

Kenai Peninsula Borough

144 North Binkley Street

Soldotna, AK 99669



Meeting Agenda

Tuesday, June 16, 2020

6:00 PM

**The meeting will be held through Zoom - Meeting ID: 128 871 931, from
the Betty J. Glick Assembly Chambers**

Assembly

Kelly Cooper, President

Hal Smalley, Vice President

Norm Blakeley

Jesse Bjorkman

Kenn Carpenter

Tyson Cox

Willy Dunne

Brent Hibbert

Brent Johnson



Assembly Meeting Schedule

TUESDAY, JUNE 16, 2020

- | | |
|----------------|--|
| 2:00 PM | Finance Committee |
| 3:00 PM | Lands Committee |
| 3:30 PM | Policies and Procedures Committee |
| 4:00 PM | Legislative Committee |
| 6:00 PM | Regular Assembly Meeting |

Above listed meetings will be held in:

Betty J. Glick Assembly Chambers
George A. Navarre Kenai Peninsula Borough Administration Building
144 North Binkley Street, Soldotna, Alaska



Finance Committee

June 16, 2020

2:00 PM

The meeting will be held through
Zoom Meeting ID: 128 871 931
From the Betty J. Glick Assembly Chambers

Brent Hibbert, Chair

Tyson Cox, Vice Chair

Brent Johnson

AGENDA

PUBLIC HEARINGS ON ORDINANCES

1. Ordinance 2019-19-38: Appropriating Commercial Passenger Vessel Tax Proceeds Received from the State of Alaska in the Amount of \$612,640 and Allocating \$577,195 to the City of Seward and \$35,445 to the City of Homer (Mayor) 5
2. Ordinance 2019-19-39: Accepting and Appropriating Funding from the State of Alaska in the Amount of \$37,458,449.47 for a Federal Pass-Through Award Under the U.S. Department of the Treasury, Coronavirus Relief Fund (Mayor) 12
3. Ordinance 2020-27: Authorizing the Director of Finance to Accept the FY2021 Late-Filed Senior Citizen Grant Application for the Seldovia Senior Citizen Program (Mayor) 19
4. Ordinance 2020-28: Authorizing the Assessor to Accept Three Late Filed-Senior Exemption Applications for 2020 Filed After March 31 and Providing an Exception to KPB 5.12.040(B) (Mayor) 26

NEW BUSINESS

1. Resolutions
 - *a. Resolution 2020-042: Approving the Kenai Peninsula Borough's Participation in a Proposed Refinancing by the Alaska Municipal Bond Bank of its General Obligation Bonds that Provided Funds to Purchase the Education Capital Improvement General Obligation Bond, Series 2013 of the Kenai Peninsula Borough, Under a Loan Agreement Between the Kenai Peninsula Borough and the Alaska Municipal Bond Bank; and Authorizing the Kenai Peninsula Borough Mayor or Designee to Approve a Revised Schedule of Principal and Interest Payments on the Kenai Peninsula Borough's 2013 Bond, in Accordance with the Loan Agreement, if the Alaska

Municipal Bond Bank Successfully Refinances its Bonds (Mayor) 121

*b. Resolution 2020-043: Approving The Kenai Peninsula Borough's Participation in a Proposed Refinancing by the Alaska Municipal Bond Bank of its General Obligation Bonds that Provided Funds to Purchase the Central Kenai Peninsula Hospital Service Area General Obligation Refunding Bonds, 2011 of the Kenai Peninsula Borough, Under a Loan Agreement Between the Kenai Peninsula Borough and the Alaska Municipal Bond Bank; and Authorizing the Kenai Peninsula Borough Mayor or Designee to Approve a Revised Schedule of Principal and Interest Payments on the Kenai Peninsula Borough's 2011 Bond, in Accordance with the Loan Agreement, if the Alaska Municipal Bond Bank Successfully Refinances its Bonds (Mayor) 126

*c. Resolution 2020-044: Approving the Kenai Peninsula Borough's Participation in a Proposed Refinancing by the Alaska Municipal Bond Bank of its General Obligation Bonds that Provided Funds to Purchase the Bear Creek Fire Service Area General Obligation Bonds, Series 2013 of the Kenai Peninsula Borough, Under a Loan Agreement Between the Kenai Peninsula Borough and the Alaska Municipal Bond Bank; and Authorizing the Kenai Peninsula Borough Mayor or Designee to Approve a Revised Schedule of Principal and Interest Payments on the Kenai Peninsula Borough's 2013 Bond, in Accordance with the Loan Agreement, if the Alaska Municipal Bond Bank Successfully Refinances its Bonds (Mayor) 131

2. Ordinances for Introduction

*a. Ordinance 2019-19-41: Appropriating Additional Closure and Post Closure Care Liability Funds for the Homer Landfill Closure Phase II Capital Improvement Project (Mayor) (Hearing on 07/07/20) 141

*b. Ordinance 2019-19-42: Appropriating \$110,000 to the Borough's School Revenue Capital Projects Fund for the Kaleidoscope Charter School of Arts and Science Flooring Replacement Project (Mayor) (Hearing on 07/07/20) 145

3. Other

- *a. Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Retail Marijuana Store, License 22294 Filed by Alaskan Grown Cannabis, Subject to the Standard Conditions 156
- *b. Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Retail Marijuana Store, License 24097 Filed by Alaskan Harvest Company, LLC, Subject to the Standard Conditions 201

[Clerk's Note: Standard Conditions for Commercial Marijuana Facilities are as follows: 1. The marijuana establishment shall conduct their operation consistent with the site plan submitted to the Kenai Peninsula Borough. 2. There shall be no parking in the borough rights-of-way generated by the marijuana establishment. 3. The marijuana establishment shall remain current in all Kenai Peninsula Borough tax obligations consistent with KTP 7.30.020 (A). 4. The marijuana establishment shall not conduct any business on, or allow any consumer to access, the retail marijuana store's licensed premises, between the hours of 2:00 a.m. and 8:00 am.]

*Consent Agenda Items



Lands Committee

June 16, 2020

3:00 PM

The meeting will be held through
Zoom Meeting ID: 128 871 931
From the Betty J. Glick Assembly Chambers

Brent Johnson, Chair

Kenn Carpenter, Vice Chair

Norm Blakeley

AGENDA

PUBLIC HEARINGS ON ORDINANCES

- 5. Ordinance 2020-30: Authorizing Cooperative Leases of Space at the Kenai River Center Building with the State of Alaska, Department of Fish and Game and Department of Natural Resources (Mayor) 36
- 6. Ordinance 2020-25: Establishing the Resilience and Security Advisory Commission for the Kenai Peninsula Borough (Cooper, Cox, Smalley, Dunne) 67

*Consent Agenda Items



Policies and Procedures Committee

June 16, 2020

3:30 PM

The meeting will be held through
Zoom Meeting ID: 128 871 931
From the Betty J. Glick Assembly Chambers

Willy Dunne, Chair

Hal Smalley, Vice Chair

Kenn Carpenter

AGENDA

NEW BUSINESS

1. Resolutions

*d. Resolution 2020-045: To Reopen the Kenai Peninsula Borough Assembly Responsibly, Restore In-Person Access, and Encourage Improvements to Internet Connectivity (Bjorkman) (Referred to Policies and Procedures Committee) 136

*e. Resolution 2020-046: Confirming the Reappointment of Brent Johnson to the Kenai Peninsula College Council (Cooper) (Referred to Policies and Procedures Committee) 140

2. Ordinances for Introduction

*c. Ordinance 2020-32: Amending KP.B 1.24, General Penalty, KP.B 12.04, Parking Regulations, and KP.B 14.40 Right of Way Permits to Replace Civil Fines with Citations to Improve Enforcement and be Consistent with Other Recent Code Updates (Mayor) (Referred to Policies and Procedures Committee) (Hearing on 08/04/20) 149

MAYOR'S REPORT..... 243

1. Assembly Requests/Responses - None.

2. Agreements and Contracts

a. Homer High School Digital Control Retrofit to Siemens, Under the Government General Services Administration (GSA) Contract 244

3. Other

- a. Certification of the 2020 Main Roll Assessment..... 264
- b. Revenue – Expenditure Report – May 2020..... 265
- c. Budget Revisions – May 2020 268

*Consent Agenda Items



Legislative Committee

June 16, 2020

4:00 PM

The meeting will be held through
Zoom Meeting ID: 128 871 931
From the Betty J. Glick Assembly Chambers

Hal Smalley, Chair

Jesse Bjorkman, Vice Chair

Willy Dunne

AGENDA

ITEMS NOT COMPLETED FROM PRIOR AGENDA

1. Ordinance 2020-29: Opposing Passage of Legislation that Would Restrict Individual Rights Protected by the Second Amendment of the United States Constitution and Declaring the Borough a Second Amendment Sanctuary (Mayor, Bjorkman, Blakeley, Carpenter) (Hearing on 07/07/20) 1

*Consent Agenda Items



Assembly Agenda

June 16, 2020 - 6:00 PM

Regular Meeting

The meeting will be held through
Zoom Meeting ID: 128 871 931
From the Betty J. Glick Assembly Chambers

Kelly Cooper
Assembly President
Seat 8 – Homer
Term Expires 2020

Harold "Hal" Smalley
Assembly Vice
President
Seat 2 - Kenai
Term Expires 2020

Jesse Bjorkman
Assembly Member
Seat 3 - Nikiski
Term Expires 2022

Norm Blakeley
Assembly Member
Seat 5-Sterling/Funny
River
Term Expires 2020

Kenn Carpenter
Assembly Member
Seat 6 – East Peninsula
Term Expires 2021

Tyson Cox
Assembly Member
Seat 4 - Soldotna
Term Expires 2022

Willy Dunne
Assembly Member
Seat 9 - South
Peninsula
Term Expires 2021

Brent Johnson
Assembly Member
Seat 7 – Central
Term Expires 2022

Brent Hibbert
Assembly Member
Seat 1 – Kalifornsky
Term Expires 2021

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

Any invocation that may be offered at the beginning of the assembly meeting shall be a voluntary offering of a private person, to and for the benefit of the assembly. No member of the community is required to attend or participate in the invocation.

[Clerk's Note: The invocation will be offered by Velvet Danielson.]

ROLL CALL

COMMITTEE REPORTS

APPROVAL OF AGENDA AND CONSENT AGENDA

(Action 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

- Resolution 2020-042
- Resolution 2020-043
- Resolution 2020-044
- Resolution 2020-045
- Resolution 2020-046
- Ordinance 2019-19-41
- Ordinance 2019-19-42
- Ordinance 2020-32
- Alaska Grown Cannabis New Marijuana Retail Store
- Alaskan Harvest Company New Marijuana Retail Store

ACTION ITEMS ELIGIBLE TO BE ADDED TO THE CONSENT AGENDA

- Ordinance 2019-19-38
- Ordinance 2019-19-9
- Ordinance 2020-27
- Ordinance 2020-28
- Ordinance 2020-30

APPROVAL OF MINUTES

- *1. June 2, 2020 Regular Assembly Meeting Minutes LAYDOWN

COMMENDING RESOLUTIONS AND PROCLAMATIONS

PRESENTATIONS WITH PRIOR NOTICE (20 Minutes total)

- 1. South Peninsula Hospital Quarterly Report (10 Minutes)

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

(3 minutes per speaker; 20 Minutes aggregate)

ITEMS NOT COMPLETED FROM PRIOR AGENDA

- 1. Ordinance 2020-29: Opposing Passage of Legislation that Would Restrict Individual Rights Protected by the Second Amendment of the United States Constitution and Declaring the Borough a Second Amendment Sanctuary (Mayor, Bjorkman, Blakeley, Carpenter) (Hearing on 07/07/20) (Referred to Legislative Committee) 1

PUBLIC HEARINGS ON ORDINANCES (Testimony limited to 3 minutes per speaker)

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UNFINISHED BUSINESS

1. Notice to Reconsider
 - a. Ordinance 2020-24: Amending KPB Title 4 Regarding Borough Elections to Provide for Vote by Mail Elections, for More Time Between a Regular Election and a Run-Off Election, and to Remove Proposition Statements (Cox, Dunne, Hibbert, Smalley) ... 90

[Clerk's Note: Assembly Member Carpenter gave notice of reconsideration at the May 19, 2020 assembly meeting.]

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- 3. Other
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 - c. Budget Revisions – May 2020 268

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS (3 minutes per speaker)

ASSEMBLY COMMENTS

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

- 1. Ordinance 2020-31: Expanding the Anchor Point Fire and Emergency Medical Service Area Boundaries to Include the Ninilchik Area (Johnson) (Hearing on 07/07/20) (Referred to Policies and Procedures Committee)

INFORMATIONAL MATERIALS AND REPORTS

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

- 1. June 16, 2020
6:00 PM
Regular Assembly Meeting
This meeting will be held through
Zoom: Meeting ID: 128 871 931
From the Betty J. Glick Assembly
Chambers

ADJOURNMENT

This meeting will be broadcast on KDLL-FM 91.9 (Central Peninsula), KBBI-AM 890 (South Peninsula), K201AO(KSKA)-FM 88.1 (East Peninsula).

The meeting will be held through Zoom, the Meeting ID: 128 871 931. To join the meeting from a computer, visit <https://zoom.us/j/128871931>. To attend the Zoom meeting by telephone call toll free 1-888-788-0099 or 1-877-853-5247 and enter the Meeting ID: 128 871 931. Detailed instructions will be posted on at the Kenai Peninsula Borough's main page at kpb.us: "Meeting and Public Notices" "Current Assembly Agenda".

Copies of the agenda and ordinances to be considered can be viewed on the website referenced above or at the Public Bulletin Board located on the window right of the double doors in the back of the Borough Administration Building. 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 www.kpb.us for copies of the agenda, meeting summaries, ordinances and resolutions.

Introduced by: Mayor, Bjorkman, Blakeley, Carpenter
Date: 06/02/20
Hearing: 06/16/20
Action: Ordinance 2020-29 was not Addressed
Prior to the Legislative Deadline
Date: 06/16/20
Hearing: 07/07/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-29**

**AN ORDINANCE OPPOSING PASSAGE OF LEGISLATION THAT WOULD
RESTRICT INDIVIDUAL RIGHTS PROTECTED BY THE SECOND AMENDMENT
OF THE UNITED STATES CONSTITUTION AND DECLARING THE BOROUGH A
SECOND AMENDMENT SANCTUARY**

WHEREAS, the Second Amendment to the Constitution of the United States of America states: "A well-regulated Militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed"; and

WHEREAS, Article 1, Section 19 of the Constitution of the State of Alaska states: "A well-regulated militia being necessary to the security of a free state, the right of the people to keep and bear arms shall not be infringed. The individual's right to keep and bear arms shall not be denied or infringed by the State or a political subdivision of the State"; and

WHEREAS, in addition to state constitutional protections, the right of the people to keep and bear arms is further protected from infringement by state and local governments under the Ninth, Tenth, and Fourteenth Amendments to the Constitution of the United States of America; and

WHEREAS, the United States Supreme Court in *McDonald v. City of Chicago* affirmed that the Second Amendment to the U.S. Constitution applies to the states through the Due Process Clause of the Fourteenth Amendment of U.S. Constitution; and

WHEREAS, the residents of the Kenai Peninsula Borough derive economic benefit from all safe forms of firearms recreation, hunting, and shooting conducted within the borough using all types of firearms allowable under the U.S. and Alaska Constitutions; and

WHEREAS, the Alaska State Legislature passed HB 69 in 2013, signed into law by the Governor on September 10, 2013, an act prohibiting state and municipal agencies from using assets to implement or aid in the implementation federal laws or regulations that are applied to infringe on a person's right to bear arms; and

WHEREAS, AS 44.99.040 prohibits the use of local funds to implement or aide in the implementation of a federal law that infringe on a person’s right to keep and bear arms or deny a person’s due process rights; and

WHEREAS, the assembly wishes to express opposition to any law that would unconstitutionally restrict the rights under the Second Amendment of the U.S. Constitution and under the Alaska Constitution of the citizens of Kenai Peninsula Borough to keep and bear arms; and

WHEREAS, the assembly wishes to express its deep commitment to the rights of citizens of the Kenai Peninsula Borough to keep and bear arms; and

WHEREAS, the assembly wishes to express its intent to stand as a sanctuary for Second Amendment rights and to oppose, within the limits of the Constitutions of the United States and the State of Alaska, any efforts to unconstitutionally restrict such rights, and to use such legal means at its disposal to protect the rights of the citizens to keep and bear arms;

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

SECTION 1. That this is an uncodified ordinance.

