.00'
②	40° 00' 00"	226.67'	82.50'	158.24'
③	30° 00' 00"	307.89'	82.50'	161.21'
④	11° 00' 00"	300.00'	28.89'	85.09'



UNSUBDIVIDED



- LEGEND AND NOTES**
- Set 3 1/4" alum. cap monument (1300-S)
 - Found U.S.G.L.O. B.C. monument
 - Found official survey alum. cap monument (237-S)
 - Set 1/2" x 24" steel rebar
 - Set 1 1/2" Aluminum Cap monument (130C-S)

All datum of record shown thus ().

All lots are subject to a 20' bldg. setback along all dedicated R/W's.

All wastewater disposal systems shall comply with existing law at time of construction.

All corner returns have a radius of 20'.

CERTIFICATE OF OWNERSHIP AND DEDICATION

We hereby certify that we are the owners of the property shown and described hereon and that we hereby adopt this plan of subdivision, and dedicate all streets, alleys, walks, parks, utility easements, and other open spaces to public use.

William Schneider
J. H. Company
William Schneider, President

Peter Walton
J. H. Company
Peter Walton, Secretary

NOTARY'S ACKNOWLEDGEMENT

Subscribed and sworn to before me this 10th day of May, 1978.

Curly L. Thompson
Notary Public for Alaska

4-21-78
My Commission Expires

PLAT APPROVAL

This plat having been approved by the Kenai Peninsula Borough Planning Commission as recorded in the official minutes of the meeting of January 9, 1978, is hereby acknowledged and accepted as the official plat, subject to any and all conditions and requirements of ordinances and law appertaining thereto.

KENAI PENINSULA BOROUGH
By *Samuel J. [Signature]*

78-17
RECEIVED - FILED
4-21-78
Clerk of Court
Kenai, Alaska



SLEEPY HOLLOW SUBDIVISION

DESCRIPTION

Located within U. S. Govt. Lots 6 & 7 and the S 1/2 SE 1/4 Section 30, 5N, 13W, S.M., AK. containing 160 acres M/L including the lake.

Owner: J. H. Company
56 Peter Walton, Attorney-in-fact
350 L Street
Anchorage, Alaska 99501

P.O. Box 476 Soldna, AK

Geologist, Registered Land Surveyor
G.S. Best
Date Surveyed April, 1978 Scale 1" = 200' Bk. No. 77-3

CENTERLINE CURVE DATA			
No.	Δ	Radius	Length
1	76°30'00"	300.00'	400.35'
2	40°00'00"	226.67'	156.24'
3	30°00'00"	307.89'	161.21'
4	11°00'00"	300.00'	57.60'
5	18°15'04"	300.00'	42.83'



ENSTAR Natural Gas Company, LLC
Engineering Department, Right of Way Section 401
E. International Airport Road
P. O. Box 190288
Anchorage, Alaska 99519-0288
(907) 277-5551
FAX (907) 334-7798

July 8, 2026

Kenai Peninsula Borough, Platting Division
144 North Binkley Street
Soldotna, AK 99669

To whom it may concern:

ENSTAR Natural Gas Company has reviewed the following ROW Vacation and advises:

- **SLEEPY HOLLOW SUBDIVISION LONGMERE LANDING ADDITION VACATE
BANGERTE COURT ROW
(KPB 2026-078V)**

1. ENSTAR has existing natural gas distribution pipeline that is within the above listed existing Rights of Way proposed for vacation. Attached is a depiction for your reference.

ENSTAR objects to this plat unless the following condition is met:

- Grant ENSTAR a fifteen feet (15 FT) wide natural gas easement centered over the existing natural gas distribution pipeline within lot 11C

ENSTAR confirms that it is actively working with the underlying owner and their representatives to format a final easement document sufficient for the continued operation and maintenance of its facilities.

