

E . NEW BUSINESS

- 1. Ordinance 2024-19-24: Authorizing the acquisition of 80 acres of real property located in Seward, appropriating \$1,200,000.00 from the Land Trust Investment Fund and \$50,000.00 from the Land Trust Fund for the purchase, and authorizing the mayor to enter into a memorandum of agreement with the State of Alaska Mental Health Trust Authority for the completion of a road access feasibility study.**

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, Kenai Peninsula Borough 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: January 9, 2025

RE: Ordinance . 2024-19-__, Authorizing the Acquisition of 80 Acres of Real Property Located in Seward, Appropriating Funds from the Land Trust Investment Fund and Land Trust Fund for the Purchase, and Authorizing a Memorandum of Agreement for the Completion of a Road Access Feasibility Study (Mayor)

The Kenai Peninsula Borough (KPB) has placed an eighty-acre parcel in the Blueberry Hill area of Seward (the Blueberry Hill Parcel) under contract contingent upon Assembly approval and upon the completion of an access feasibility study to determine the potential for developed road access that complies with KPB road standards (the Study). Such access will provide a substantial future benefit to approximately 2,300 acres of adjacent KPB-owned or managed lands.

The Alaska Mental Health Trust Authority (MHT) owns land adjacent to the Blueberry Hill Parcel, and MHT also will benefit from the Study. Accordingly, MHT has agreed to participate by incorporating MHT-owned lands into the Study and by paying one half of the cost, not to exceed \$25,000.

Pursuant to the attached Purchase Agreement, the negotiated purchase price of the Blueberry Hill Parcel is \$1,200,000. An additional appropriation of \$50,000 is proposed to address costs related to the Study, additional due-diligence costs, and closing fees. The attached First Addendum to the Purchase Agreement provides for a closing on or before September 15, 2025.

The Ordinance authorizes the purchase of the Blueberry Hill Parcel and appropriates \$1,200,000 from the Land Trust Investment Fund to cover the purchase price and an additional \$50,000 from the Land Trust Fund for due-diligence costs and closing fees. The Ordinance also authorizes the Mayor to enter into a formal memorandum of agreement with MHT to memorialize KPB’s and MHT’s respective obligations relating to the Study.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Account: <u>250.27910</u>	Amt: \$ <u>50,000</u>
Account: <u>252.10790</u>	Amt: <u>\$1,200,000</u>
By: <u><i>CJ</i></u>	Date: <u>1/8/2025</u>

Introduced by: Mayor
Date: 01/21/25
Hearing: 02/04/25
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2024-19-**

AUTHORIZING THE ACQUISITION OF 80 ACRES OF REAL PROPERTY LOCATED IN SEWARD, APPROPRIATING FUNDS FROM THE LAND TRUST INVESTMENT FUND AND THE LAND TRUST FUND FOR THE PURCHASE, AND AUTHORIZING A MEMORANDUM OF AGREEMENT FOR THE COMPLETION OF A ROAD ACCESS FEASIBILITY STUDY

WHEREAS, the Kenai Peninsula Borough (KPB) has placed an eighty-acre parcel in the Blueberry Hill area of Seward (Blueberry Hill Parcel) under a contract to purchase through the attached Purchase Agreement; and

WHEREAS, the Purchase Agreement is contingent upon KPB Assembly approval; and

WHEREAS, the Blueberry Hill Parcel provides a potential means of access to approximately 2,300 acres of adjacent KPB-owned and managed lands, and Alaska Mental Health Trust Authority (MHT) land holdings; and

WHEREAS, the purchase of the Blueberry Hill Parcel also is contingent upon the completion of a feasibility study to determine the potential for developed road access that complies with KPB road standards (the Study); and

WHEREAS, the Blueberry Hill area in Seward has been identified as an important location for long-term future community expansion; and

WHEREAS, as an adjacent property owner, MHT likewise will benefit from Study for future road access and land-planning activities in the Blueberry Hill area; and

WHEREAS, it is in KPB’s best interests to share the Study’s cost with MHT through a memorandum of agreement (MOA) to memorialize the obligations of KPB and MHT relating to the Study; and

WHEREAS, the MOA therefore provides for KPB and MHT to equally divide the cost of the Study for Blueberry Hill access with a cost not to exceed \$25,000 from each entity; and