SECTION 2. That the assembly opposes the enactment of any legislation that would infringe upon the right of its law-abiding citizens to keep and bear arms and consider such laws to be unconstitutional.

SECTION 3. That the assembly hereby expresses its intent to uphold the Second Amendment rights of the law-abiding citizens of the Kenai Peninsula Borough and that public funds, resources, employees, buildings or offices not be used to restrict Second Amendment rights or to aid or assist in the enforcement of the unnecessary and unconstitutional restriction of the rights under the Second Amendment of the citizens of the Kenai Peninsula Borough to keep and bear arms.

SECTION 4. That the assembly hereby declares the Kenai Peninsula Borough a “Second Amendment Sanctuary”.

SECTION 5. That this ordinance shall become effective immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2020.**

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

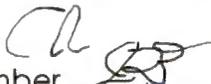
No:

Absent:

Kenai Peninsula Borough Office of the Mayor

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Charlie Pierce, Borough Mayor 
Jesse Bjorkman, Assembly Member 
Norm Blakeley, Assembly Member  for N. B.
Kenn Carpenter, Assembly Member 

DATE: May 21, 2020

RE: Ordinance 2020-29, Opposing Passage of Legislation that Would Restrict Individual Rights Protected by the Second Amendment of the United States Constitution and Declaring the Borough a Second Amendment Sanctuary (Mayor, Bjorkman, Blakeley, Carpenter)

The Second Amendment to the Constitution of the United States of America states: "A well-regulated Militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed". Article 1, Section 19 of the Constitution of the State of Alaska states: "A well-regulated militia being necessary to the security of a free state, the right of the people to keep and bear arms shall not be infringed. The individual's right to keep and bear arms shall not be denied or infringed by the State or a political subdivision of the State".

Alaska Statute 44.99.040 prohibits the use of state or municipal local funds to implement or aide in the implementation of a federal law that infringe on a person's right to keep and bear arms or deny a person's due process rights.

The residents of the Kenai Peninsula Borough derive economic benefit from all safe forms of firearms recreation, hunting, and shooting conducted within the borough using all types of firearms allowable under the U.S. and Alaska Constitutions. The purpose of this ordinance is to express its commitment to protection of the constitutional right to bear arms, that no local funds or resources will be used to restrict or aid restriction of rights under the Second Amendment, and to declare the Kenai Peninsula Borough a "Second Amendment Sanctuary".

Your support is appreciated.

Introduced by: Mayor
Date: 06/02/20
Hearing: 06/16/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2019-19-38**

**AN ORDINANCE APPROPRIATING COMMERCIAL PASSENGER VESSEL TAX
PROCEEDS RECEIVED FROM THE STATE OF ALASKA IN THE AMOUNT OF
\$612,640 AND ALLOCATING \$577,195 TO THE CITY OF SEWARD AND
\$35,445 TO THE CITY OF HOMER**

WHEREAS, in the August 22, 2006 state election, the voters approved the initiative in Ballot Measure 2, enacting AS 43.52.200 – 43.52.295, which imposed a tax on travel aboard certain cruise ships travelling in Alaska waters; and

WHEREAS, the Alaska legislature has authorized the sharing of Commercial Passenger Vessel (“CPV”) excise tax collections with eligible ports of call in the state; and

WHEREAS, CPV excise tax collections are derived from taxes imposed on cruise ship passengers; and

WHEREAS, the City of Seward and City of Homer are eligible ports of call for receiving CPV funds; and

WHEREAS, when the eligible ports of call are cities located in a borough, the cities and the borough each receive \$2.50 for each passenger; and

WHEREAS, the total amount received by the borough from the State of Alaska for the 2019 calendar year CPV programs was \$612,640; and

WHEREAS, the City of Seward and City of Homer have requested that funds received by the borough that are derived from cruise ship passengers in each city be appropriated to each city for port improvement projects; and

WHEREAS, the intended use of these funds by the cities of Seward and Homer will comply with AS 43.52.230(b), federal legislation and court rulings that permit the use of these funds for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels;

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

SECTION 1. That the mayor is authorized to execute grant agreements and any other documents deemed necessary to expend the funds and to fulfill the intents and purposes of this ordinance.

SECTION 2. That \$612,640 received from the State of Alaska in FY2020 for the commercial passenger vessel excise tax collection program be appropriated from the miscellaneous grant fund balance to account 271.94910.20CPV.43011, contract services, for payment to the City of Seward in the amount of \$577,195 and to the City of Homer in the amount of \$35,445 to be used for port facilities, harbor infrastructure and other services provided to the commercial passenger vessels and their passengers.

SECTION 3. This ordinance shall become effective immediately upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS *
DAY OF *, 2020.**

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough Community & Fiscal Projects

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Brandi Harbaugh, Finance Director *BH*

FROM: Brenda Ahlberg, Community & Fiscal Projects Manager *BA*

DATE: May 21, 2020

RE: Ordinance 2019-19- 38, Appropriating Commercial Passenger Vessel Tax Proceeds Received from the State of Alaska in the Amount of \$612,640 and Allocating \$577,195 to the City of Seward and \$35,445 to the City of Homer (Mayor)

In the August 22, 2006 election, the Alaska voters approved the initiative in Ballot Measure No. 2, which imposed a tax on passengers travelling for at least 72 hours aboard a vessel with 250 or more berths, that anchors or moors in Alaska waters with the intent to allow passengers to disembark. The initiative enacted statutes AS 43.52.200 - AS 43.52.295 that provide for the levy and collection of this tax and the disposition of the proceeds. The taxes are deposited into a state fund called the Commercial Passenger Vessel ("CPV") tax account. A portion of the proceeds are disbursed to the first seven ports of call each year. If ports of call are located in a city within a borough, \$2.50 per passenger is distributed to the city and to the borough in which the city is located. Both the City of Seward and the City of Homer have qualified for these funds, and the Borough has accordingly received proceeds from the CPV account.

The tax proceeds collected for the borough have been awarded to the City of Seward and City of Homer by way of grant agreements since 2007. Each city has provided a request letter describing funding intent for eligible projects (enclosed). The cities must confirm that the use of funds will comply with State of Alaska Department of Commerce, Community & Economic Development, "Commercial Vessel Passenger Tax Program" as governed by AS 43.52.200 - 43.52.295; specifically, AS 43.52.230 (b), "shall use the funds for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels."

Page -2-
May 21, 2020
Re: O2019-19- 38

This ordinance will approve the 2019 calendar year appropriations to be allocated to the City of Seward and the City of Homer, which will be executed by way of grant agreements. The Community & Fiscal Projects Manager shall oversee the program.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Acct. No.	<u>271.94910.20CPV.49999</u>
Amount:	<u>N/A</u>
By:	<u>ppp</u> Date: <u>5/22/20</u>

CITY OF SEWARD
P.O. BOX 167
SEWARD, ALASKA 99664-0167



- Main Office (907) 224-4050
- Police (907) 224-3338
- Harbor (907) 224-3138
- Fire (907) 224-3445
- City Clerk (907) 224-4046
- Community Development (907) 224-4049
- Utilities (907) 224-4050
- Fax (907) 224-4038

March 5, 2020

Brenda Ahlberg
Kenai Peninsula Borough
144 N.Binkley
Soldotna, Alaska 99669

RE: Cruise ship passenger tax proceeds

Dear Ms. Ahlberg,

On behalf of the community of Seward, I would like to thank the Borough Assembly and administration for allocating the Commercial Passenger Vessel (CPV) excise tax to the cities of Seward and Homer, based on their pro-rata share of cruise ship passengers visiting each port. These funds have been critical to Seward's ability to provide improvements to our port infrastructure in support of cruise ships and their passengers.

The City of Seward was asked to submit a letter requesting their allotment of 2019 cruise ship commercial passenger vessel excise tax proceeds, and to identify the intended use of these funds. AS 43.52.230 (b) requires that, "a city or borough that receives a payment under this subsection shall use the funds for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels." Seward's planned use of these 'ports-of-call' funds will entirely meet these requirements. We have identified the following projects for utilization of CPV funds, including: 1) replacement of launch ramps in the harbor; 2) shuttle bus transportation for cruise passengers and crew, including preparation of maps showing location of bus stops; 3) ambulance services for cruise vessel responses by SVAC and SVFD; 4) cruise visitor impacts to Port Avenue and library; 5) wayfinding directional signs and information; 6) dock maintenance and repairs; and other port and harbor infrastructure needs.

We appreciate your support of our request, and look forward to working with you to enhance facilities for the cruise ship industry in our region.

Sincerely

A handwritten signature in blue ink, appearing to read 'Scott Meszaros', is written over a faint, illegible stamp. Below the signature is the typed name 'Scott Meszaros, City Manager'.

Scott Meszaros, City Manager



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

May 19, 2020

Mayor Charlie Pierce
Kenai Peninsula Borough
144 N. Binkley St.
Soldotna, AK 99669
Delivered electronically

SUBJECT: 2019 Commercial Passenger Vessel Tax Allocations

Dear Mayor Pierce:

I am writing to confirm that the City of Homer wishes to receive the 2019 Commercial Passenger Vessel Tax Allocations from the Borough. It is our understanding that you will be sponsoring an ordinance that would make the Borough's share of these tax receipts for vessel landings in Homer available to the City. The City appreciates that and understands that the amount to be passed through for calendar year 2019 is \$35,445.

The City of Homer recognizes that these funds must be used for port and harbor improvements that directly benefit cruise ship passengers. The City agrees to comply with the provisions contained in AS 43.52.200 – 43.52.295 and former SB 256 and HB 310. It is the City's intention to apply 2019 funds from the Borough and the state to reimburse the Port and Harbor Enterprise fund for the construction of Ramp 2 restroom.

This project was completed in February 2019. Located at the center of the retail area on the Homer Spit and at the launching point for many recreational day trips, Ramp 2 restroom has been heavily used (and greatly appreciated) by cruise ship passengers when they are in port.

Using the funds in this manner has been previously approved by the Borough and the State. The City of Homer greatly appreciates the opportunity to pool these funds to be able to make meaningful improvements for passengers and leverage funds. In this project, the City's Commercial Passenger Vessel Tax Allocations leveraged Federal Land and Water Conservation Fund dollars for a 1:1 match.

Thank you in advance for your time and consideration. Please do not hesitate to contact me if you have any questions.

Sincerely,

Marvin Yoder
Interim City Manager

City of Homer Ramp 2 Restroom Project

The new Ramp 2 Restroom was opened for public use early in February, 2019. The restroom serves a cruise ship passenger staging area in the Port and Harbor from which many shore-side excursions launch.



The City of Homer funded the design. The City utilized Commercial Passenger Vessel (CPV) Tax Program grant funds as 1:1 matching funds to leverage a Land and Water Conservation Fund grant for \$473,405 in construction funding.



The original restroom, below, built in 1974, was 45 years old when demolished in August 2018.



The new restroom utilizes the existing foundation and utility connections, but new design efficiencies adds extra stalls, and reduces energy use and maintenance costs. Another important improvement is that the new facility is fully ADA accessible.

Introduced by: Mayor
Date: 06/02/20
Hearing: 06/16/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2019-19-39**

**AN ORDINANCE ACCEPTING AND APPROPRIATING FUNDING FROM THE
STATE OF ALASKA IN THE AMOUNT OF \$37,458,449.47 FOR A FEDERAL PASS-
THROUGH AWARD UNDER THE U.S. DEPARTMENT OF THE TREASURY,
CORONAVIRUS RELIEF FUND**

WHEREAS, the Alaska State Legislature has provided funding to municipalities through the Coronavirus Relief Fund (CRF), a federal pass-through program as approved under the Coronavirus Aid, Relief, and Economic Security Act (CARES); and

WHEREAS, the CRF program is governed by way of Section 601 of the Social Security Act as added by section 5001 of the CARES Act, Public Law 116-136; and

WHEREAS, Section 601(d) of the Social Security Act requires that units of local government use the funds received to cover only those costs that (1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19), (2) were not accounted for in the budget most recently approved as of March 27, 2020, for the state or local government, and (3) were incurred during the performance period March 1, 2020 through December 30, 2020; and

WHEREAS, the borough will receive the first payment in the amount of \$21,325,715.47 after the grant agreement has been fully executed; and

WHEREAS, the second and third payments of \$8,066,367 will only be made when at least 80 percent of the prior payments have been expended; and

WHEREAS, it is in the best interest of the borough to accept these funds to help defray costs resulting from the impacts of the coronavirus pandemic;

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

SECTION 1. That the mayor is authorized to accept \$37,458,449.47 from the State of Alaska to respond to the public health emergency resulting from the coronavirus pandemic.

SECTION 2. That the mayor is authorized to execute any documents deemed necessary to accept and expend the Coronavirus Relief Fund funds and to fulfill the intents and purposes of this ordinance.

SECTION 3. That the federal pass-through funds in the amount of \$37,458,449.47 are appropriated to account 271.94910.20CAR.49999.

SECTION 4. That due to the length and nature of the grant performance period, the borough will return funds not liquidated within thirty (30) days following the completion of the grant or before January 30, 2021 whichever comes first.