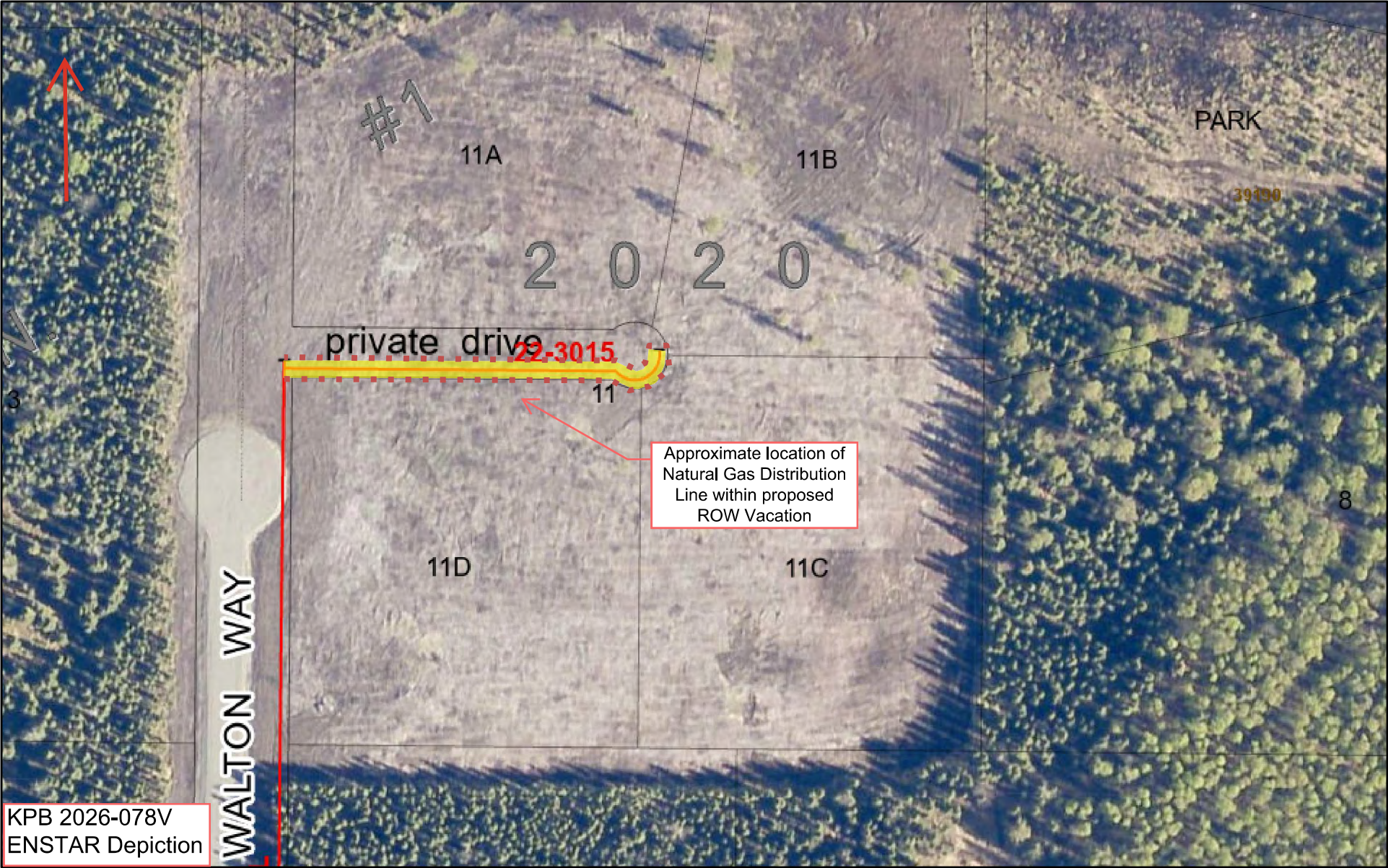
If you have any questions, please feel free to contact me at (907) 334-7944 or by email at brandon.echols@enstarnaturalgas.com.