WHEREAS, the KPB Planning Commission at its regularly scheduled meeting of January 27, 2025, recommended _____;

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

SECTION 1. That pursuant to KPB 17.10.040, the Assembly finds that purchasing the Blueberry Hill Parcel, which is the following-described real property, is in KPB's best interests as it secures potential vehicular access, long term development and community expansion, and increases the value and future utility of KPB-owned and Management Authority Lands:

THE N $\frac{1}{2}$ N $\frac{1}{2}$ NW $\frac{1}{4}$; THE S $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, AND THE N $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, ALL SITUATED IN SECTION 24, TOWNSHIP 1 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, RECORDS OF THE SEWARD REORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (PARCEL NO. 12535007).

SECTION 2. That the terms and conditions of the Purchase Agreement accompanying this ordinance are hereby approved. The purchase price will be \$1,200,000 for the Blueberry Hill Parcel, plus closing and due diligence costs not to exceed \$50,000.

SECTION 3. That the Blueberry Hill Parcel will be classified as "RURAL" pursuant to KPB 17.10.080.

SECTION 4. That the purchase is conditioned upon the satisfactory completion of the Study and final review and approval of the Study findings by the Mayor.

SECTION 5. That the Mayor is authorized to enter into an MOA with the MHT to equally divide the cost of the Study for Blueberry Hill access in a form substantially similar to the draft accompanying this ordinance.

SECTION 4. That the Mayor is authorized to execute any and all documents necessary to purchase the Blueberry Hill Parcel described in Section 1 in accordance with the terms and conditions contained in this ordinance, the accompanying Purchase Agreement, and the accompanying First Addendum to the Purchase Agreement consistent with the applicable provisions of KPB Chapter 17.10.

SECTION 5. That the appropriation from the Land Trust Investment Account is within KPB 5.20.200 B and does not exceed 10 percent of the *market value* of the Land Trust Investment Fund in any year or 25 percent in any five-year period.

SECTION 6. That \$1,200,000 is appropriated from the Land Trust Investment Fund balance to Account No. 252.21200.25MHT.49999 for the purchase of the Blueberry Hill Parcel located in Seward, Alaska, and estimated due-diligence costs and closing fees.

SECTION 7. That \$50,000 is appropriated from the Land Trust Fund balance to Account No. 250.21210.25MHT.49999 for the Study, additional due-diligence costs and closing fees related to the purchase of the Blueberry Hill Parcel located in Seward, Alaska.

SECTION 8. That appropriations made in this ordinance are of project nature and as such do not lapse at the end of the particular fiscal year.