SECTION 5. This ordinance shall become effective immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2020.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough Community & Fiscal Projects

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor CP
Brandi Harbaugh, Finance Director BH
Colette Thompson, Borough Attorney CT

FROM: Brenda Ahlberg, Community & Fiscal Projects Manager BA

DATE: June 4, 2020

RE: Amendment to Ordinance 2019-19-39, Approving and Appropriating Funding from the State of Alaska in the Amount of \$37,458,449.47 for a Federal Pass-Through Award Under the U.S. Department of the Treasury, Coronavirus Relief Fund (Mayor)

As a part of this program the borough is required to sign the State of Alaska's Coronavirus Relief Fund Grant Agreement. Article 37 of that agreement requires a Grantee possessing sovereign immunity to irrevocably waive sovereign immunity with respect to the state enforcement of the Grant Agreement. As the borough possesses sovereign immunity, assembly approval is needed to comply with this provision. The following amendment would waive sovereign immunity to the extent required by the state agreement. *(Please note additions are in bold and underlined.)*

- Amend ordinance 2019-19-39 to insert the following new Section 4, and renumber existing sections 4 and 5 to sections 5 and 6:

SECTION 4. The Kenai Peninsula Borough agrees that upon award of the CRF grant funds from the State of Alaska described above in this ordinance, it shall waive its sovereign immunity with respect to State enforcement of the Coronavirus Relief Fund Grant Agreement to the extent required by Article 37 of the Department of Commerce, Community, and Economic Development Division of Community and Regional Affairs.

Your consideration of this amendment is appreciated.

Kenai Peninsula Borough Community & Fiscal Projects

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Brandi Harbaugh, Finance Director *BH*

FROM: Brenda Ahlberg, Community & Fiscal Projects Manager *Bl*

DATE: May 21, 2020

RE: Ordinance 2019-19-39, Approving and Appropriating Funding from the State of Alaska in the Amount of \$37,458,449.47 for a Federal Pass-Through Award Under the U.S. Department of the Treasury, Coronavirus Relief Fund (Mayor)

On March 27, 2020, President Donald Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which included the Coronavirus Relief Fund (CRF). The CRF requires that States, Tribal governments, or units of local government use the funds received to cover only those costs that (1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19), (2) were not accounted for in the budget most recently approved as of March 27, 2020, and (3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

The State of Alaska Department of Commerce, Community and Economic Development (DCCED) will deposit the first payment to the borough upon receipt and acceptance of the grant agreement. After distribution, the borough will be required to submit monthly reports. Only after DCCED receives evidence of expenditure of 80% of each batch of funding, the next batch of funding will be distributed.

Due to the limited federal regulations and restrictive use of funds, the administration is working with state legislators and U.S. Congressional Delegation to seek amended use of the funds to replace lost revenue resulting from the mitigations strategies to reduce the spread of the coronavirus disease.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Acct. No.	<u>271.94910.20CAR.49999</u>
Amount:	<u>N/A</u>
By: <i>PP</i>	Date: <u>5/21/2020</u>

Kenai Peninsula Borough

Community & Fiscal Projects

MEMORANDUM

TO: President Cooper and Assembly Members

THRU: Charlie Pierce, Mayor 

FROM: Brandi Harbaugh, Finance Director 
Brenda Ahlberg, Community & Fiscal Projects Manager 

DATE: June 2, 2020

Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Coronavirus Relief Fund – Federal Pass Through Allocation

Assumptions

The Relief Fund is distributed from the State of Alaska to the Kenai Peninsula Borough as a federal pass-through, subrecipient grant agreement. The borough will receive \$37,458,449.47 in three payments: payment one of \$21,325,715.47; payment two of \$8,066,367; and payment three of \$8,066,367. The State of Alaska will release each payment after 80 percent of the prior payment has been expended (\$17,060,572 equals 80 percent of the first payment). Funding is allocated using a combination of quantified economic activity metrics and other measures of commerce activity. All funds must be liquidated before December 30, 2020.

The Relief Fund provides the borough with the resources needed to respond to first and second order impacts of COVID-19. The borough will adhere to the federal authorized use of funds as governed by the Security Administration Act Title VI. The Borough will manage all distributions of the Coronavirus Relief Funds (Relief Funds) using the Federal Unified Guidance 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. When feasible, guidance from other federal programs will be employed to clearly define recipient eligibility and use of funds to demonstrate a reasonable and prudent decision process.

Guiding Principles

Public Safety: Reimburse costs for response, preparedness and mitigation measures

Community Resilience: Address needs in the unincorporated communities through community-specific programs and borough-wide programs

Economic Recovery: Leverage federal funds with local resources that creates equity to taxpayers

Loss Revenue: Recover losses from declined sales tax revenue and eliminate the need to increase mill rates (pending amendment to CARES Act/Relief Fund)

Funding Matrix

The proposed projects have been vetted to meet the federal regulations as introduced above. The funding range is presented as an estimate. The matrix is a working document to guide the administration and the assembly during the development of the funding plan, which will be formally introduced by way of resolution June 16, 2020 for the assembly's consideration and approval.

Scope of Work, Justification and Estimated Funds	ESTIMATED Funding Ranges		Public Safety	Community Resilience	Economic Recovery
Define funding thresholds and sliding scale contributions to small businesses and nonprofits outside of city limits that demonstrate economic hardships based on previous sales tax history	\$13,259,348	\$8,000,000	✓	✓	✓
Provide waivers for borough sales tax penalties	\$25,000	\$20,000	✓	✓	✓
COVID19 testing equipment to provide mass testing capabilities on the central peninsula. Equipment to reside at Central Peninsula Hospital.	\$650,000	\$525,000	✓	✓	✓
Reimburse Central Peninsula and South Peninsula hospitals' costs for emergency protective measures not reimbursed through other federal agencies.	\$800,000	\$650,000	✓	✓	
Support the volunteer fire & EMS departments' response, protective and preparedness measures (seven entities)	70,000	\$70,000	✓	✓	✓
Fire & EMS service area first responders: reimburse 75 percent of eligible personnel costs for COVID19-related response (FY20 costs ending 06/30/20)	\$2,000,000	\$1,750,000	✓	✓	✓
Kenai Peninsula Borough School District response and preparedness measures.	\$1,700,000	\$1,000,000	✓	✓	✓
Reimburse borough emergency protective measures, personnel, supplies, software/hardware, sick leave, unemployment (FY20 ending 06/30/20)	500,000	\$300,000	✓		
Solid Waste woody debris, slash disposal four (4) sites	\$200,000	\$120,000	✓	✓	
Retrofit borough facilities, i.e. touchless sinks, bathroom doors, physical separation barriers, etc.	\$500,000	\$300,000	✓	✓	

Scope of Work, Justification and Estimated Funds (continued)	ESTIMATED Funding Ranges		Public Safety	Community Resilience	Economic Recovery
Public access through technology:					
1. Remote meeting integration in assembly chambers	\$80,000	\$60,000	✓	✓	
2. Remote work kits for telework	\$116,000	\$100,000	✓		
3. Incident Management Team remote work/PC upgrades	\$67,000	\$60,000	✓		
4. 9-1-1 Backup dispatch answering center	\$802,000	\$800,000	✓	✓	✓
5. Communications engineering analysis for redundant and emergency communications	\$100,000	\$75,000	✓	✓	
Recoup projected loss revenue to restore the borough general fund, fund balance based upon historical data models. Recovered losses based upon performance period 03/01/20 - 12/30/20 (pending amendment to the CARES Act).	\$7,500,000	\$4,000,000		✓	✓
➤ ESTIMATES ONLY - RANGE TOTALS	\$28,369,348	\$17,830,000			

Introduced by: Mayor
Date: 06/02/20
Hearing: 06/16/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-27**

**AN ORDINANCE AUTHORIZING THE DIRECTOR OF FINANCE TO ACCEPT THE
FY2021 LATE-FILED SENIOR CITIZEN GRANT APPLICATION FOR THE
SELDOVIA SENIOR CITIZEN PROGRAM**

WHEREAS, pursuant to KPB 5.22.010 the Kenai Peninsula Borough may provide for grants to senior citizen centers located within the Kenai Peninsula Borough; and

WHEREAS, KPB 5.22.060 requires grant applications be filled out and submitted not later than March 15 of each year; and

WHEREAS, due to necessary staffing responses to COVID-19 pandemic, the grant application requesting funding of the FY2021 Seldovia Senior Citizen Program was not submitted until May 12, 2020; and

WHEREAS, because the deadline requirement to submit the application is established by ordinance, an exception to it can only be granted by ordinance;

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

SECTION 1. That the assembly authorizes the Director of Finance to accept the FY2021 late-filed Seldovia senior citizen grant application.

SECTION 2. That this ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2020.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough Community & Fiscal Projects

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Brandi Harbaugh, Finance Director *BH*

FROM: Brenda Ahlberg, Community & Fiscal Projects Manager *BH*

DATE: May 21, 2020

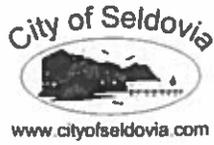
SUBJECT: Ordinance 2020- [21](#), Authorizing the Director of Finance to Accept the Late-Filed Grant Application for the Seldovia Senior Citizen Program (Mayor)

KPB 5.22.010 authorizes the Kenai Peninsula Borough to provide grants to senior citizen centers located within the Kenai Peninsula Borough. To receive funding, the grant applications provided by the borough's Director of Finance are to be filled out and submitted not later than March 15th of each year.

The FY2021 grant application for the Seldovia senior citizen program was submitted after the March 15th deadline. Because the requirement to submit the application is established by ordinance, an exception can only be granted by ordinance. Attached please find a letter from the City of Seldovia requesting the borough accept its late-filed application.

This ordinance requests that the assembly authorize the Director of Finance to accept the late-filed FY2021 grant application for the Seldovia senior citizen program.

Attachments: City of Seldovia Letter and FY21 KPB Senior Grant Application



P.O. Drawer B Seldovia, Alaska 99663 Phone: (907) 234-7643, Fax: (907) 234-7430 email: citymanager@cityofseldovia.com

Honorable Mayor Pierce and Kenai Peninsula Borough Assembly
144 N. Binkley Street
Soldotna, Alaska 99669

Dear Mayor Pierce,

The City of Seldovia is requesting that the Kenai Peninsula Borough accepts our overdue grant application for the senior meals grant program. With the challenges that COVID-19 that the nation has all faced, coupled with the sudden departure of our finance officer, we have been trying our best to fill in the gaps.

Our community values the senior meals program, especially during uncertain economic times such as this. We hope that your administration and leadership will accept our apologies for the delay in submitting our grant application.

Thank you for your consideration, continued support and leadership for our community.

Kind Regards,



Cassidi Cameron
City Manager

**KENAI PENINSULA BOROUGH
FY21 SENIOR CITIZEN GRANT APPLICATION**

EMAIL TO: Brenda Ahlberg
Community & Fiscal Projects Manager
bahlberg@kpb.us
907-714-2153 or 800-478-4441

DUE DATE: March 16, 2020

City of Seldovia

1. Applicant Organization (Provide legal corporate name as listed on current AK Biennial Report.)

245 Dock Street Seldovia, Alaska 99663 (907) 234-7643

2. Business Address:

3. Telephone:

PO BOX B Seldovia, Alaska 99663

4. Mailing Address:

citymanager@cityofseldovia.com

finance@cityofseldovia.com

5. E-mail address:

6. Fax Number:

Local Government

7. Eligibility (KPB Code 5.22.020)

- Nonprofit
- Tax Exempt
- City Sponsorship
- Recognized by KPB Assembly
- Recognized by Older Alaskans Commission of State of Alaska
- Received 1985-86 Borough funding but do not meet other sponsorship requirements

Incorporated 1945

8. Date Organization Formed/Date of Incorporation:

Cassidi Cameron, Jan Yaeger, Heidi Geagel

9. Individuals Authorized to Sign Purchase Orders and Payment Requests:

	Name	Title	Telephone
a.	Jan Yaeger	Finance Officer (beginning end of May)	907.234.7643
b.	Cassidi Cameron	City Manager	907.234.7643
c.	Heidi Geagel	Clerk	907.234.7643
d.			

**Attach the organization's State of Alaska Biennial Report, which lists current officers.
KPB SENIOR CITIZENS GRANT APPLICATION - DUE MARCH 16, 2020**

10. **Services to be provided from Borough funding and grant amount requested: Use attached form "KPB Senior Grant Program - Budget Request."**

11. Provide a copy of current State of Alaska Biennial Report listing current officers that are authorized to sign the grant agreement.

Terms and Conditions: The undersigned certifies that the information presented in this application is true and correct and that the applicant agency will abide by the requirements outlined in Kenai Peninsula Borough Code Chapter 5.22.

Caristi Cameron

City Manager

5/12/20

Authorized Signature

Title

Date

The application can only be signed by a board officer as listed on the current biennial report.

KPB OFFICE USE ONLY

- 1. Eligible: Yes No
- 2. Start-up Grant: Yes No
- 3. Activities approved by Assembly _____
Date
- 4. a. Number of persons eligible to be served by organization per 5.22.050 _____
b. Percentage of total of those eligible to be served _____
- 5. Amount of Grant Award _____

Introduced by: Mayor
Date: 06/02/20
Hearing: 06/16/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-28**

AN ORDINANCE AUTHORIZING THE ASSESSOR TO ACCEPT THREE LATE-FILED SENIOR EXEMPTION APPLICATION FOR 2020 FILED AFTER MARCH 31 AND PROVIDING AN EXCEPTION TO KPB 5.12.040(B)

WHEREAS, KPB 5.12.105(E) provides that an application for a senior citizen exemption must be filed by March 31 of the year for which the exemption is sought; and

WHEREAS, in accordance with AS 29.45.030(f) and KPB 5.12.105(E) the assembly may, for good cause shown, waive the claimant's failure to make timely application and authorize the assessor to accept the application as if timely filed; and

WHEREAS, in accordance with KPB 5.12.105(E)(4) if an otherwise qualified claimant is unable to comply with the March 31 deadline for filing an application, and the inability to comply is caused by a serious condition or extraordinary event beyond the taxpayer's control, the assembly may waive the claimant's failure to file the application by such date, and authorize the assessor to accept the application as if timely filed; and

WHEREAS, the applicants have submitted affidavits stating that they had extraordinary circumstances which prevented them from timely filing a 2020 senior citizen exemption application; and

WHEREAS, in accordance with KPB 5.12.040(B) the assessor shall not make changes to the assessment roll after June 1 except for the reasons provided therein, which do not include adjustments for late-filed senior exemption applications; and

WHEREAS, an exception to KPB 5.12.040(B) is required because even when the assembly has approved a late-filed senior exemption application after June 1, code does not allow the assessor to make a change to the assessment roll after June 1 due to a tax exemption status change;

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

SECTION 1. Upon reviewing the three senior citizen exemption applications and documentation or affidavits submitted with this ordinance, the assembly hereby waives the March 31 deadline for filing an application for those three 2020 senior

citizen exemption applications based upon a finding that the applicants were unable to comply with that deadline due to a serious condition or extraordinary event beyond their control.

SECTION 2. That the assessor shall process the applications in accordance with standard assessing department procedures for processing such applications.

SECTION 3. Notwithstanding KPB 5.12.040(B), in the event the assessor finds that the three late-filed senior exemption applications should be otherwise approved, the assessor is hereby authorized to make a change to the assessment roll after June 1, 2020 to reflect the approved exemptions.

SECTION 4. That this ordinance shall take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2020.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Assessing Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor 

FROM: Melanie Aeschliman, Director of Assessing 

DATE: May 21, 2020

SUBJECT: Ordinance 2020- 28, Authorizing the Assessor to Accept Three Late Filed Senior Citizen Exemption Applications and Providing an Exception to KPB 5.12.040(B) (Mayor)

Three Senior Citizen Exemption applicants have requested the assembly allow the assessor to accept late-filed Senior Citizen Exemption applications received after March 31, 2020.