Sincerely,

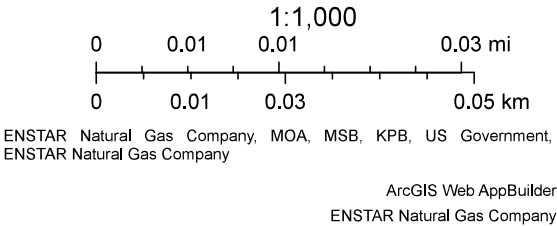
A handwritten signature in black ink, appearing to read "Brandon Echols".

Brandon Echols
Right of Way & Permitting Agent
ENSTAR Natural Gas Company, LLC

SLEEPY HOLLOW SUBDIVISION LONGMERE LANDING ADDITION VACATE BANGERTE COURT ROW



7/27/2026, 12:41:44 PM



HEA is not opposed to the vacation of Bangerter Court right-of-way on the condition that a 15 foot utility easement remain in place for the buried primary electric line on the west and north side of Lot 11D to the transformer.

The underground service line from the transformer to the pedestal does not require an easement if the service line is within one parcel and does not cross a parcel boundary. So if the lots are replatted into one, then the easement on Lot 11C and Lot 11B and Lot 11A, around Bangerter Court, can be vacated.

HEA is requesting a 15 foot wide utility easement adjoining Walton Way to allow electric lines to be installed to the north to provide electricity to neighboring lots.

HEA REVIEWED, NO COMMENTS

Scott Huff

Scott Huff 7/29/2026
Land Management Officer

15 foot utility easement requested by HEA

pedestal

underground service line

transformer

underground primary electric line

KPB 2026-078V



Planning Department

144 N. Binkley Street, Soldotna, Alaska 99669 • (907) 714-2200 • (907) 714-2378 Fax

PETITION TO VACATE PLATTED RIGHT OF WAY / PLATTED PUBLIC EASEMENT / PLATTED PUBLIC AREA

PUBLIC HEARING REQUIRED

Upon receipt of complete application with fees and all required attachments, a public hearing before the Planning Commission will be scheduled. The petition with all required information and attachments must be in the Planning Department at least 30 days prior to the preferred hearing date. By State Statute and Borough Code, the public hearing must be scheduled within 60 days of receipt of complete application.

Initially, a sketch may be included with the vacation petition for review by the Planning Commission. After the Planning Commission takes action on the vacation, a Subdivision Plat must be prepared by a licensed land surveyor. The plat will be processed in accordance with KPB 20.10.080. Platting authority is vested in the Planning Director.

SUBMITTAL REQUIREMENTS

A platted right of way vacation (ROWV) application will be scheduled for the next available planning commission meeting after a complete application has been received.

- ☒ - \$500 non-refundable fee to help defray costs of advertising public hearing. Plat fees will be in addition to the vacation fees.
- ☐ - City Advisory Planning Commission. Copy of minutes at which this item was acted on, along with a copy of City Staff Report.
- ☒ Bangerter Court platted public right of way proposed to be vacated was dedicated by the plat of Sleepy Hollow Subdivision, filed as Plat No. 80-122 in the Kenai Recording District.
- ☒ - 3 copies of the plat or map showing the platted right of way to be vacated. Must not exceed 11 x 17 inches in size. Area to be vacated must be clearly depicted. Proposed alternative public access to be shown and labeled on the sketch.
- ☒ - REASON FOR VACATING The petitioner must attach a statement with reasonable justification for the vacation of the platted right of way / platted easement / platted public area.

Has the platted right of way been fully or partially constructed?	☐ Yes	☒ No
Is the platted right of way used by vehicles / pedestrians / other?	☐ Yes	☒ No
Is alternative right-of-way being provided?	☐ Yes	☒ No
Are there utility easements associated with the right of way to be vacated?	☒ Yes	☐ No
Is the platted right of way and or associated utility easement in use by any utility company?	☒ Yes	☐ No
If so, which utility provider? <u>ENSTAR</u>		

LEGAL DESCRIPTION ADJOINING LAND:

Lot, Block, Subd. or street address <u>Block 1</u> <u>11A, 11B, 11C, 11D Sleepy Hollow Subdivision longmore landing Addition</u>	
Section, township, range <u>SE 1/4 Section 30, T5N, R9W, S4W, Kenai Peninsula Borough</u>	
City (if applicable) <u>Sterling</u>	General area <u>South end of longmore lake</u>

The petition must be signed by owners of a majority of the land affected by the platted right of way proposed to be vacated. Each petitioner must include address and legal description of his/her property. Attach additional signature sheets if needed.