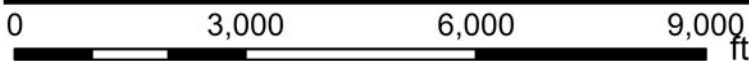
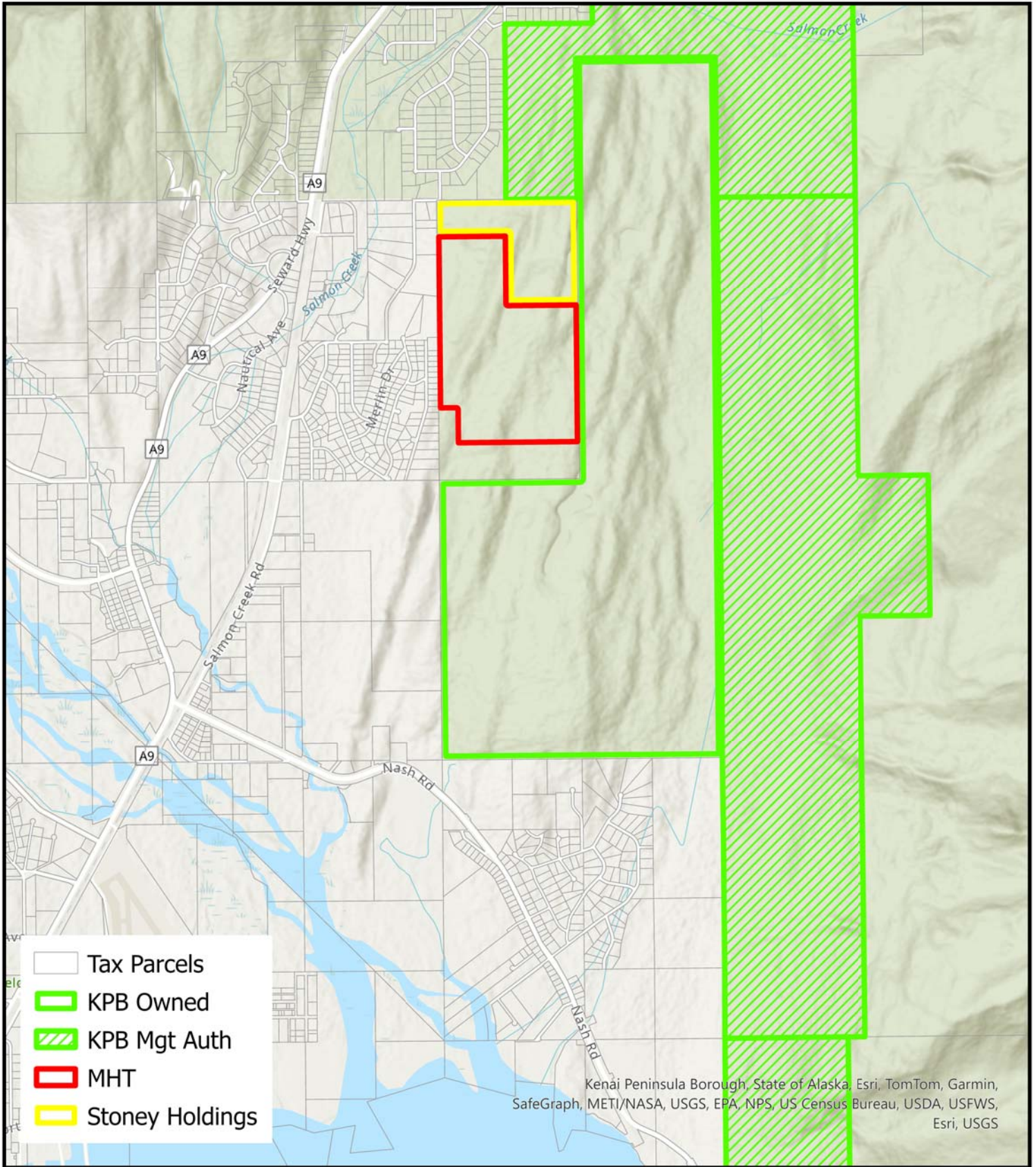
SECTION 9. That this ordinance shall be effective immediately.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS ____ DAY OF _____, 2025.

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk



Kenai Peninsula Borough, State of Alaska, Esri, TomTom, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, USFWS, Esri, USGS

PURCHASE AGREEMENT

This Purchase Agreement ("Agreement") is made by and between STONEY HOLDINGS, LLC, as seller, whose address is PO Box 1041, Talkeetna, AK 99676, ("Seller") and the KENAI PENINSULA BOROUGH, an Alaska municipal corporation, as buyer, whose address is 144 North Binkley Street, Soldotna, Alaska 99669 ("KPB") (together, "the Parties").

WHEREAS, Seller is the owner of that real property located in the Kenai Recording District, Third Judicial District, State of Alaska, and more particularly described as follows:

THE N $\frac{1}{2}$ N $\frac{1}{2}$ NW $\frac{1}{4}$; THE S $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, AND THE N $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, ALL
SITUATED IN SECTION 24, TOWNSHIP 1 NORTH, RANGE 1 WEST,
SEWARD MERIDIAN, RECORDS OF THE SEWARD REORDING
DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.
(PARCEL NO. 12535007) ("the Property"); and

WHEREAS, KPB has offered to buy, and Seller is willing to sell the Property as evidenced by this Agreement;

NOW THEREFORE, in consideration of the conditional promises herein contained, Seller hereby agrees to sell to KPB, and KPB hereby agrees to buy from Seller, the Property on the terms and conditions as set forth below:

1. PURCHASE PRICE

The purchase price of the Property is ONE MILLION TWO HUNDRED THOUSAND DOLLARS (\$1,200,000.00). The purchase price must be paid by KPB at time of closing. The purchase of the Property and appropriation of funding for the purchase are subject to approval by the KPB Assembly.