KPB 5.12.105 and AS 29.45.030(f) allow for late-filed exemptions to be granted by the assembly. For an application filed after March 31 the applicant must file an affidavit stating good cause for failure to comply with the deadline. Good cause is defined by KPB 5.12.105(E)(4) as:

... an inability to comply with the March 31 deadline that was caused by a serious condition or extraordinary event beyond the taxpayer's control. A serious condition or extraordinary event may include a serious medical condition or other similar serious condition or extraordinary event.

Setting the Rate of Levy for Fiscal Year 2021, Tax Year 2020 (Mayor)
Senior Citizen Exemption Applicant 1:

Mark Moore has applied late for the 2020 Senior Citizen Exemption and provided a late waiver. He states in his late-filed affidavit that he retired April 1, 2020 and during the normal application period he was busy getting his retirement affairs in order. When the COVID-19 pandemic occurred he was sheltering in place and his exemption application didn't get submitted on time.

Page -2-
May 21, 2020
RE: O2020- 28

Based upon a review of Mr. Moore's exemption application he would qualify for exemption if his late-filed request is authorized by the assembly.

Senior Citizen Exemption Applicant 2:

Walter Martin has applied late for the 2020 Senior Citizen Exemption and provided a late waiver. He states in his late-filed affidavit that during the regular application period he was busy dealing with a wrongful death matter of his late son and also the COVID -19 pandemic.

Based upon a review of Mr. Martin's exemption application he would qualify for exemption if his late-file request is authorized by the assembly.

Senior Citizen Exemption Applicant 3:

Suzanne Richards has applied late for the 2020 Senior Citizen Exemption and provided a late waiver. She states in her late-filed affidavit that during part of the regular application period she was a passenger on a cruise ship that was quarantined from February 21 to March 11, 2020, due to the COVID-19 pandemic. She was subsequently quarantined in San Diego, California until March 26th and again on her return to Alaska until April 10, 2020. Additionally, she has been ill since returning back to Alaska.

Based upon a review of Mrs. Richards' exemption application she would qualify for exemption if her late-file request is authorized by the assembly

KPB 5.12.040(B) does not allow the assessor to make a change to the assessment roll after June 1 due to a change in exemption status even when the assembly has authorized the assessor to accept a late-filed senior exemption application as if timely filed. Therefore, notwithstanding KPB 5.12.040(B) this ordinance authorizes the assessor to make a change to the assessment roll after June 1, 2020 to reflect the approved exemption.

Your consideration of this ordinance is appreciated.

LATE FILER

SENIOR CITIZEN EXEMPTION

DUE ON OR BEFORE MARCH 31 OF THE EXEMPTION YEAR
 APPLICANTS MUST BE AGE 65 ON OR BEFORE DECEMBER 31
 OF THE PRECEDING YEAR.

Proof of age is required prior to application approval.



2020

PIN: 06548060



MOORE MARK & LORETTA LIVING TRUST
 PO BOX 11
 STERLING AK 99672-0011

RECEIVED
 APR 27 2020

Physical Address: 39511 BALDERDASH RD
 39531 " " "

Legal Description: T 5N R 8W SEC 5 Seward Meridian KN
 2018050 VEIL O' MIST NO 17 TRACT D

Cell Phone: _____

Home Phone: _____ ✓

Spouse's Name: Loretta J. Moore

Applicant's Date of Birth: _____

Spouse's Date of Birth: _____

Applicant's SSN: _____ ✓

Spouse's SSN: _____ ✓

I am applying as a: Senior age 65 and spouse
 Individual age 65 or older Surviving spouse age 60 or older

Dwelling Type:
 Single Family Multi-Family Dwelling
 Mobile Home Other
 Condominium

Is any portion of this property used for:
 Commercial Use? YES NO
 Rental Purposes? YES NO
 Explain: SEE TYPED OUT LETTER

Is occupancy shared with someone other than your spouse and/or minor children? YES NO
 If yes, when did shared occupancy begin? _____
 What portion of the home do they occupy? _____
 If live-in care is medically necessary, attach a letter from a physician recommending need for live-in care.

Do you or your spouse own property in another Borough or State?
 YES NO
 If YES, does the property receive an exemption? YES NO

Please list your other property address, city & state:

Alaska Permanent Fund Eligibility
 When was the last year you applied for the Alaska Permanent Fund Dividend? 2019
 Will you apply for the next Permanent Fund Dividend? YES NO What year will that be? 2020
 Applicants who do not receive an Alaska Permanent Fund Dividend must complete KPB Supplemental Form #1 or the application will be denied. (Supplemental forms are available at the Assessing Department or on-line.)

I CERTIFY: This property is my primary residence and permanent place of abode. I occupied it as my primary residence for a minimum of 185 days in the year prior to the year of this application. (If you do not meet this requirement, you must provide satisfactory evidence that you meet the statutory criteria for an allowable absence under AS 43.23.008.) I hereby attest that the information above is true and correct to the best of my knowledge, and I will notify the borough assessing department if I do not meet this requirement in any future year for the duration of this exemption.

MARK & LORETTA MOORE LIVING TRUST Mark Moore - Trustee 4/23/2020
 PRINT OWNER NAME SIGNATURE DATE

**** ASSESSOR'S USE ONLY **** TSBV

NEW FILING	OCCUPANCY	AGE <u>AKD</u>	FULL	VARIABLE <input checked="" type="checkbox"/>	APPROVED	ENTERED BY
PRIOR FILING	OWNERSHIP <u>10-31-18</u>	PERM FUND <u>2020 yes.</u>	CONTIG	DENIED		

AFFIDAVIT OF MARK B. MOORE (Trustee)
 (Senior Citizen or Disabled Veteran Applicant Name)
AND APPLICATION FOR APPROVAL OF LATE FILING
FOR SENIOR CITIZEN OR DISABLED VETERAN EXEMPTION

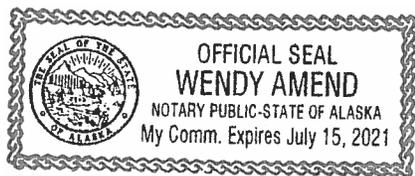
This application is made pursuant to A.S. 29.45.030 Required Exemptions and KPB Code 5.12.105. Real Property Tax - Exemptions - Senior Citizens, Disabled Veterans and surviving spouses thereof.

Good cause means an inability to comply with the March 31 deadline that was caused by a serious condition or extraordinary event beyond the taxpayer's control. A serious condition or extraordinary event may include a serious medical condition or other similar serious condition or extraordinary event. (Absent extraordinary circumstances, a mere failure to pick up or read mail or to make arrangements for an appropriate and responsible person to pick up and read mail or a failure to provide a current address to the Department of Assessing will not be deemed good cause). Failure to meet the filing deadline is based upon the following good cause:

Please describe the serious condition or extraordinary event that caused your failure to meet the March 31st filing deadline. (Please attach any documentation you may have that supports your request).

Retirement DATE WAS 4/1/2020 - During THIS TIME
WAS Getting my retirement AFFAIRS INTO ORDER. THEN
THE Covid-19. Hit. NOT SURE IF I or MY FAMILY
WOULD LIVE, BEING SHUTTERED IN PLACE, ALL OTHER
THINGS DIDN'T SEEM TO MATTER. SO getting THIS TURNED IN ON
 FURTHER AFFIANT SAITH NAUGHT. Time didn't HAPPEN.

Dated at SOLDOTNA, Alaska, this 24 day of APRIL, 2020.



Mark B. Moore Trustee
MARK & LORETTA MOORE Living Trust
 Applicant Signature

SUBSCRIBED AND SWORN to before me this 24 day of April, 2020

Wendy Amend
 Notary Public
 My Commission Expires: 07-15-2021

Exemption applications submitted for consideration for late-file acceptance will be forwarded to the Assembly by the Mayor's Office.

Assembly Action: APPROVED _____ DENIED _____

LATE FILER

SENIOR CITIZEN EXEMPTION

DUE ON OR BEFORE MARCH 31 OF THE EXEMPTION YEAR
 APPLICANTS MUST BE AGE 65 ON OR BEFORE DECEMBER 31
 OF THE PRECEDING YEAR.

Proof of age is required prior to application approval.



2020

PIN: 19207732 +
 19207734

RECEIVED

Physical Address: 194 BAY ST



APR 27 2020

WALTER L MARTIN
 PO BOX 27
 SELDOVIA AK 99663-0027

KPB ASSESSING DEPT.

Legal Description: T 8S R 14W SEC 32 Seward Meridian SL
 0920008 SELDOVIA TOWNSHIP US SURVEY 1771 VACATION
 REPLAT SUB LOT 2 BLK 32 ST

Home Phone: _____

Cell Phone: _____

Spouse's Name: _____

Applicant's Date of Birth: [REDACTED]

Spouse's Date of Birth: _____

Applicant's SSN: [REDACTED]

Spouse's SSN: _____

I am applying as a: _____ Senior age 65 and spouse
 Individual age 65 or older _____ Surviving spouse age 60 or older

Dwelling Type:
 Single Family _____ Multi-Family Dwelling
 _____ Mobile Home _____ Other
 _____ Condominium

Is any portion of this property used for:
 Commercial Use? _____ YES NO
 Rental Purposes? _____ YES _____ NO
 Explain: _____

Is occupancy shared with someone other than your spouse and/or minor children? _____ YES NO

If yes, when did shared occupancy begin? _____

What portion of the home do they occupy? _____

If live-in care is medically necessary, attach a letter from a physician recommending need for live-in care.

Do you or your spouse own property in another Borough or State?
 YES _____ NO

If YES, does the property receive an exemption? _____ YES NO

Please list your other property address, city & state:
 1103 N Hyde St 97901 NO
 Truth or Consequences N.M. Etc.

Alaska Permanent Fund Eligibility

When was the last year you applied for the Alaska Permanent Fund Dividend? ~~2019~~ 2020

Will you apply for the next Permanent Fund Dividend? YES _____ NO What year will that be? 2021

Applicants who do not receive an Alaska Permanent Fund Dividend must complete KPB Supplemental Form #1 or the application will be denied. (Supplemental forms are available at the Assessing Department or on-line.)

I CERTIFY: This property is my primary residence and permanent place of abode. I occupied it as my primary residence for a minimum of 185 days in the year prior to the year of this application. (If you do not meet this requirement, you must provide satisfactory evidence that you meet the statutory criteria for an allowable absence under AS 43.23.008.) I hereby attest that the information above is true and correct to the best of my knowledge, and I will notify the borough assessing department if I do not meet this requirement in any future year for the duration of this exemption.

Walter L. Martin

[Signature]

April 23 - 20

PRINT OWNER NAME

SIGNATURE

DATE

**** ASSESSOR'S USE ONLY ****

ISB

NEW FILING	OCCUPANCY	AGE AKDL	FULL	VARIABLE	APPROVED	ENTERED BY
PRIOR FILING	OWNERSHIP 4-15-16	PERM FUND 2020 YES.	CONTIG		DENIED	

AFFIDAVIT OF Walter L Martin
(Senior Citizen or Disabled Veteran Applicant Name)
**AND APPLICATION FOR APPROVAL OF LATE FILING
FOR SENIOR CITIZEN OR DISABLED VETERAN EXEMPTION**

This application is made pursuant to A.S. 29.45.030 Required Exemptions and KPB Code 5.12.105. Real Property Tax - Exemptions - Senior Citizens, Disabled Veterans and surviving spouses thereof.

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Please describe the serious condition or extraordinary event that caused your failure to meet the March 31st filing deadline. (Please attach any documentation you may have that supports your request).

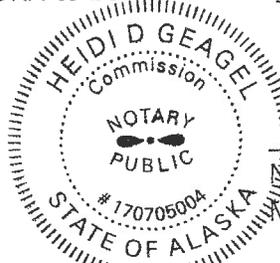
I was dealing with [REDACTED]
[REDACTED] + also the
Covid-19 pandemic

FURTHER AFFIANT SAITH NAUGHT.

Dated at Seldovia, Alaska, this 23 day of April, 2020

[Signature]
Applicant Signature

SUBSCRIBED AND SWORN to before me this 23 day of April, 2020



[Signature]
Notary Public
My Commission Expires: With Term

Exemption applications submitted for consideration for late-file acceptance will be forwarded to the Assembly by the Mayor's Office.

Assembly Action: APPROVED _____ DENIED _____

RECEIVED

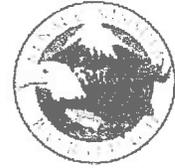
MAY 07 2020

KPB ASSESSING DEPT.
2020

SENIOR CITIZEN EXEMPTION

DUE ON OR BEFORE MARCH 31 OF THE EXEMPTION YEAR
APPLICANTS MUST BE AGE 65 ON OR BEFORE DECEMBER 31
OF THE PRECEDING YEAR.

Proof of age is required prior to application approval.



PIN: 05929040

Physical Address: 136 LEIBROCK CIR

RICHARDS SUZANNE DECLARATION OF TRUST
136 LEIBROCK CIR
SOLDOTNA AK 99669-7545

Legal Description: T 5N R 10W SEC 29 Seward Meridian KN
0830125 PARKWOOD SUB NO 4 LOT 11 BLK 9

Cell Phone: _____
Applicant's Date of Birth: _____
Applicant's SSN: _____

Home Phone: _____
Spouse's Name: N/A
Spouse's Date of Birth: N/A
Spouse's SSN: N/A

I am applying as a: Senior age 65 and spouse
 Individual age 65 or older Surviving spouse age 60 or older

Dwelling Type: Single Family Multi-Family Dwelling
 Mobile Home Other
 Condominium

Is any portion of this property used for:
Commercial Use? YES NO
Rental Purposes? YES NO
Explain: _____

Is occupancy shared with someone other than your spouse and/or minor children? YES NO
If yes, when did shared occupancy begin? _____
What portion of the home do they occupy? _____
If live-in care is medically necessary, attach a letter from a physician recommending need for live-in care.

Do you or your spouse own property in another Borough or State? YES NO
Please list your other property address, city & state: _____
If YES, does the property receive an exemption? YES NO

Alaska Permanent Fund Eligibility
When was the last year you applied for the Alaska Permanent Fund Dividend? 2020
Will you apply for the next Permanent Fund Dividend? YES NO What year will that be? _____
Applicants who do not receive an Alaska Permanent Fund Dividend must complete KPB Supplemental Form #1 or the application will be denied. (Supplemental forms are available at the Assessing Department or on-line.)

I CERTIFY: This property is my primary residence and permanent place of abode. I occupied it as my primary residence for a minimum of 185 days in the year prior to the year of this application. (If you do not meet this requirement, you must provide satisfactory evidence that you meet the statutory criteria for an allowable absence under AS 43.23.008.) I hereby attest that the information above is true and correct to the best of my knowledge, and I will notify the borough assessing department if I do not meet this requirement in any future year for the duration of this exemption.

Suzanne Richards Suzanne Richards
PRINT OWNER NAME SIGNATURE DATE 6 May 2020

NEW FILING		OCCUPANCY	AGE	FULL	VARIABLE	APPROVED	ENTERED BY
PRIOR FILING	OWNERSHIP	PERM FUND	2020 YES	CONTIG		DENIED	

RECEIVED

MAY 07 2020

KPB ASSESSING DEPT.