Submitted by:

Land Owner

Name (printed): <u>Dustin Padeta</u>	Signature <u>[Signature]</u>
e-mail: <u>padeta27@gmail.com</u>	Address:
Owner of: <u>All adjoining lots.</u>	

Land Owner:

Name (printed):	Signature
e-mail:	Address:
Owner of:	

FOR OFFICE USE ONLY

RECEIVED BY _____

DATE SUBMITTED _____

KPB FILE # _____

**VACATION OF PLATTED RIGHT OF WAY /
PLATTED PUBLIC EASEMENT / PLATTED PUBLIC AREA**

20.65.010. Authority; Legislative intent; Scope.

This chapter is enacted under the authority of AS 29.40. A vacation decision is a discretionary legislative land use decision. The purpose of this chapter is to establish procedures for the vacation of a platted public right-of-way, public area, or other public easement dedicated on a borough approved plat, and to provide procedures for the alteration, including removal, of platted utility easements. This chapter does not apply to easements or property owned or held by a city or the borough in their proprietary capacity which may only be extinguished through the terms of the controlling document or applicable law. This chapter does not apply to private easements.

20.65.030. Vacation Criteria.

Vacation of a platted public right-of-way, access, area or other easement granted for public use or public benefit must conform to the requirements of this chapter and AS 29.40.120 through AS 29.40.160 as now enacted or as amended.

20.65.040. Vacation Application.

An informal pre-application conference by appointment with borough staff prior to the submittal of the application for vacation of a public right-of-way is encouraged. The application shall include the following items.

- A. A petition, provided by the borough planning department, signed by:
 - 1. The owners of the majority of the land abutting the area being vacated; or
 - 2. An official representative of the state, the borough, an affected utility, or a city when the area to be vacated is within the city.
- B. A sketch that depicts the area to be vacated, a preliminary vacation plat, or a copy of the existing plat showing the proposed alteration or replat. The format and number of copies of the sketch submittal shall be determined by the planning director;
- C. Written recommendations, comments, or meeting minutes from the planning and zoning commission of the affected city, if the area to be vacated is within a city. The sketch or submittal provided to an affected city must be the same submittal that is provided to the borough.
- D. The appropriate fee; and
- E. Applicant statement containing the reasons in support of the vacation.

20.65.050. Action on vacation application.

- A. Staff shall review the application and supporting materials for compliance. If the application is incomplete, staff will return it to the applicant with a written list of deficiencies to be satisfied for acceptance.
- B. After acceptance of the application, staff will:
 - 1. Send notice of the proposed vacation and the public hearing in accordance with KPB 20.10.100.
 - 2. Prepare a staff report that evaluates the merits of the proposed vacation. Revisions to the application submitted subsequent to the preparation of the staff report and after notice is sent will not be considered at the scheduled public hearing. Any such revisions will be treated as a revised application under this chapter.
- C. An accepted application shall be placed on the agenda of a regularly scheduled planning commission meeting. The public hearing on the vacation may not be more than 60 days after acceptance of the application, unless the applicant requests postponement.
- D. The planning commission shall consider the merits of each vacation request. A platted dedication to public use of land or interest in land may be vacated if the dedication is no longer necessary for present or future public use and in all cases the planning commission shall deem the area being vacated to be of value to the public. In evaluating the merits of the proposed vacation, the planning commission shall consider whether:
 - 1. The right-of-way or public easement to be vacated is being used;
 - 2. A road is impossible or impractical to construct, and alternative access has been provided;
 - 3. The surrounding area is fully developed and all planned or needed rights-of-way and utilities are constructed;
 - 4. The vacation of a public right-of-way provides access to a lake, river, or other area with public interest or value, and if so, whether equal or superior access is provided;
 - 5. The proposed vacation would limit opportunities for interconnectivity with adjacent parcels, whether developed or undeveloped;
 - 6. Other public access, other than general road use, exist or are feasible for the right-of-way;
 - 7. All existing and future utility requirements are met. Rights-of-way which are utilized by a utility, or which logically would be required by a utility, shall not be vacated, unless it can be demonstrated that equal or superior access is or will be available. Where an easement would satisfactorily serve the utility interests, and no other public need for the right-of-way exists, the commission may approve the vacation and require that a utility easement be granted in place of the right-of-way.
 - 8. Any other factors that are relevant to the vacation application or the area proposed to be vacated.
- E. The planning commission may impose such conditions as it deems necessary to ensure compliance with the requirements and purpose of this title.