2. EXPIRATION OF OFFER

Sellers must sign and return this Agreement to the Borough on or before **August 9, 2024, at 4:30pm**; otherwise, this offer shall terminate.

3. TITLE

Title must be delivered at time of closing by statutory warranty deed, which must be issued to KPB. Seller warrants and covenants that at the time of closing there will be no liens or judgments recorded against Seller in the same recording district in which the Property subject to this Agreement is situated. Title must be clear of liens and encumbrances except title is subject to reservations, easements, rights-of-way, covenants, conditions and restrictions of record as agreed to by KPB.

Kenai Peninsula Borough, Alaska

Stoney Holdings, LLC / KPB - Purchase Agreement

MSW LLC

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4. ESCROW AND CLOSING COSTS

KPB agrees to pay for all buyer-related closing costs not otherwise addressed in this Agreement to include buyer closing, and recording fees. Seller agrees to pay for seller-related closing costs, not otherwise addressed in this Agreement to include the ALTA Standard Owners Title Insurance policy, and seller closing and recording fees. Property taxes for the current year, if any, will be prorated to the date of closing. Seller is responsible for realtor's commission, if any; all unpaid taxes for prior years, if any; and all unpaid outstanding assessments, if any. All costs will be paid in full at the time of closing.

5. CLOSING

Unless otherwise agreed to in writing, closing will occur on or before **December 13th, 2024**, or as specifically agreed to by both Parties. At closing, KPB will pay the balance of the purchase price. Both Parties will execute all documents required to complete the Agreement and, if applicable, establish an escrow account.

6. POSSESSION

Possession will be delivered to KPB at time of recording unless otherwise agreed to in writing by the Parties.

7. KENAI PENINSULA BOROUGH ASSEMBLY APPROVAL

Purchase of the Property by KPB is subject to authorization by the KPB Assembly and appropriation of funds. If the KPB Assembly fails to authorize the purchase of the Property and appropriate funds, this Agreement will terminate without penalty.

8. EXCHANGE

If Seller intends for this transaction to be part of a Section 1031 like-kind exchange, KPB agrees to cooperate in the completion of the like-kind exchange provided KPB does not incur any additional liability or cost in doing so. If Seller intends for this transaction to be part of a Section 1031 like-kind exchange, Seller may assign its rights under this Agreement to a qualified intermediary or any entity expressly created for the purposes of completing a Section 1031 like-kind exchange.

9. DISCLOSURES

Seller hereby agrees to provide written property disclosures including any and all information regarding known defects, deficiencies, legal matters, environmental issues or hazards that may be personally known by the Seller. If said written disclosures present a matter unsatisfactory to KPB, KPB may terminate this Agreement without penalty.

9. CONTINGENT ON INSPECTION / REVIEW

Closing of the contemplated purchase is contingent upon the satisfactory completion of a feasibility study for road construction necessary to meet KPB road standards, and/or other inspections as deemed necessary by KPB to determine feasibility and future utility of the Property. The feasibility study provided for in this section must be completed prior to closing.

Copies of the work products resulting from this review will be made available to Seller at no cost, upon specific request. All inspections and reviews required by KPB under this Section will be conducted solely at KPB's expense.

10. HAZARDOUS MATERIAL

Seller covenants to the best of Seller's knowledge that, as of the date of this Agreement, except as specifically identified herein, the Property is free of all contamination from petroleum products or any hazardous substance or hazardous waste, as defined by applicable state or federal law, and there are no underground storage tanks or associated piping on the Property. Seller agrees that no hazardous substances or wastes will be located on, nor stored on the Property or any adjacent property owned or leased by the Seller, owner or contractors, nor will any such substance be owned, stored, used, or disposed of on the Property or any adjacent property by Seller, its agents, employees, contractors, or invitees, prior to KPB's ownership, possession or control of the Property.

11. ENVIRONMENTAL CONTINGENCY

If, during the course of KPB's due diligence inspection of the Property pursuant to Section 9, KPB discovers the presence of environmental hazards on or released from the Property in any quantity or concentration exceeding the limits allowed by applicable law, or that is deemed undesirable by KPB, KPB will have the right to give notice to Seller accompanied by a copy or copies of the third-party report(s) disclosing and confirming the presence of such hazardous materials. The notice and accompanying third-party report must be given no later than 60 days from receipt of said report. The notice under this Section must state:

- (i) that KPB is terminating this Agreement due to the presence of such hazardous materials on or adversely affecting the Property; OR
- (ii) provide Seller 30 days from notice to provide a mitigation plan outlining steps taken by Seller to remedy said hazards to KPB's satisfaction at Seller's expense.