AFFIDAVIT OF Suzanne Richards
 (Senior Citizen or Disabled Veteran Applicant Name)
**AND APPLICATION FOR APPROVAL OF LATE FILING
 FOR SENIOR CITIZEN OR DISABLED VETERAN EXEMPTION**

This application is made pursuant to A.S. 29.45.030 Required Exemptions and KPB Code 5.12.105. Real Property Tax - Exemptions - Senior Citizens, Disabled Veterans and surviving spouses thereof.

Good cause means an inability to comply with the March 31 deadline that was caused by a serious condition or extraordinary event beyond the taxpayer's control. A serious condition or extraordinary event may include a serious medical condition or other similar serious condition or extraordinary event. (Absent extraordinary circumstances, a mere failure to pick up or read mail or to make arrangements for an appropriate and responsible person to pick up and read mail or a failure to provide a current address to the Department of Assessing will not be deemed good cause). Failure to meet the filing deadline is based upon the following good cause:

Please describe the serious condition or extraordinary event that caused your failure to meet the March 31st filing deadline. (Please attach any documentation you may have that supports your request).

From February 21-March 11 - I was a passenger on the Grand Princess Cruise ship. Our entire ship was put under quarantine by the CDC after a former passenger succumbed to Covid 19 on March 2nd. After disembarking (San Diego, CA) the cruise ship I was put in quarantine at MiraMar Marine base until March 26th. I arrived back at my Soldotna residence March 27th - and was immediately put in another 14 day quarantine, per Alaska State Mandate until April 10, 2020.

Dated at Soldotna, Alaska, this 7 day of May, 2020

Suzanne Richards
 Applicant Signature

SUBSCRIBED AND SWORN to before me this 7 day of May, 2020



Molly Green
 Notary Public
 My Commission Expires: 9.29.2020

Exemption applications submitted for consideration for late-file acceptance will be forwarded to the Assembly by the Mayor's Office.

Assembly Action: APPROVED _____ DENIED _____

Introduced by: Mayor
Date: 06/02/20
Hearing: 06/16/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-30**

**AN ORDINANCE AUTHORIZING COOPERATIVE LEASES OF SPACE AT THE
KENAI RIVER CENTER BUILDING WITH THE STATE OF ALASKA,
DEPARTMENT OF FISH AND GAME AND DEPARTMENT OF NATURAL
RESOURCES**

- WHEREAS,** federal appropriations were provided for the construction and operation of the borough’s Donald E. Gilman Kenai River Center (“Kenai River Center”); and
- WHEREAS,** the Kenai River Center is designed to increase coordination and communication between permitting agencies in order to streamline the permitting process for landowners, improve protection of the Kenai Peninsula’s natural resources, and serve as a source of information and education for landowners and others concerned with resource management; and
- WHEREAS,** staff within the borough’s planning department, the State of Alaska Department of Fish & Game, and the State of Alaska Department of Natural Resources the Kenai River Center currently occupy the facility; and
- WHEREAS,** the Kenai River Center has operated under a cooperative interagency lease and shared services agreement structure since 2005; and
- WHEREAS,** the Kenai Peninsula Borough and the State of Alaska desire to continue to utilize the Kenai River Center for its designed purpose; and
- WHEREAS,** entering into new cooperative lease agreements with the State of Alaska would provide for the continued use of space by each agency and would protect the interests of each party; and
- WHEREAS,** continuing with a shared services agreement would allow the occupants to equitably share certain operation, maintenance and long-term costs and would provide for the most economical continuation of services; and
- WHEREAS,** the Kenai Peninsula Borough Planning Commission at its regularly scheduled meeting of June 8, 2020, recommended _____;

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

SECTION 1. That the mayor is hereby authorized, pursuant to KPB 17.10.100(D), to enter into cooperative leases, in substantially the form as the one attached for approval, of a negotiable square footage of office space to the State of Alaska Department of Fish and Game and Department of Natural Resources, within the following described real property situated in the Kenai Recording District, Third Judicial District, State of Alaska, described as follows:

Tract 1A, Soldotna Airport Property Funny River Road
Realignment Addn. Part One, Plat No. 2011-22, located at 514
Funny River Road, Soldotna, Alaska

SECTION 2. That the cooperative leases shall grant the lessee full use and enjoyment of proportionately allocated shared use areas along with available staff and visitor parking, with all respective appurtenances under the lessee for the duration of the lease. Shared use areas shall include all common areas and facilities such as storage and locker areas, fenced parking, conference rooms and meeting rooms. Shared use areas may also include primary work areas for any of the following types of personnel employed by lessee or employed by another member of the Kenai River Center: administrative support, education and outreach, temporary, part-time, or volunteer.

SECTION 3. That the cooperative leases are authorized pursuant to KPB 17.10.100(D), and the provisions of KPB 17.10.140(A) do not apply to these cooperative leases.

SECTION 4. That each lease will be for an initial term of five (5) years, and include two additional five (5) year renewal options.

SECTION 5. That the annual rent for each lease shall be \$1.00 per annum for the duration of the lease.

SECTION 6. That the cooperative leases shall be subject to a Shared Services Agreement between the Kenai Peninsula Borough, the State of Alaska Department of Fish and Game, and State of Alaska Department of Natural Resources, in substantially the form as the one attached hereto, which allocates space to each party and which allocates costs to each party for shared operation, maintenance and projected long-term maintenance costs of the Kenai River Center premises proportionately to the space allocations.

SECTION 7. The mayor is authorized to negotiate and sign any documents necessary to effectuate this ordinance.

SECTION 8. That this ordinance shall become effective immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2020.**

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Marcus Mueller, Acting Planning Director *MM*
Lucas Byker, River Center Manager *LB*

FROM: Julie Denison, Land Management Technician *JD*

DATE: May 21, 2020

RE: Ordinance 2020-30, Authorizing Cooperative Leases of Space at the Kenai River Center Building with the State of Alaska, Department of Fish and Game and Department of Natural Resources (Mayor)

The Donald E. Gilman Kenai River Center (KRC) has operated at its current location since 2000. The KRC provides inter-agency resource management best practices information and education to landowners, commercial construction operators, and the general public. The KRC operates as a multi-agency permitting center for public and private construction activities and river uses in line with the best management practices. Since 2005, authorized pursuant to Ordinance 2005-18, the borough and State of Alaska have operated the KRC under a cooperative lease and shared services agreement. The lease term and agreement expire June 30, 2020.

This ordinance will authorize the mayor to enter into: (1) cooperative leases with the State of Alaska Department of Fish and Game and Department of Natural Resources of office space at the Kenai River Center; and (2) a shared services agreement, updated annually, allocating costs for shared operation, maintenance and projected long-term maintenance of the KRC building.

Your consideration of this ordinance is appreciated.

**KENAI PENINSULA BOROUGH COOPERATIVE LEASE
WITH THE ALASKA DEPARTMENT OF NATURAL RESOURCES**

WHEREAS, the Kenai Peninsula Borough (hereinafter called “KPB”) and the State of Alaska, Department of Natural Resources (hereinafter called “Lessee”) are working in partnership to restore and protect the rivers, watersheds, marine, and other anadromous waters of the Kenai Peninsula, its fish and wildlife resources, by providing multi-agency permitting, information and education at a single location known as the “Kenai River Center Building”; and

WHEREAS, KPB and Lessee have shared space and services in the Kenai River Center Building since it was constructed in 2000 and have operated under a cooperative lease and shared services agreement arrangement since 2005; and

WHEREAS, KPB and Lessee desire to continue sharing space at the Kenai River Center Building in a multi-agency environment for the purpose of providing joint permitting, information and educational services to the Kenai Peninsula; and

WHEREAS, KPB and Lessee desire to continue joint cost sharing of the annual operating and maintenance of the Kenai River Center Building; and

WHEREAS, KPB owns the Kenai River Center Building and the underlying real property; and

WHEREAS, KPB and Lessee have reached a consensus that the allocation of annual operating and maintenance costs should be based upon permanent full-time four-walled office space occupied by each party;

NOW, THEREFORE, KPB and Lessee enter into the following agreement:

TERMS AND CONDITIONS

1. Consideration/Parties/Premises.

For good and valuable consideration, including the covenants and agreements contained herein, and pursuant to Ordinance 2020-____, enacted _____, 2020, the KPB, an Alaska municipal corporation whose address is 144 North Binkley Street, Soldotna, Alaska 99669, grants to Lessee, a department of the State of Alaska, whose address is 550 West 7th Avenue, Suite 1230, Anchorage, AK 99501, use of space as referenced in the Shared Service Agreement attached hereto and incorporated by reference, within the following described real property situated in the Kenai Recording District, Third Judicial District, State of Alaska, and described as follows:

A free-standing building known as the Kenai River Center Building, situated on Tract 1A, Soldotna Airport Property Funny River Road Realignment Addn Pt 1, Plat No. 2011-022, Kenai Recording District, located at 514 Funny River Road, Soldotna, Alaska.

This lease additionally provides full use and enjoyment of proportionately allocated shared use areas upon and within the described premises, along with available staff and visitor parking, with all respective appurtenances unto the Lessee for the duration of the lease.

2. **Lease Term.** This lease is for an initial term of five (5) years and may be renewed for two (2) additional terms in five (5) year increments for a total renewal options of ten (10) years, commencing July 1, 2020 and terminating June 30, 2035. This lease shall automatically renew unless the Lessee notifies KPB in writing of Lessee's intention not to renew this lease at least 90 days prior to the expiration of the existing term.
3. **Lease Rental.** The lease rental is \$1.00 per annum for duration of this lease
4. **Definitions.**
 - a. For the purpose of this lease the term "Kenai River Center Building" shall mean the entire premises subject to this lease, including the physical structure, the leased office space, shared use areas, storage facilities, parking areas, grounds, and other associated amenities.
 - b. For the purpose of this lease the term "Kenai River Center" (KRC) shall mean the collection of agencies and personnel who cooperate to provide permitting, information, and/or education for the protection of the rivers, watersheds, marine, and other anadromous waters of the Kenai Peninsula, and its fish and wildlife resources.
 - c. For the purpose of this lease "shared use areas" include all common areas and facilities such as storage and locker areas, fenced parking, conference rooms, and meeting rooms. Shared use areas may also include primary work areas for any of the following types of personnel employed by Lessee or employed by another member of the Kenai River Center: administrative support, education and outreach, temporary, part time, or volunteer. Lessee and KPB agree that establishment of a primary use of a shared use area shall be reasonably allowed, provided that such primary use of a shared use area is to the benefit of the Kenai River Center's mission and also provided that such primary use does not prevent the reasonable use by another due to conflict with design. Primary work areas and other primary uses within shared use areas may be moved, rearranged, extinguished or otherwise modified to provide maximum efficiency of design, over time, of a shared use area.
5. **Management, Operation and Maintenance.**
 - a. Both parties shall use and occupy said premises in a careful and proper manner so that they remain in as good condition as when constructed, except for reasonable wear and tear and/or loss or damage caused by fire, explosions, earthquakes, acts of God, or other casualty during the continuance of this

agreement.

- b. Neither party shall use or occupy the premises for any unlawful purpose. Neither party shall use the premises, or allow the same to be used or occupied, for any purpose or business that would predict a danger to the premises or its occupants. Both parties shall keep the premises free of structural or mechanical hazards. Both parties shall comply with all Borough ordinances, State and federal statutes and regulations, and case law applicable to their occupation or use of the premises.
- c. KPB shall carry risk replacement cost property insurance on the building, including fixtures and equipment that are included as part of a building without regard for the type of tenant, such as the heating and cooling or air circulation systems, but excluding fixtures and equipment installed by the occupants for their unique use. To protect Lessee's financial interest in the building, KPB agrees to use the proceeds of said insurance to replace the loss of the fixtures covered by the insurance. The cost of the insurance and any loss, retention or deductible applied in the event of a loss shall be allocated to each party according to the shared services agreement. KPB and Lessee are individually responsible for carrying property insurance (through self-insurance or otherwise) for their own fixtures and equipment and individual personal property. Lessee and KPB are individually responsible for carrying liability insurance (through self-insurance or otherwise) covering liability for personal injury and any other loss.
- d. The proposed use of the premises is for a joint Lessee and KPB public permitting center and for related services. Since compatibility between uses must be maintained Lessee shall not change the general framework of occupying agency personnel or the use of said premises, nor any part thereof, without the written consent of the other parties, provided however such consent shall not be unreasonably withheld.
- e. Whenever feasible and cost effective, separate metering of utilities or other direct accounting for services received or elective maintenance performed, shall be made available and Lessee and KPB shall pay directly to the service provider for the actual services each received. This may include: telephone services; hazardous waste disposal; and any utility costs, such as electrical or heating, that can be separately accounted for. However, nothing in this agreement prohibits joint procurement of services if the parties agree.
- f. Charges for utility and maintenance services for which direct metering or accounting is not available or is not economic, including the provision of services for shared facilities, shall be allocated to each party according to the Shared Services Agreement. These services may include water, septic/sewer, electrical, gas, garbage and trash removal; snow and ice removal; parking lot maintenance; landscaping; security system maintenance including outdoor lamp replacement; repair and maintenance of shared electronic equipment; routine janitorial service, including cleaning and light bulb changes; and routine periodic and preventive maintenance.

- g. Charges for major repair, replacement and renewal of the Kenai River Center building and associated improvements that are required to maintain the overall condition or integrity of the premises shall be allocated to each party according to the Shared Services Agreement. KPB has established a major repair and maintenance fund for the premises and periodic payments shall continue to be made into the fund by both parties for expected future repair, replacement and renewal of the building. Interest earned by the fund shall be a part of the fund. The parties shall contribute enough to the fund to provide for the estimated cost of repair and replacement of major building components (for example, flooring, roofing, or pavement) at the end of the component's expected life span. Payments to this fund shall continue on July 1, 2020 at the annual amount of ten thousand dollars (\$10,000.00) allocated to each party according to the Shared Services Agreement. Expenditures from this fund shall be approved jointly by designated representatives of Lessee and KPB, which approval shall not be unreasonably withheld. Payments made under this paragraph represent the amortized cost of reasonably anticipated major maintenance expenditures. Any cash balances accumulated as a result of this provision will be accounted for in a restricted borough account whose use is limited to major maintenance expenditures on this facility only. The parties by mutual agreement may alter the required contribution or use of accumulated balances. Except for expenditures to maintain the overall condition or integrity of the premises, any charges for renovations or modifications for the benefit of one party shall be assigned solely to the party benefiting.
- h. KPB shall have the obligation and responsibility to maintain and repair the premises as described in the paragraphs above, but may subcontract for all or part of the services. The areas of the building used by either party shall be maintained at an equal level. Lessee shall pay to KPB Lessee's share of all reasonable costs incurred by KPB as described above.
- i. KPB shall, in any contracts or agreements with contractors or subcontractors performing maintenance work at the premises after construction, require that all indemnities and waivers of subrogation it obtains and that any stipulation to be named as an additional insured it obtains, also be extended to waive rights of subrogation against the Lessee and to add the Lessee as an additional named indemnitee and as additional insured.
- j. Fixtures installed in the premises by Lessee remain the property of Lessee and may be removed by Lessee provided it repairs at Lessee's expense any injury to the premises.
- k. Lessee shall permit KPB staff to enter the premises at all reasonable times to examine the conditions of the same. KPB shall make every effort to not disrupt services and shall provide as much notice as possible prior to entry.
- l. A shared services agreement is made and entered into as a part of this lease and is attached and incorporated hereto by reference. The shared services agreement establishes the allocation of costs to each party that are a part of this lease. The

shared service agreement shall describe the services and overheads that are being shared by agreement. Costs shall be summarized on a sheet supplemental to the shared services agreement, costs will be revised annually for budgetary and billing purposes in accordance with the terms of the shared services agreement. The parties shall develop billing and payment procedures by mutual agreement. Any amendment of the shared services agreement shall require approval by each party thereto.