- F. The borough will consider realignment of a right-of-way by vacation and rededication where the planning commission finds that the right-of-way realignment will enhance access and the realigned right-of-way is located to provide reasonable means of ingress and egress.
- G. Where the planning commission finds that a right-of-way must be preserved, but determines there is excessive width for all intended uses within the right-of-way, the commission may approve a partial vacation of a right-of-way such that the width is reduced to the maximum necessary for the intended use. Such vacation shall conform to this title for the class of right-of-way involved except where the right-of-way is not intended to be used for vehicular purposes.
- H. A planning commission decision to approve a vacation is not effective without the consent of the city council, if the vacated area to be vacated is within a city, or by the assembly in all other cases. The council or assembly shall have 30 days from the date of the planning commission approval to either consent to or veto the vacation. Notice of veto of the vacation shall be immediately given to the planning commission. Failure to act on the vacation within 30 days shall be considered to be consent to the vacation. This provision does not apply to alterations of utility easements under KPB 20.65.070 which do not require the consent of the assembly or city council unless city code specifically provides otherwise.
- I. Upon approval of the vacation request by the planning commission and no veto by the city council or assembly, where applicable, the applicant shall have a surveyor prepare and submit a plat including the entire area approved for vacation in conformance with KPB 20.10.080. Only the area approved for vacation by the assembly or council may be included on the plat. The final plat must be recorded within one year of the vacation consent.
- J. A planning commission decision denying a vacation application is final. No reapplication or petition concerning the same vacation may be filed within one calendar year of the date of the final denial action except in the case where new evidence or circumstances exist that were not available or present when the original petition was filed.
- K. An appeal of the planning commission, city council or assembly vacation action under this chapter must be filed in the superior court in accordance with the Alaska Rules of Appellate Procedure.

20.65.060. Title to vacated area.

- A. The title to the street or other public area vacated on a plat attaches to the lot or land bordering the area in equal proportions, except that if the area was originally dedicated by different persons, original boundary lines shall be adhered to so that the street area that lies on one side of the boundary line shall attach to the abutting property on that side, and the street area that lies on the other side of the boundary line shall attach to the property on that side. The portion of a vacated street that lies inside the limits of a platted addition attaches to the lots of the platted addition bordering on the area. If a public square is vacated, the title to it vests in a city if it lies inside the city, and in the borough if it lies inside the borough but outside all cities. If the property vacated is a lot, title vests in the rightful owner.
- B. If the municipality acquired the street or other public area vacated for legal consideration or by express dedication to the municipality other than as a subdivision platting requirement, before the final act of vacation the fair market value of the street or public area shall be deposited with the platting authority to be paid to the municipality on final vacation.
- C. Other provisions of this subsection notwithstanding, the planning commission may determine that a portion of the area proposed to be vacated should be reserved and if so, title to the area vacated and held for another public easement purpose remains in the borough or city, as applicable.