Following the notice and report described in this Section, the Parties may negotiate other resolutions as may be agreeable to the Parties in writing to be included as a part of this Agreement. In the event the Parties cannot agree in writing on a resolution to remedy any environmental concerns within 90 days of the notice, this Agreement will automatically terminate.

It is expressly understood that by execution of this Agreement, Seller hereby indemnifies KPB for any and all CERCLA-related claims, liabilities or matters, unless otherwise provided for in this Agreement. Said indemnification will survive closing and termination of this Agreement. Upon successful close of escrow said indemnification will continue for a period of not less than 12 months, from the date of closing unless otherwise provided for in this Agreement.

If this Agreement is terminated pursuant to any report detailing environmental conditions that may or may not exist on the Property, such report(s) will remain confidential and proprietary.

The report(s) will be marked as confidential and will not be released to a private individual, entity, or non-profit without express agreement of the Parties. Notwithstanding, the report will be released pursuant to a valid court order and may be released to the State of Alaska upon request.

12. ENTIRE AGREEMENT

This Agreement and the documents referred to herein contain the entire agreement of the Parties with respect to the subject matter hereof. Any changes, additions or deletions hereto must be made in writing and signed by both KPB and Seller or their respective successors in interest. Provisions of this Agreement, unless inapplicable on their face, will be covenants constituting terms and conditions of the sale, and will continue in full force and effect until the purchase price is paid in full or this Agreement is earlier terminated.

13. BREACH REMEDY

Prior to closing of the sale, in the event that KPB or Seller fail to make any payment required, or fail to submit or execute any and all documents and papers necessary for closing and transfer of title within the time period specified in this Agreement, the Seller or KPB may terminate this Agreement.

14. MISCELLANEOUS

- A. Time. Time is of the essence in performance of this Agreement.
- B. Cancellation. This Agreement, while in good standing, may be canceled in whole or in part, at any time, upon mutual written agreement by Seller and the KPB Mayor. This Agreement is subject to cancellation in whole or in part if improperly issued through error in procedure or with respect to material facts. KPB may cancel this Agreement without penalty in the event additional contracts required of this project are not secured.
- C. Notice. Any notice or demand which, under the terms of this Agreement or under any statute must be given or made by the Parties, must be in writing, and be given or made by registered or certified mail, addressed to the other party at the address shown on the contract. However, either party may designate in writing such other address to which such notice of demand may thereafter be so given, made or mailed. A notice given hereunder will be deemed received when deposited in a U.S. general or branch post office by the addressor.
- D. Interpretation. This Agreement will be deemed to have been jointly drafted by the Parties. It will be construed according to the fair intent of the language as a whole, not for or against either Party. The interpretation and enforcement of this Agreement will be governed by the laws of the State of Alaska. Any lawsuit brought arising from this Agreement must be filed in the superior court of the Third Judicial District, State of Alaska, located in the City of Kenai, Alaska. The titles of sections in this Agreement are not to be construed as limitations of definitions but are for identification purposes only.
- E. Condition of Property.

MSW UC

Seller will deliver the Property in its as-is condition.

- F. Confidentiality. This Agreement will be considered proprietary to the Parties until closing occurs. Following closing, this Agreement may be considered a public record.
- G. Counterparts. This Agreement may be executed in counterpart, and may be executed by way of copy, facsimile or verified electronic signature in compliance with AS 09.80, and if so, each of which will be deemed an original but all of which together will constitute one and the same instrument

KENAI PENINSULA BOROUGH:

SELLERS: Stoney Holdings, LLC

Peter A. Micciche, Mayor (Date)

Mark S. Wildermuth 8/8/2024

Mark S. Wildermuth, Member (Date)

Laura L. Caillet 8/8/2024

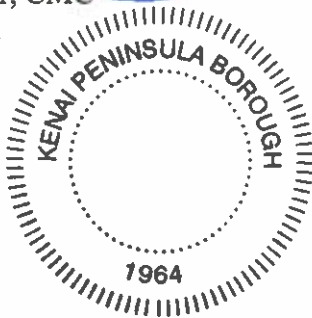
Laura L. Caillet, Member (Date)