6. Future Expansion and Reduction of Use.

- a. The design of the building and site shall identify the capability of future expansion for each party. Expansion of the building to provide additional space for Lessee or KPB or KRC operations shall require approval by the other parties, which shall not be unreasonably withheld. No party shall prevent, block or otherwise inhibit reasonable potential expansion of the premises for the other party without the consent of the other party. The party benefiting from the expansion shall bear the costs of expansion. If more than one party benefits from the expansion and agrees to the expansion, each party shall pay a proportionate share of the cost based upon the square footage added for the benefit of the party. Regardless of the source of funding for the expansion, KPB's legal status as owner and operator of the building shall be enlarged to include the expanded portion of the building.
- b. If for any reason, any party no longer needs all or part of its assigned space, the other parties shall have first right to the use of the space, subject to an equitable economic agreement. The re-allocation of space shall be allowed by mutual agreement of all parties and the shared services agreement shall be revised to reflect such re-allocation.

7. Dispute resolution.

- a. Procedures for building management and maintenance decisions and dispute resolution will be jointly developed by the parties and amended as appropriate by agreement of the parties. The parties will jointly develop schedules for periodic maintenance. Charges for these services shall be allocated to each party as in paragraph (e) or (f) of section 5 above.
- b. If disputes cannot be resolved by mutual agreement of the parties, the parties shall undergo mediation with a mediator chosen by mutual agreement of the parties. If disputes are not resolved through mediation, then the parties may submit to binding arbitration.

8. Indemnification and Hold Harmless.

- a. To the maximum extent permitted by law, subject to availability and appropriation of funds, Lessee shall indemnify, defend, save and hold the KPB, its elected and appointed officers, agents and employees, harmless from any and all claims,

demands, suits, or liability, including costs, expenses, and attorney fees, related to Lessee's use and occupancy of the Kenai River Center Building.

This defense and indemnification responsibility includes claims alleging acts or omissions by the KPB or its agents which are said to have contributed to the losses, failure, violations, or damage. However, Lessee shall not be responsible for any damages or claim arising from the sole negligence or willful misconduct of KPB, its agents, or employees.

If any portion of this clause is voided by law or court of competent jurisdiction, the remainder of the clause shall remain enforceable.

- b. To the maximum extent permitted by law, subject to availability and appropriation of funds by the KPB Assembly, KPB shall indemnify, defend, save and hold the Lessee, its elected and appointed officers, agents and employees, harmless from any and all claims, demands, suits, or liability, including costs, expenses, and attorney fees, related to KPB's use and ownership of the Kenai River Center Building.

This defense and indemnification responsibility includes claims alleging acts or omissions by the Lessee or its agents which are said to have contributed to the losses, failure, violations, or damage. However, KPB shall not be responsible for any damages or claim arising from the sole negligence or willful misconduct of Lessee, its agents, or employees.

If any portion of this clause is voided by law or court of competent jurisdiction, the remainder of the clause shall remain enforceable.

9. **Assignment.** Lessee may not assign the lease without written approval by KPB upon a finding by KPB that such assignment is consistent with the KRC's mission and a finding that such assignment is in the best interest of KPB. The assignee should be bound by the terms and conditions of this lease, except, at KPB's benefit and sole option, this agreement may be subject to modification upon assignment provided such assignment is on a form that that establishes such modification.
10. **Amendment.** The parties hereto may amend any term of this agreement, by written agreement signed by both parties. If an amendment to this agreement would cause a material effect to any other party of the shared service agreement, a letter of non-objection from that party must be obtained to effectuate such amendment.
11. **Liens and Mortgages.** Lessee shall not cause or allow any liens of any kind or nature whatsoever to attach to the property during the term of this lease.
12. **Violation.** Violation of any of the terms of this lease may expose Lessee to appropriate legal action including forfeiture of lease interest, termination, or cancellation of its interest in accordance with state law.

13. **Breach and Remedies**

- a. **By Lessor.** If KPB breaches this agreement by failing to comply with any of the terms and conditions herein and has not cured the breach within sixty (60) days of receipt of written notice thereof from Lessee, Lessee may terminate this lease.
- b. **By Lessee.** If Lessee breaches this agreement by failing to comply with any of the terms and conditions herein and has not cured the breach within sixty (60) days of receipt of written notice thereof from KPB, KPB may terminate this lease.

14. **Termination**

- a. Either of the parties hereto may for the following reasons terminate this agreement by giving the other ninety (90) days' prior notice in writing. Grounds for such termination are:
 - 1. A breach of any of the terms and conditions herein contained when such breach is not cured as herein provided; or
 - 2. When and if the Lessee, because of conditions beyond its control, is unable to adequately staff the leased facilities.
- b. Unless the State Legislature provides otherwise, this lease shall automatically terminate without penalty on June 30 of any year during which the State Legislature fails to appropriate funds sufficient to make lease payments for the payments set forth in the shared services agreement for the following fiscal year.
- c. Unless the Assembly by resolution provides otherwise, this lease shall automatically terminate without penalty on June 30 of any year during which the Kenai Peninsula Borough assembly fails to appropriate funds sufficient to make the payments set forth in the shared services agreement for the following fiscal year.
- d. At any time that this lease is in good standing it may be canceled in whole or in part upon mutual written agreement by Lessee and the KPB Mayor. This lease is subject to cancellation in whole or in part if improperly issued through error in procedure or if a mutual mistake is made with respect to material facts.

15. **Entry or Re-entry.** In the event that the Lease is terminated, canceled or forfeited, or in the event that the demised buildings or any part thereof, should be abandoned by the Lessee during the agreement term, KPB or its agents, servants or representative, may immediately or any time thereafter, enter or re-enter and resume possession of said buildings or such part thereof, and remove all persons and property therefrom either without judicial action where appropriate, by

summary proceedings or by a suitable action or proceeding at law or equity without being liable for any damages therefor. Entry or re-entry by KPB shall not be deemed an acceptance of surrender of the lease.

16. **Notice.** Any notice or demand, which under the terms of this Lease 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 this Lease. 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 addresser.

All notices shall be sent to both parties as follows:

LESSOR

Kenai Peninsula Borough
Planning Director
144 N. Binkley Street
Soldotna, AK 99669-7599

LESSEE

State of Alaska
Department of Natural Resources
550 West 7th Avenue, Suite 1230
Anchorage, AK 99501

17. **Waiver.** The waiver by a party hereto of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant, condition, or any subsequent breach of the same or any other term, covenant or condition herein contained.
18. **Jurisdiction.** Any suits filed in connection with the terms and conditions of this lease, and of the rights and duties of the parties, shall be filed and litigated in the trial courts of the State of Alaska, Third Judicial District at Kenai, and shall be governed by Alaska law.
19. **Severability Clause.** Should any provision of this lease fail or be declared null or void in any respect, or otherwise unenforceable, it shall not affect the validity of any other provision of this lease or constitute any cause of action in favor of either party as against the other.
20. **Binding Effect.** It is agreed that all covenants, terms and conditions of this lease shall be binding upon the successors, heirs and assigns of the original parties hereto.
21. **Titles of Articles.** The titles of articles in this lease are for ease of reference and are not definitional nor limit the content of the articles.
22. **Complete Agreement; Counterparts.** This lease agreement constitutes the full and final agreement of the parties. This lease may be executed in counterpart and may be executed by way of facsimile or electronic signature in compliance with AS 09.80, each of which when executed shall be considered an original and all of which together shall constitute one agreement

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES

By: Christopher Brooks
Its: Director Support Services
Dated: _____

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by Christopher Brooks, Director of Support Services for and on behalf of the State of Alaska, Department of Natural Resources.

Notary Public in and for Alaska
My commission expires: _____

**KENAI PENINSULA BOROUGH COOPERATIVE LEASE
WITH THE ALASKA DEPARTMENT OF FISH AND GAME**

WHEREAS, the Kenai Peninsula Borough (hereinafter called “KPB”) and the State of Alaska, Department of Fish and Game (hereinafter called “Lessee”) are working in partnership to restore and protect the rivers, watersheds, marine, and other anadromous waters of the Kenai Peninsula, and its fish and wildlife resources, by providing multi-agency permitting, information and education at a single location known as the “Kenai River Center Building”; and

WHEREAS, KPB and Lessee have shared space and services in the Kenai River Center Building since it was constructed in 2000 and have operated under a cooperative lease and shared services agreement arrangement since 2005; and

WHEREAS, KPB and Lessee desire to continue sharing space at the Kenai River Center Building in a multi-agency environment for the purpose of providing joint permitting, information and educational services to the Kenai Peninsula; and

WHEREAS, KPB and Lessee desire to continue joint cost sharing of the annual operating and maintenance of the Kenai River Center Building; and

WHEREAS, KPB owns the Kenai River Center Building and the underlying real property; and

WHEREAS, KPB and Lessee have reached a consensus that the allocation of annual operating and maintenance costs should be based upon permanent full-time four-walled office space occupied by each party;

NOW, THEREFORE, KPB and Lessee enter into the following agreement:

TERMS AND CONDITIONS

1. Consideration/Parties/Premises.

For good and valuable consideration, including the covenants and agreements contained herein, and pursuant to Ordinance 2020-____, enacted _____, 2020, the KPB, an Alaska municipal corporation whose address is 144 North Binkley Street, Soldotna, Alaska 99669, grants to Lessee, a department of the State of Alaska, whose address is 550 West 7th Avenue, Suite 1230, Anchorage, AK 99501, use of space as referenced in the Shared Service Agreement attached hereto and incorporated by reference, within the following described real property situated in the Kenai Recording District, Third Judicial District, State of Alaska, and described as follows:

A free-standing building known as the Kenai River Center Building, situated on Tract 1A, Soldotna Airport Property Funny River Road Realignment Addn Pt 1, Plat No. 2011-022, Kenai Recording District, located at 514 Funny River Road, Soldotna, Alaska.

This lease additionally provides full use and enjoyment of proportionately allocated shared use areas upon and within the described premises, along with available staff and visitor parking, with all respective appurtenances unto the Lessee for the duration of the lease.

2. **Lease Term.** This lease is for an initial term of five (5) years and may be renewed for two (2) additional terms in five (5) year increments for a total renewal options of ten (10) years, commencing July 1, 2020 and terminating June 30, 2035. This lease shall automatically renew unless the Lessee notifies KPB in writing of Lessee's intention not to renew this lease at least 90 days prior to the expiration of the existing term.
3. **Lease Rental.** The lease rental is \$1.00 per annum for duration of this lease
4. **Definitions.**
 - a. For the purpose of this lease the term "Kenai River Center Building" shall mean the entire premises subject to this lease, including the physical structure, the leased office space, shared use areas, storage facilities, parking areas, grounds, and other associated amenities.
 - b. For the purpose of this lease the term "Kenai River Center" (KRC) shall mean the collection of agencies and personnel who cooperate to provide permitting, information, and/or education for the protection of the rivers, watersheds, marine, and other anadromous waters of the Kenai Peninsula, and its fish and wildlife resources.
 - c. For the purpose of this lease "shared use areas" include all common areas and facilities such as storage and locker areas, fenced parking, conference rooms, and meeting rooms. Shared use areas may also include primary work areas for any of the following types of personnel employed by Lessee or employed by another member of the Kenai River Center: administrative support, education and outreach, temporary, part time, or volunteer. Lessee and KPB agree that establishment of a primary use of a shared use area shall be reasonably allowed, provided that such primary use of a shared use area is to the benefit of the Kenai River Center's mission and also provided that such primary use does not prevent the reasonable use by another due to conflict with design. Primary work areas and other primary uses within shared use areas may be moved, rearranged, extinguished or otherwise modified to provide maximum efficiency of design, over time, of a shared use area.
5. **Management, Operation and Maintenance.**
 - a. Both parties shall use and occupy said premises in a careful and proper manner so that they remain in as good condition as when constructed, except for reasonable wear and tear and/or loss or damage caused by fire, explosions, earthquakes, acts of God, or other casualty during the continuance of this agreement.

- b. Neither party shall use or occupy the premises for any unlawful purpose. Neither party shall use the premises, or allow the same to be used or occupied, for any purpose or business that would predict a danger to the premises or its occupants. Both parties shall keep the premises free of structural or mechanical hazards. Both parties shall comply with all Borough ordinances, State and federal statutes and regulations, and case law applicable to their occupation or use of the premises.
- c. KPB shall carry risk replacement cost property insurance on the building, including fixtures and equipment that are included as part of a building without regard for the type of tenant, such as the heating and cooling or air circulation systems, but excluding fixtures and equipment installed by the occupants for their unique use. To protect Lessee's financial interest in the building, KPB agrees to use the proceeds of said insurance to replace the loss of the fixtures covered by the insurance. The cost of the insurance and any loss, retention or deductible applied in the event of a loss shall be allocated to each party according to the shared services agreement. KPB and Lessee are individually responsible for carrying property insurance (through self-insurance or otherwise) for their own fixtures and equipment and individual personal property. Lessee and KPB are individually responsible for carrying liability insurance (through self-insurance or otherwise) covering liability for personal injury and any other loss.
- d. The proposed use of the premises is for a joint Lessee and KPB public permitting center and for related services. Since compatibility between uses must be maintained Lessee shall not change the general framework of occupying agency personnel or the use of said premises, nor any part thereof, without the written consent of the other parties, provided however such consent shall not be unreasonably withheld.
- e. Whenever feasible and cost effective, separate metering of utilities or other direct accounting for services received or elective maintenance performed, shall be made available and Lessee and KPB shall pay directly to the service provider for the actual services each received. This may include: telephone services; hazardous waste disposal; and any utility costs, such as electrical or heating, that can be separately accounted for. However, nothing in this agreement prohibits joint procurement of services if the parties agree.
- f. Charges for utility and maintenance services for which direct metering or accounting is not available or is not economic, including the provision of services for shared facilities, shall be allocated to each party according to the Shared Services Agreement. These services may include water, septic/sewer, electrical, gas, garbage and trash removal; snow and ice removal; parking lot maintenance; landscaping; security system maintenance including outdoor lamp replacement; repair and maintenance of shared electronic equipment; routine janitorial service, including cleaning and light bulb changes; and routine periodic and preventive maintenance.
- g. Charges for major repair, replacement and renewal of the Kenai River Center

building and associated improvements that are required to maintain the overall condition or integrity of the premises shall be allocated to each party according to the Shared Services Agreement. KPB has established a major repair and maintenance fund for the premises and periodic payments shall continue to be made into the fund by both parties for expected future repair, replacement and renewal of the building. Interest earned by the fund shall be a part of the fund. The parties shall contribute enough to the fund to provide for the estimated cost of repair and replacement of major building components (for example, flooring, roofing, or pavement) at the end of the component's expected life span. Payments to this fund shall continue on July 1, 2020 at the annual amount of ten thousand dollars (\$10,000.00) allocated to each party according to the Shared Services Agreement. Expenditures from this fund shall be approved jointly by designated representatives of Lessee and KPB, which approval shall not be unreasonably withheld. Payments made under this paragraph represent the amortized cost of reasonably anticipated major maintenance expenditures. Any cash balances accumulated as a result of this provision will be accounted for in a restricted borough account whose use is limited to major maintenance expenditures on this facility only. The parties by mutual agreement may alter the required contribution or use of accumulated balances. Except for expenditures to maintain the overall condition or integrity of the premises, any charges for renovations or modifications for the benefit of one party shall be assigned solely to the party benefiting.