Introduced by: Eicher
Date: 08/04/2026
Hearing: 09/01/2026
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-26**

**AN ORDINANCE AMENDING KPB CODE, KPB 1.20.100 AND KPB
4.30.010, TO ESTABLISH TERM LIMITS FOR SCHOOL BOARD
MEMBERS SUBJECT TO VOTER APPROVAL**

WHEREAS, in 2007 a citizen's initiative was approved by the voters amending KPB 1.20.100 by placing a limitation on terms of office for school board members; and

WHEREAS, in 2008 the Superior Court ruled that the initiative invalid pursuant to state law; and

WHEREAS, on September 19, 2023, the Assembly unanimously adopted Resolution 2023-060, recommending that the Alaska Legislature enact legislation allowing term limits for school board members and stating that the decision to adopt term limits for local school board members should be allowable under Alaska Statutes and should be a matter of local choice; and

WHEREAS, Assembly members are currently subject to a two-term limit; and

WHEREAS, the 34th Legislature passed Senate Bill 143 which amends State law to include a provision allowing the local governing body of a municipality to alter the terms of office for school board members by an ordinance approved by the voters; and

WHEREAS, SB 143 was transmitted to Governor Dunleavy on July 20, 2026;

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

SECTION 1. That KPB 1.20.100 is hereby amended to read as follows:

1.20.100. School board—Number of seats—Term of office—Designation of seats.

- A. There is established a school board for the Kenai Peninsula Borough School District, composed of nine members, who shall be nominated and elected by the qualified voters of the borough as provided in the borough code of ordinances. The board members shall be elected from nine election districts as described in KPB 22.30.010.

- B. School board members are elected at the regular borough election, for three-year terms, and serve until their successors take office.
- C. A person who has served on the school board for two consecutive full terms may not be reelected to that office until 180 days have intervened.

SECTION 2. That KPB 4.30.010 is hereby amended to read as follows:

4.30.010. Candidate qualifications.

- A. A candidate for borough mayor must be a qualified voter of the State of Alaska and a resident of the Kenai Peninsula Borough for one year immediately preceding filing for office. A person who has served as mayor for two consecutive full terms may not be reelected to that office until 180 days has intervened.
- B. A candidate for borough assembly must be a qualified voter of the State of Alaska and a resident of the district from which the candidate seeks election for one year immediately preceding filing for office. As provided in KPB 22.30.030(A), a person who has served on the assembly for two consecutive full terms may not be reelected to that office until 180 days have intervened. A full term of office means the regular term of office for assembly and, except as provided in KPB 22.30.030(B), does not include portions of a term served by appointment or election to the remainder of an unexpired term vacated by another person or to a less than three-year term resulting from assembly redistricting.
- C. A candidate for school board must be a qualified voter of the State of Alaska and a resident of the district from which the candidate seeks election for one year immediately preceding filing for office. A person who has served on the school board for two consecutive full terms may not be reelected to that office until 180 days have intervened. A full term of office means the regular term of office for school board and does not include portions of a term served by appointment or election to the remainder of an unexpired term vacated by another person.
- D. A candidate for a service area board must be a qualified voter of the State of Alaska and a resident of the service area for one year immediately preceding filing for office.

SECTION 3. That the first term counted towards the two-term limit on terms served by School Board members, as set forth in Section 1 and Section 2 above, will be for School Board members elected to office in the regular election held November 3, 2026. The first regular election that will be subject to the two term limitation for School Board members is the 2032 regular election.

SECTION 4. That a ballot proposition shall be placed before voters at the next regular election to read as follows:

PROPOSITION NO. _____

Shall Section 1 and Section 2 of Ordinance 2026-26, providing for term limits for school board members, be ratified?

YES _____ A “Yes” vote means you support a term limit for school board members.

NO _____ A “No” vote means you oppose a term limit for school board members.

SECTION 5. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

SECTION 6. That this ordinance shall be effective upon voter approval of the proposition contained in Section 4 is approved by a majority of voters voting on the question in the regular election of November 3, 2026.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF * 2026.

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough Assembly

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

FROM: Dale Eicher, Assembly Member *DE*

DATE: July 23, 2026

RE: Ordinance 2026-26, Amending KPB Code, KPB 1.20.100 and KPB 4.30.010, to Establish Term Limits for School Board Members Subject to Voter Approval (Eicher)

The ordinance would place before the voters the question of whether school board members should be subject to the same basic term limit structure that currently applies to the borough mayor and assembly members: two consecutive full terms, followed by a 180-day break before being eligible to serve again.