ATTEST:

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Michele Turner, CMC
Borough Clerk

A. Walker Steinhage
Deputy Borough Attorney



FIRST ADDENDUM TO THE PURCHASE AGREEMENT BETWEEN STONEY HOLDINGS, LLC, AND THE KENAI PENINSULA BOROUGH

An agreement for the purchase of land was made on the 8th day of August 2024 (Agreement), by and between STONEY HOLDINGS, LLC, as seller, whose address is PO Box 1041, Talkeetna, AK 99676 (Seller), and the KENAI PENINSULA BOROUGH, an Alaska municipal corporation, as buyer, whose address is 144 North Binkley Street, Soldotna, Alaska 99669 (KPB) (together, the Parties). This *First Addendum to the Purchase Agreement* (Addendum) is an addendum to that Agreement, and this Addendum is incorporated by reference into that Agreement.

WHEREAS, the Agreement contemplated the purchase of land; to wit, KPB Tax Assessor Parcel No. 12535007, more particularly described and defined in the Agreement as "the Property"; and

WHEREAS, pursuant to Section 12 of the Agreement, "Entire Agreement", the Parties wish to modify the terms of the Agreement as set forth below; and

WHEREAS, pursuant to Section 9 of the Agreement, "Contingent on Inspection/Review", closing is contingent upon the satisfactory completion of a road access feasibility study; and

WHEREAS, the feasibility study authorization has been delayed, which means the transaction will be unable to close on or before December 13, 2024, as Section 5 of the Agreement, "Closing", requires; and

WHEREAS, Seller currently uses the Property for seasonal tourism business purposes; and

WHEREAS, Seller is willing to extend the closing date, provided Seller is allowed to continue its existing business operations during the 2025 summer operating season, ending on or before September 15, 2025;

NOW THEREFORE, in consideration of the mutual covenants contained below, the Parties hereby agree that the following constitutes additional or amended terms and conditions to the original Agreement.

1. Section 5 of the Agreement, "Closing", is hereby amended to read as follows:

*Unless otherwise agreed to in writing, closing will occur on or before **September 15, 2025**, or as specifically agreed to by both Parties. At closing, KPB will pay the balance of the purchase price. Both Parties will execute all documents required to complete the Agreement and, if applicable, establish an escrow account.*

2. Section 9 of the Agreement, "Contingent on Inspection / Review", is hereby amended to read as follows:

*Closing of the contemplated purchase is contingent upon the satisfactory completion of a feasibility study for road construction necessary to meet KPB road standards, and/or other inspections as deemed necessary by KPB to determine feasibility and future utility of the Property. The feasibility study and any other due diligence provided for in this section must be completed by **July 1, 2025**. All inspections and reviews required by KPB under this Section will be conducted solely at KPB's expense.*

Except as otherwise expressly provided in this Addendum, all other terms, provisions and conditions of the Agreement remain unchanged and in full force and effect.

Buyer:
KENAI PENINSULA BOROUGH:

Peter A. Micciche
Peter A. Micciche, Mayor

Date: 12/12/24

Seller:
STONEY HOLDINGS, LLC

Mark S. Wildermuth 12/10/2024
Mark S. Wildermuth, Member Date

Laura L. Caillet 12/10/2024
Laura L. Caillet, Member Date

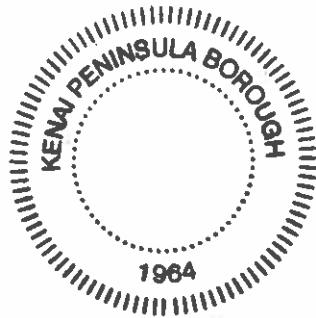
ATTEST:

Michele Turner
Michele Turner, CMC, Borough Clerk

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

A. Walker Steinhage
A. Walker Steinhage
Deputy Borough Attorney

Date: 12/11/2024



**MEMORANDUM OF AGREEMENT TO EQUALLY DIVIDE THE COST
OF A FEASIBILITY STUDY FOR BLUEBERRY HILL ACCESS BETWEEN
THE KENAI PENINSULA BOROUGH AND THE ALASKA MENTAL
HEALTH TRUST AUTHORITY**

ARTICLE 1. PARTIES

This Memorandum of Agreement (MOA) is made between the Kenai Peninsula Borough (KPB) whose address is 144 North Binkley Street, Soldotna, Alaska, 99669, and the Alaska Mental Health Trust Authority (MHT) whose address is 2600 Cordova Street, Suite 201, Anchorage, Alaska 99503 (together, the Parties).