- h. KPB shall have the obligation and responsibility to maintain and repair the premises as described in the paragraphs above, but may subcontract for all or part of the services. The areas of the building used by either party shall be maintained at an equal level. Lessee shall pay to KPB Lessee's share of all reasonable costs incurred by KPB as described above.
- i. KPB shall, in any contracts or agreements with contractors or subcontractors performing maintenance work at the premises after construction, require that all indemnities and waivers of subrogation it obtains and that any stipulation to be named as an additional insured it obtains, also be extended to waive rights of subrogation against the Lessee and to add the Lessee as an additional named indemnitee and as additional insured.
- j. Fixtures installed in the premises by Lessee remain the property of Lessee and may be removed by Lessee provided it repairs at Lessee's expense any injury to the premises.
- k. Lessee shall permit KPB staff to enter the premises at all reasonable times to examine the conditions of the same. KPB shall make every effort to not disrupt services and shall provide as much notice as possible prior to entry.
- l. A shared services agreement is made and entered into as a part of this lease and is attached and incorporated hereto by reference. The shared services agreement establishes the allocation of costs to each party that are a part of this lease. The shared service agreement shall describe the services and overheads that are

being shared by agreement. Costs shall be summarized on a sheet supplemental to the shared services agreement, costs will be revised annually for budgetary and billing purposes in accordance with the terms of the shared services agreement. The parties shall develop billing and payment procedures by mutual agreement. Any amendment of the shared services agreement shall require approval by each party thereto.

6. Future Expansion and Reduction of Use.

- a. The design of the building and site shall identify the capability of future expansion for each party. Expansion of the building to provide additional space for Lessee or KPB or KRC operations shall require approval by the other parties, which shall not be unreasonably withheld. No party shall prevent, block or otherwise inhibit reasonable potential expansion of the premises for the other party without the consent of the other party. The party benefiting from the expansion shall bear the costs of expansion. If more than one party benefits from the expansion and agrees to the expansion, each party shall pay a proportionate share of the cost based upon the square footage added for the benefit of the party. Regardless of the source of funding for the expansion, KPB's legal status as owner and operator of the building shall be enlarged to include the expanded portion of the building.
- b. If for any reason, any party no longer needs all or part of its assigned space, the other parties shall have first right to the use of the space, subject to an equitable economic agreement. The re-allocation of space shall be allowed by mutual agreement of all parties and the shared services agreement shall be revised to reflect such re-allocation.

7. Dispute resolution.

- a. Procedures for building management and maintenance decisions and dispute resolution will be jointly developed by the parties and amended as appropriate by agreement of the parties. The parties will jointly develop schedules for periodic maintenance. Charges for these services shall be allocated to each party as in paragraph (e) or (f) of section 5 above.
- b. If disputes cannot be resolved by mutual agreement of the parties, the parties shall undergo mediation with a mediator chosen by mutual agreement of the parties. If disputes are not resolved through mediation, then the parties may submit to binding arbitration.

8. Indemnification and Hold Harmless.

- a. To the maximum extent permitted by law, and subject to the availability and appropriation of funds, Lessee shall indemnify, defend, save and hold the KPB, its elected and appointed officers, agents and employees, harmless from any and all claims, demands, suits, or liability, expenses, and attorney' fees, related to Lessee's use and occupancy of the Kenai River Center Building.

This defense and indemnification responsibility includes claims alleging acts or omissions by the KPB or its agents which are said to have contributed to the losses, failure, violations, or damage. However, Lessee shall not be responsible for any damages or claim arising from the sole negligence or willful misconduct of KPB, its agents, or employees.

If any portion of this clause is voided by law or court of competent jurisdiction, the remainder of the clause shall remain enforceable.

- b. To the maximum extent permitted by law, and subject to availability and appropriation of funds by the KPB Assembly, KPB shall indemnify, defend, save and hold the Lessee, its elected and appointed officers, agents and employees, harmless from any and all claims, demands, suits, or liability, including costs, expenses, and attorney fees, related to Lessee's use and occupancy of the Kenai River Center Building.

This defense and indemnification responsibility includes claims alleging acts or omissions by the Lessee or its agents which are said to have contributed to the losses, failure, violations, or damage. However, KPB shall not be responsible for any damages or claim arising from the sole negligence or willful misconduct of Lessee, its agents, or employees.

If any portion of this clause is voided by law or court of competent jurisdiction, the remainder of the clause shall remain enforceable.

9. **Assignment.** Lessee may not assign the lease without written approval by KPB upon a finding by KPB that such assignment is consistent with the KRC's mission and a finding that such assignment is in the best interest of KPB. The assignee should be bound by the terms and conditions of this lease, except, at KPB's benefit and sole option, this agreement may be subject to modification upon assignment provided such assignment is on a form that that establishes such modification.
10. **Amendment.** The parties hereto may amend any term of this agreement, by written agreement signed by both parties. If an amendment to this agreement would cause a material effect to any other party of the shared service agreement, a letter of non-objection from that party must be obtained to effectuate such amendment.
11. **Liens and Mortgages.** Lessee shall not cause or allow any liens of any kind or nature whatsoever to attach to the property during the term of this lease.
12. **Violation.** Violation of any of the terms of this lease may expose Lessee to appropriate legal action including forfeiture of lease interest, termination, or cancellation of its interest in accordance with state law.

13. **Breach and Remedies**

- a. **By Lessor.** If KPB breaches this agreement by failing to comply with any of the terms and conditions herein and has not cured the breach within sixty (60) days of receipt of written notice thereof from Lessee, Lessee may terminate this lease.
- b. **By Lessee.** If Lessee breaches this agreement by failing to comply with any of the terms and conditions herein and has not cured the breach within sixty (60) days of receipt of written notice thereof from KPB, KPB may terminate this lease.

14. **Termination**

- a. Either of the parties hereto may for the following reasons terminate this agreement by giving the other ninety (90) days' prior notice in writing. Grounds for such termination are:
 - 1. A breach of any of the terms and conditions herein contained when such breach is not cured as herein provided; or
 - 2. When and if the Lessee, because of conditions beyond its control, is unable to adequately staff the leased facilities.
 - b. Unless the State Legislature provides otherwise, this lease shall automatically terminate without penalty on June 30 of any year during which the State Legislature fails to appropriate funds sufficient to make lease payments for the payments set forth in the shared services agreement for the following fiscal year.
 - c. Unless the Assembly by resolution provides otherwise, this lease shall automatically terminate without penalty on June 30 of any year during which the Kenai Peninsula Borough assembly fails to appropriate funds sufficient to make the payments set forth in the shared services agreement for the following fiscal year.
 - d. At any time that this lease is in good standing it may be canceled in whole or in part upon mutual written agreement by Lessee and the KPB Mayor. This lease is subject to cancellation in whole or in part if improperly issued through error in procedure or if a mutual mistake is made with respect to material facts.
15. **Entry or Re-entry.** In the event that the Lease is terminated, canceled or forfeited, or in the event that the demised buildings or any part thereof, should be abandoned by the Lessee during the agreement term, KPB or its agents, servants or representative, may immediately or any time thereafter, enter or re-enter and resume possession of said buildings or such part thereof, and remove all persons and property therefrom either without judicial action where appropriate, by summary proceedings or by a suitable action or proceeding at law or equity without being liable for any damages therefor. Entry or re-entry by KPB shall not be deemed an acceptance of surrender of the lease.

16. **Notice.** Any notice or demand, which under the terms of this Lease 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 this Lease. 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 addresser.

All notices shall be sent to both parties as follows:

LESSOR

Kenai Peninsula Borough
Planning Director
144 N. Binkley Street
Soldotna, AK 99669-7599

LESSEE

State of Alaska
Department of Fish & Game
333 Raspberry Road
Anchorage, AK 99518

17. **Waiver.** The waiver by a party hereto of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant, condition, or any subsequent breach of the same or any other term, covenant or condition herein contained.
18. **Jurisdiction.** Any suits filed in connection with the terms and conditions of this lease, and of the rights and duties of the parties, shall be filed and litigated in the trial courts of the State of Alaska, Third Judicial District at Kenai, and shall be governed by Alaska law.
19. **Severability Clause.** Should any provision of this lease fail or be declared null or void in any respect, or otherwise unenforceable, it shall not affect the validity of any other provision of this lease or constitute any cause of action in favor of either party as against the other.
20. **Binding Effect.** It is agreed that all covenants, terms and conditions of this lease shall be binding upon the successors, heirs and assigns of the original parties hereto.
21. **Titles of Articles.** The titles of articles in this lease are for ease of reference and are not definitional nor limit the content of the articles.
22. **Complete Agreement; Counterparts.** This lease agreement constitutes the full and final agreement of the parties. This lease may be executed in counterpart and may be executed by way of facsimile or electronic signature in compliance with AS 09.80, each of which when executed shall be considered an original and all of which together shall constitute one agreement

KENAI PENINSULA BOROUGH

By: Charlie Pierce

Its: Mayor

Dated: _____

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

Johni Blankenship,
Borough Clerk

Sean Kelley,
Deputy Borough Attorney

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____day of _____, 2020, by Charlie Pierce, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public in and for Alaska
My commission expires: _____

STATE OF ALASKA
DEPARTMENT OF FISH & GAME

By: _____
Its: _____
Dated: _____

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by _____, _____ for and on behalf of the State of Alaska, Department of Fish & Game.

Notary Public in and for Alaska
My commission expires: _____

SHARED SERVICES AGREEMENT BETWEEN THE KENAI PENINSULA BOROUGH,
THE STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES, AND ALASKA
DEPARTMENT OF FISH & GAME

The Kenai Peninsula Borough (KPB), the State of Alaska Department of Natural Resources (DNR), and the Alaska Department of Fish & Game (ADF&G), agree that the KPB will provide the following services for the Kenai River Center to ensure continued operation and maintenance of the Kenai River Center situated on Tract 1A, Soldotna Airport Property Funny River Road Realignment Addn Pt 1, Plat No. 2011-022, Kenai Recording District, located at 514 Funny River Road, Soldotna, Alaska, under lease agreements with the respective parties. Any or all revisions, disputes or procedural additions to this agreement shall be determined by mutual agreement. If disputes cannot be resolved by mutual agreement of the parties, the parties shall undergo mediation with a mediator chosen by mutual agreement of the parties. If disputes are not resolved through mediation, then the parties may submit to binding arbitration. No part of this agreement will supersede the respective leases, which are hereby attached and incorporated herein by reference.

EXEMPT EMPLOYEE WORKSPACES

The workspaces for the following types of employees are exempt from allocation calculation of shared costs for shared services, provided that the workspace is situated in a "shared use area": administrative support, education and outreach, temporary, part time and volunteer, specifically including workspaces for each agency's secretarial position(s).

ALLOCATION OF SPACE

The total allocated space is 1,202 square feet. Allocation of space is as follows:

Kenai Peninsula Borough:

- Room Numbers: **101** – 167 SF
- 102** – 195 SF
- 103** – 172 SF
- 104** – 143 SF
- 107** – 131 SF

*totaling 808 square feet.

State of Alaska, Department of Fish & Game:

- Room Numbers: **105** – 132 SF
- 108** – 130 SF

*totaling 262 square feet.

State of Alaska, Division of Parks & Outdoor Recreation:

- Room Numbers: **106** – 132 SF

*totaling 132 square feet.

SERVICES SHARED

The cost for Services 1 through 7 below will be allocated and billed to the parties in accordance with the Supplemental Billing Worksheet. The allocation of costs is based on the above office space allocated to each party and is as follows:

KPB: 67.0% of total monthly service cost
ADF&G: 22.0% of total monthly service cost
ADPOR: 11.0% of total monthly service cost.

These percentages are subject to change only by mutual agreement of the parties.

The estimated costs for these services shall be submitted by May 31 of each year on a supplemental worksheet by the KPB and billed accordingly, beginning on July 1 of each year. Audits shall be performed annually, unless otherwise agreed to by both parties. The billing worksheet is supplemental to this agreement and shall serve as the method for billing determination. Adjustments of the worksheet may be made only by mutual agreement of KPB and the State of Alaska or their designated service agencies.

1. Janitorial & Security Services.

These shall include complete janitorial services to be provided five (5) days a week, during business hours. Included in the service will be standard public facility level cleaning of all areas of the building, specifically high and low dusting, vacuuming all carpeted floor surfaces, mopping all hard floor surfaces, cleaning all plumbing fixtures and counter tops, emptying all trash containers and replacing liners as necessary, replenishing all paper and soap dispensers as necessary, and other tasks incidental to daily cleaning. Consumable supplies included in this service are paper towels, toilet tissue, soap dispenser hand soap, toilet seat protectors, trash can liners, and air fresheners (in rest rooms). Security services include securing of all doors and windows and activating all security alarms.

2. Facility Maintenance.

Facility maintenance shall include daily building maintenance which shall consist of standard public facility level maintenance of the building, specifically preventive maintenance as specified by the building equipment manufacturers, lamp replacement, filter replacement, life safety systems testing and inspections, ceiling panel repair/replacement, minor electrical and plumbing repairs, painting, and other incidental (normal wear and tear) building repairs as necessary. This does not obligate KPB to maintain any major movable equipment. Facility maintenance shall also include complete summer and winter parking lot and grounds maintenance. Summer maintenance will include a spring cleanup of all parking lot and sidewalk surfaces of residual sand and dirt, mowing of all grass, weeding of all landscaped areas, tree trimming (as necessary), regular watering of all plants and grass, and proper disposal of all waste generated by grounds maintenance activities. Winter maintenance shall include all snow plowing and removal (as required for pedestrian safety) from all driveways, parking surfaces, and sidewalks and entrances, and sanding as necessary.

3. Contract Services.

These services include continuous monitoring of the digital control, security and fire alarm systems (if contracted), as well as services included by warranty at no cost. Telephonic service systems shall be provided and serviced. Dumpster and portable toilets shall be provided. Waste

disposal will occur as necessary.

4. Standard Utilities.

These services include monthly electric, water, and natural gas supply, and septic tank pumping.