In 2007, Kenai Peninsula Borough voters approved a citizen initiative placing term limits on school board members. In 2008, the Superior Court ruled the initiative invalid under then-existing state law. That ruling did not reject school board term limits as a policy choice. Rather, it recognized that state law did not then allow local imposition of school board term limits.

In 2023, the Assembly adopted Resolution 2023-060, recommending that the Alaska Legislature amend state law to allow local school board term limits. The resolution stated that the decision to adopt term limits for local school board members should be allowable under Alaska Statutes and should be a matter of local choice. That resolution passed unanimously.

The passage of Senate Bill 143 now returns this question back to local government. SB 143 amended state law to allow the governing body of a municipality to alter the terms of office for school board members by ordinance and, for municipal school districts, by ordinance approved by the voters. This ordinance uses that authority by allowing the people of the Kenai Peninsula Borough to decide the issue locally, rather than having the question controlled entirely by state statute.

School board members make decisions that directly affect students, parents, teachers, taxpayers, and communities throughout the borough. The school board helps guide education policy, district accountability, budget priorities, and long-term direction for public education. It is reasonable for voters to decide whether the same turnover and accountability principles that apply to the borough mayor and assembly should also apply to the school board.

Term limits can help prevent the long-term concentration of influence in any one elected office, create more regular opportunities for new candidates, and bring fresh perspectives into public decision-making. They can also encourage elected officials to remain responsive to the public, knowing that public office is service for a season, not a permanent parking spot.

Page -2-
RE: O2026-26

At the same time, this ordinance is measured. It does not shorten any current term, remove any current member from office mid-term, or permanently bar anyone from serving. A member who serves two consecutive full terms would simply be required to wait 180 days before being eligible for reelection to that office.

This approach balances continuity and accountability. School board seats are staggered, so the board would not turn over all at once. Experienced members may continue serving through their elected terms, and former members may return after the required break. The ordinance therefore provides a practical term limit without creating unnecessary disruption.

Most importantly, the ordinance trusts the voters. Borough voters previously approved school board term limits, but that vote was set aside because of the limits of state law at the time. With the Legislature now returning this authority to local government and local voters, the people of the Kenai Peninsula Borough should again have the opportunity to decide how their local elected school board offices are structured.

Your consideration is appreciated.

Introduced by:	Derkevorkian
Date:	09/19/23
Action:	Adopted as Amended
Vote:	9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2023-060**

**A RESOLUTION RECOMMENDING AN AMENDMENT TO TITLE 14 OF THE
ALASKA STATUTES, RELATING TO SCHOOL BOARDS, TO ALLOW FOR TERM
LIMITS FOR SCHOOL BOARDS**

WHEREAS, Alaska Statutes, AS 14.12.030 - 14.12.080, do not authorize either a local governing body or a local board of education (“school board”) to set term limits for school board members; and

WHEREAS, AS 29.20.140(d) authorizes local adoption of term limits for Kenai Peninsula Borough (“Borough”) Assembly members; and

WHEREAS, the Borough has established term limits for Assembly members and the Borough Mayor; and

WHEREAS, the decision to adopt term limits for local school board members should be allowable under Alaska Statutes and should be a matter of local choice;

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

SECTION 1. That the Kenai Peninsula Borough Assembly hereby recommends that the Alaska Legislature enact legislation to allow for term limits for school boards.

SECTION 2. A copy of this resolution will be sent to all members of the Alaska State Legislature.

SECTION 3. This resolution is effective immediately upon adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 19TH DAY OF SEPTEMBER, 2023.

Brent Johnson

Brent Johnson, Assembly President

ATTEST:

Michele Turner

Michele Turner, CMC, Borough Clerk



Yes: Chesley, Cox, Derkevorkian, Ecklund, Elam, Hibbert, Ribbens, Tupper, Johnson
No: None
Absent: None