ARTICLE 2. PURPOSE

KPB has placed an eighty-acre parcel in the Blueberry Hill area under a contract to purchase. The parcel is more particularly described as follows:

THE N¹/₂N¹/₂NW¹/₄; THE S¹/₂NE¹/₄NW¹/₄, AND THE N¹/₂SE¹/₄NW¹/₄,
ALL SITUATED IN SECTION 24, TOWNSHIP 1 NORTH, RANGE 1
WEST, SEWARD MERIDIAN, RECORDS OF THE SEWARD REORDING
DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (PARCEL
NO. 12535007) (the Property).

The purchase of the Property is contingent upon a feasibility study (the Study) to determine the potential for developed road access that would comply with current KPB road standards. The Property provides a potential means of access to adjacent KPB and Alaska Mental Health Trust Authority (MHT) land holdings. As an adjacent property owner, MHT likewise would benefit from the findings of the Study for future road access and land-planning activities in the Blueberry Hill area. The adjacent KPB land holdings are identified in Attachment 1, and the adjacent MHT land holdings are identified in Attachment 2.

This MOA defines the terms and Parties' obligations relating to equally dividing the cost of the Study.

ARTICLE 3. EFFECTIVE DATE AND PERIOD OF AGREEMENT

The effective date of this MOA is the date of the last signature of the Parties below. This MOA will expire upon the completion of the scope of work provided for in the Study.

ARTICLE 4. RESPONSIBILITIES OF KPB

KPB will:

- a. Provide a proposal quote request for the Study to MHT for review;
- b. Contract directly with the successful proposer upon award by KPB;
- b. Make all existing KPB land holdings in the Blueberry Hill area available for inclusion in the Study;
- c. Act as the project manager through its Land Management Division to oversee completion of the Study;

- d. Include MHT in calls and meetings concerning the Study with the Study contractor;
- e. Provide a copy of the completed Study to MHT; and
- d. Pay fifty percent (50%) of the contract amount for the Study, not to exceed \$25,000.

ARTICLE 5. RESPONSIBILITIES OF MHT

MHT will:

- a. Review the proposal quote request and all other Study-related contracting documentation in timely manner;.
- b. Include all existing MHT land holdings in the Blueberry Hill area as a part of the study and allow the Study contractor access to those properties to complete the Study;
- c. Provide any requested information regarding the MHT properties as it may relate to the Study;
- d. Participate in the development and completion of the project, including calls and meetings concerning the Study with the Study contractor.
- e. Pay fifty percent (50%) of the contract amount for the Study, not to exceed \$25,000) as provided for in Section 9 Payment for Services.

ARTICLE 6. COMPLIANCE WITH LAWS AND PERMITS

KPB and MHT will comply with all statutes, ordinances, rules, regulations, and requirements of federal, state, and local governments and agencies and departments thereof, which are applicable to KPB or MHT for the services provided under this MOA.

ARTICLE 7. APPLICABLE LAW

This MOA will be governed by and construed in accordance with the laws of the State of Alaska.

ARTICLE 8. CHANGES AND AMENDMENTS

Changes to this MOA must be by a written amendment that outlines in detail the exact nature of the change. Any amendment to this MOA must be executed in writing and signed by the authorized representative of each Party. The Parties signing this MOA and any subsequent amendment(s), represent that each has the authority to execute the same on behalf of their respective organizations. No oral statement by any person may be interpreted as amending or otherwise affecting the terms of this MOA. Any Party to this MOA may request that it be amended, whereupon the Parties will consult to consider such amendment.

ARTICLE 9. PAYMENT FOR SERVICES

The compensation for the matters covered under this MOA will be due in full within thirty (30) days of the notice of completion of the Study. If the payment is not received in full by the due date, KPB will e-mail notice of delinquency and add a fifteen percent (15%) delinquency fee in addition to any other delinquent fees that may be assessed by the contractor.

It is understood the KPB and MHT are both a governmental entities and payments herein provided for may be paid from legislative appropriations, and approval or continuation of an agreement may be contingent upon legislative appropriation by the KPB Assembly or the Alaska State Legislature. KPB reserves the right to terminate this MOA in whole or part if, in its sole judgment, the KPB Assembly fails, neglects, or refuses to appropriate sufficient funds as may be required. Further, in the event of non-appropriation, KPB will not be liable for any penalty, expense, or liability for general, special, incidental, consequential, or other damages resulting therefrom. MHT reserves the right to terminate this MOA in whole or part if, in its sole judgment, the Alaska State Legislature fails, neglects, or refuses to appropriate sufficient funds as may be required. Further, in the event of non-appropriation, MHT will not be liable for any penalty, expense, or liability for general, special, incidental, consequential, or other damages resulting therefrom.

KPB and MHT are not responsible for and will not pay local, state, or federal taxes. All costs associated with the MOA must be stated in U.S. currency.

ARTICLE 10. NOTICES

Notices by the Parties pursuant to this MOA must be sent to the following addresses:

Kenai Peninsula Borough
Attn: Land Management Division
144 North Binkley Street
Soldotna, Alaska 99669
E-mail: lmweb@kpb.us

Alaska Mental Health Trust Authority
Attn:
2600 Cordova Street, Suite 201
Anchorage, Alaska 99503
E-mail:

ARTICLE 11. INDEMNIFICATION AND HOLD HARMLESS

Each Party agrees that it will be responsible for its own acts and omissions including those of its officers, agents, and employees and each Party will indemnify, defend, and hold harmless the other, to the maximum extent allowed by law, from any claim of or liability for error, omission, or negligent act of whatever kind, including attorney fees, for damages to property or injury or death to persons occasioned by each Party's own acts or omissions in connection with this MOA. This agreement will continue after termination of this MOA.

ARTICLE 12. ENTIRE AGREEMENT

This document is the entire agreement of the Parties, who accept the terms of this MOA as shown by their signatures below. In the event the Parties duly execute any amendment to this MOA, the terms of such amendment will

Attachment 1

Kenai Peninsula Borough Owned and Managed Lands:

Owned:

THE SE¹/₄ OF SECTION 13, E¹/₂ OF SECTION 24, AND ALL OF SECTION 25, LOCATED IN TOWNSHIP 1 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, SEWARD RECORDING DISTRICT, STATE OF ALASKA. (Parcel 12535010)

Management Authority:

THE E¹/₂SW¹/₄, AND A PORTION OF THE S¹/₂SE¹/₄NW¹/₄ OF SECTION 13, TOOWNSHIP 1 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, SEWARD RECORDING DISTRICT, STATE OF ALASKA. (Portion of Parcel 12535014)

Attachment 2

Alaska Mental Health Trust Property:

TOWNSHIP 1 NORTH, RANGE 1 W., SEWARD MERIDIAN, ALASKA
SECTION 24: S1/2NW1/4NW1/4, SW1/4NW1/4, S1/2SE1/4NW1/4, N1/2SW1/4,
E1/2NW1/4SW1/4SW1/4, NE1/4SW1/4SW1/4, N1/2SE1/4SW1/4; ACCORDING TO
THE SURVEY MAP EXAMINED AND APPROVED BY THE U.S. SURVEYOR
GENERAL'S OFFICE IN JUNEAU, ALASKA ON JUNE 16, 1914.



CITY OF SEWARD

P. O. Box 167
410 Adams Street
Seward, Alaska 99664

City Manager's Office
907.224.4047

January 16, 2025

RE: Support Letter for KPB Land Acquisition

To the Kenai Peninsula Borough Assembly,

We are all aware of the negative impacts that a lack of residential housing and available land have on our local economies. Due to the geography of the Seward area, there are not many existing areas for land expansion for residential development, inside or outside of city limits.

Over the last few years, the KPB Land Management Division and the City of Seward have developed a collaborative relationship to problem solve the issue. We've had many conversations where we discuss potential areas, current land ownership, and strategies to get land into play for future development.

City Administration supports the acquisition of parcel #12535007 as it will create an access from a currently developed neighborhood to otherwise islanded Borough land parcel. It is a strategic acquisition that would create potential for significant future residential development for the Seward Area.

Regards,

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