5. Shared Office Equipment, Supplies and Rentals.

These services include regular maintenance and necessary repairs to shared office equipment, supplies and rentals, including television, VCR, speaker phones, projectors, copy machines, fax machines, shared printers, demonstration items, and the computer network server.

6. Casualty Insurance.

This shall include risk replacement cost property insurance on the building and its fixtures excluding fixtures and equipment installed by occupants for their unique use. This item includes any deductible applied due to loss. The costs associated with this item will be borne by the KPB for the first lease year. Commencing July 1, 2020, the costs associated with this item shall be allocated each party.

7. Major Building Repairs and System Replacement.

All major building or building systems repair, replacement, and renewal expenses will be shared by the building occupants based upon the percent of building square footage utilized by each occupant. All such repairs, replacements, and renewals shall be handled directly by the KPB. The KPB shall establish a fund for the purpose of funding such future major repairs, replacements, and renewals with annual installments paid by all parties commencing on July 1, 2020, in the amount of ten thousand dollars (\$10,000). Annual installments will be amortized for billing and payment procedures as agreed to by the parties and included on the supplemental billing worksheet. Interest earned by the fund shall be a part of the fund. An annual audit is required of this fund to confirm balance, interest, facility value and expenses. The results of the audit will be provided to all parties. The parties by mutual agreement may alter the required contribution or use of accumulated balances.

8. Services Not Shared.

Except for expenditures to maintain the overall condition or integrity of the premises, any charges for repairs, renovations or modifications for the benefit of one party shall be assigned solely to the party benefiting. Each party will be responsible for the cost of maintenance or repair in its area of the building, except as stipulated in the shared services agreement or as otherwise provided by written agreement. The cost of services not shared but provided by KPB at the request of either DNR or EPA shall be based upon the total of actual labor, materials, supplies, freight, contracted services and other costs, plus 10 percent for administration.

All term and conditions of the agreement are agreeable and accepted in their entirety by the signing parties.

Kenai Peninsula Borough:

Charlie Pierce,
Mayor

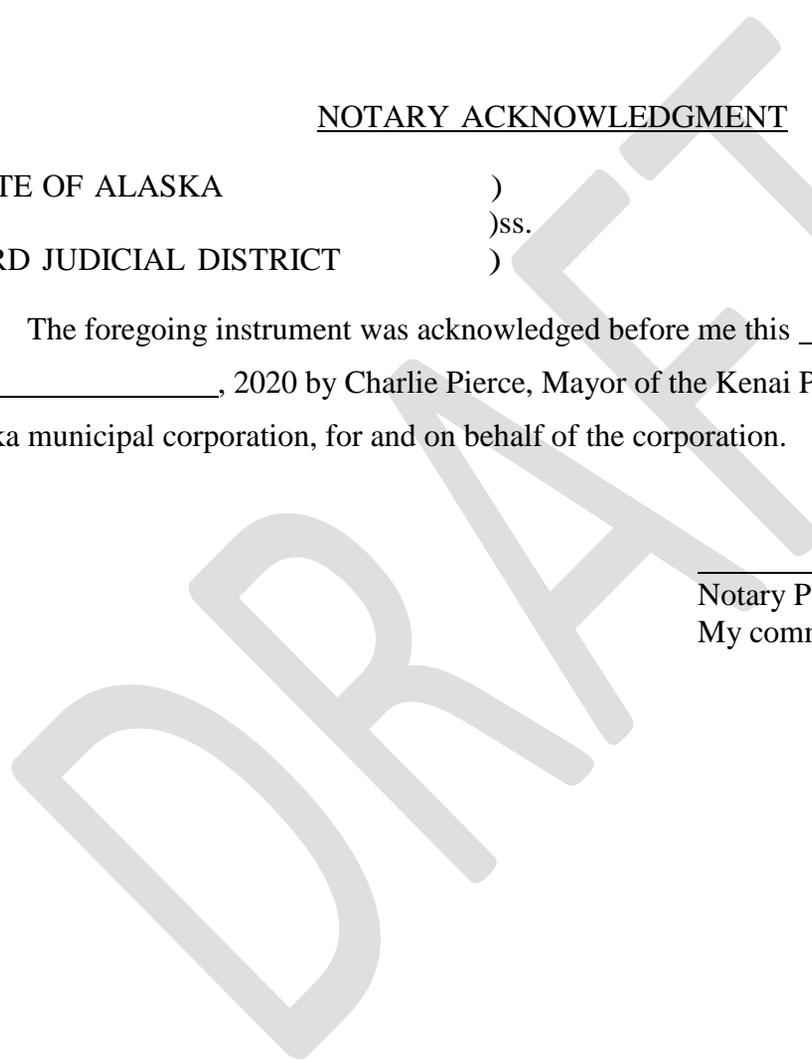
Date

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020 by Charlie Pierce, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public in and for Alaska
My commission expires: _____



SHARED SERVICES AGREEMENT BETWEEN THE KENAI PENINSULA BOROUGH,
 THE STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES, AND ALASKA
 DEPARTMENT OF FISH & GAME

SUPPLEMENTAL BILLING WORKSHEET

The following annual service costs for the period of July 1, 2020 to June 30, 2021 are estimates of the Kenai Peninsula Borough and are based on current costs or quotes, or are projected from previous costs. The amounts shown on this worksheet may vary from actual costs incurred and will be accounted for and adjusted during scheduled audits, *as* specified in the Shared Service Agreement.

1. Janitorial & Security Services	Total Facility Estimate	\$16,500
	Administration & Contingency	\$0
	KPB Share (67.0%)	\$11,055
	ADF&G Share (22.0%)	\$3,630
	ADPOR Share (11.0%)	\$1,815
2. Facility Maintenance	Total Facility Estimate	\$21,000
	Administration & Contingency	\$0
	KPB Share (67.0%)	\$14,070
	ADF&G Share (22.0%)	\$4,620
	ADPOR Share (11.0%)	\$2,310
3. Contract Services	Total Facility Estimate	\$8,020
	Administration & Contingency	\$0
	KPB Share (67.0%)	\$5,373.40
	ADF&G Share (22.0%)	\$ 1,764.40
	ADOPR Share (11.0%)	\$882.20
4. Utilities	Total Facility Estimate	\$37,000
	Administration & Contingency	\$0
	KPB Share (67.0%)	\$24,790
	ADF&G Share (22.0%)	\$8,140
	ADPOR Share (11.0%)	\$4,070
5. Shared Office Equipment, Supplies, and Rentals	Total Facility Estimate	\$4,500
	Administration & Contingency	\$0
	KPB Share (67.0%)	\$3,015
	ADF&G Share (22.0%)	\$990
	ADPOR Share (11.0%)	\$495

6. Casualty / Risk Insurance	Total Facility Estimate	\$21,703
	Administration & Contingency	\$0
	KPB Share (67.0%)	\$14,541.01
	ADF&G Share (22.0%)	\$4,774.66
	ADPOR Share (11.0%)	\$2,387.33
7. Capital Repair/Replacement	Total Facility Estimate	\$10,000.00
	Administration & Contingency	\$0
	KPB Share (67.0%)	\$6,700.00
	ADF&G Share (22.0%)	\$2,200.00
	ADPOR Share (11.0%)	\$1,100.00
	TOTALS	\$118,723
	KPB	\$79,544.41
	ADF&G	\$26,119.06
	ADPOR	\$13,059.53

Total quarterly amount to be billed to ADF&G by KPB	\$6,529.76
Total quarterly amount to be billed to ADPOR by KPB	\$3,264.88

Bill To:

State of Alaska, ADF&G

State of Alaska, DNR
 550 West 7th Avenue, Suite 1230
 Anchorage, AK 99501

Kenai Peninsula Borough

 Charlie Pierce, Mayor

State of Alaska
 Alaska Department of Fish & Game

State of Alaska
 Department of Natural Resources

 Support Services Manager

 Christopher Brooks,
 Support Services Manager

Introduced by: Cooper, Cox, Smalley, Dunne
Date: 05/05/20
Hearing: 06/16/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-25**

**AN ORDINANCE ESTABLISHING THE RESILIENCE AND SECURITY ADVISORY
COMMISSION FOR THE KENAI PENINSULA BOROUGH**

WHEREAS, annual air temperatures in the Kenai Peninsula Borough have risen by 3.4 degrees Fahrenheit since 1969 and July 2019 was the warmest month on record in Alaska; and

WHEREAS, over the past half-century, annual available water on the western Kenai Peninsula has declined 62%, according to the Kenai National Wildlife Refuge, U.S. Fish & Wildlife Service, and in 2019 Kenai Peninsula communities experienced severe drought and the Kenai Peninsula Borough declared an emergency disaster on behalf of Seldovia and Nanwalek due to severe water shortages; and

WHEREAS, significant warming trends in our rivers and ocean are beginning to harm tourism, subsistence, sport, and commercial fisheries, water temperatures in non-glacial Cook Inlet streams routinely exceed physiological thresholds for salmon during the month of July, according to Cook Inletkeeper, and in 2019 warm water conditions exceeded temperatures forecasted for 2069, causing high rates of pre-spawn mortality of salmon across the state. NOAA has determined that a recent series of collapses in Pacific Cod fisheries are linked to warming ocean conditions, and these same warming ocean conditions appear to be harming salmon survival. Warming of nearshore waters is increasing the rate of harmful algal blooms, such as PSP, hurting the mariculture industry. Ocean acidification will continue to damage vital nurseries for many fish stocks in Kachemak Bay and Cook Inlet, according to the National Estuarine Research Reserve; and

WHEREAS, according to USDA, Forest Service, current winter trends indicate that the southern Kenai Peninsula will lose 10-20% of its snowpack by 2030-2059, which threatens winter tourism, recreation, as well as fish and wildlife that are at the center of our culture and economies. As winters warm, private property values are threatened by increased instances of flash flooding, which results in erosion and bluff instability, according to new research by the University of Alberta. According to the Kachemak Bay National Estuarine Research Reserve, erosion rates on the eastern shores of Cook Inlet are 1 foot per year, and 2.3 feet per year in the western Homer area; and

WHEREAS, the Alaska Division of Forestry changed the official start date of the statewide fire season from May 1 to April 1 in response to the Tracy Avenue Fire that threatened Homer in 2005, the first spring grassland fire on the peninsula. There is a projected 66% increase in the estimated value of human structures (e.g. homes, businesses) that are at risk of fire in the next half century on the Kenai Peninsula, according to the Climate Change Vulnerability Assessment for the Chugach National Forest and the Kenai Peninsula. According to the Anchorage Daily News, the 2019 Swan Lake Fire on the Kenai Peninsula was far and away the most expensive fire in the country at an estimated cost to fight of \$46 million; this estimate does not include heavy losses to tourism revenue, losses to private property, or significant losses associated with repair of roads or power lines. A study in *Climatic Change* estimates that costs due to increased wildfires across Alaska are \$1.1 to \$2.1 billion annually from 2006 through the end of the century; and

WHEREAS, the Caribou Hills was the epicenter of an unprecedented spruce bark beetle outbreak that eventually culled about 1 million acres of Sitka, white and Lutz spruce on the southern and central Kenai Peninsula from the mid-1980s through the 1990s, sustained by consecutive summers of above-average temperatures, according to the Kenai National Wildlife Refuge. The northern peninsula and the MatSu have been hard hit by spruce bark beetle in the past couple years, and spruce bark beetle's range is expanding as the state warms, and the scale of outbreaks is increasing; and

WHEREAS, the Alaska Department of Fish and Game has determined that the effects of the changing climate are “beginning to impact Alaska’s natural systems and the uses they sustain”; and

WHEREAS, a resilience and security commission is needed to guide and support the borough’s programmatic responses to these challenges and to implement comprehensive strategic planning to mitigate known hazards, adapt to significant changes, and modernize and diversify our energy sector; and

WHEREAS, the 2019 Kenai Peninsula Comprehensive Plan, Focus Area: Land Use, Objective G, Strategy 1 states, “Form a Kenai Peninsula Borough Commission on Sustainability”; and

WHEREAS, the 2019 Kenai Peninsula Comprehensive Plan, Focus Area: Land Use, Objective G, Strategy 2 states, “Develop a climate change action plan...”; and

WHEREAS, the Borough Comprehensive Plan outlines strategies for renewable energy: Focus Area: Energy & Utilities, Objective C states, “Support residential, community and region-wide renewable energy initiatives and projects...Charge the commission with developing a renewable energy strategy to investigate and make recommendations for feasible renewable energies for Kenai Peninsula”; and

WHEREAS, the 2019 Kenai Peninsula Comprehensive Plan, Focus Area: Agriculture & Mariculture, Objective A states, “Support a more sustainable and resilient Kenai Peninsula by increasing production and distribution of quality, healthy agricultural products for local, state and export markets”; and

WHEREAS, the 2019 Kenai Peninsula Comprehensive Plan, Focus Area: Agriculture & Mariculture, Objective C states, “Encourage greater local and regional self-sufficiency”; and

WHEREAS, the 2019 Kenai Peninsula Comprehensive Plan, Focus Area: Agriculture & Mariculture, Objective B states, “Sustain and create new agriculture-related jobs and businesses”; and

WHEREAS, the 2019 Kenai Peninsula Comprehensive Plan, Focus Area: Solid Waste Services, Objective C states, “Increase awareness of and opportunities for waste reduction and landfill diversion, including Reduce, Recycle, Reuse”; and

WHEREAS, the City Councils of Seldovia, Homer and Soldotna all passed resolutions in support of the establishment of a commission to develop strategic responses to warming trends in our environment for the protection of public safety and welfare; and

WHEREAS, the City of Homer has a climate action plan and the City of Seward is working on a climate action plan; and

WHEREAS, a resilience and security commission supports the ongoing work within the borough to improve energy and climate security through such projects as Bradley and Grant Lake hydroelectric, the Soldotna landfill gas energy project; the Kenai Peninsula Agriculture Initiative; the installation of electric vehicle charging stations; the banning of single-use plastic bags in Soldotna, Kenai, Seward and Homer; the development of regional building efficiency standards by the Alaska Housing Finance Corporation; the development of the borough All-Hazard Mitigation Plan; the creation of climate action plans by the cities of Homer and Seward; as well as the ongoing monitoring of climate changes on the peninsula by such institutions as the Kenai National Wildlife Refuge and the University of Alaska; and

WHEREAS, the Kenai Peninsula Borough has over 148 facilities and investments in energy efficiency and renewable energy for these facilities represent enormous potential savings on electricity and maintenance costs over the mid- and long-term; and

WHEREAS, the Kenai Peninsula Borough Land Management Division is developing an agricultural initiative and pilot project with the strategy of managing borough land designated as agricultural land for long-term agricultural production and the initiative needs a commission to provide guidance and oversight; and

WHEREAS, it is in KPB’s interest to implement policies that mitigate against known hazards, invest in local agriculture, improve the efficiency of buildings and transportation, reduce solid waste, protect habitats of fish and wildlife, and invest in modern, clean, local sources of energy; and

WHEREAS, these policies will have additional benefits for residents, including cost savings, job creation, bolstering self-reliance, increased economic stability through market diversification, greater protection of public natural resources, and better public health outcomes; and

WHEREAS, investments in hazard mitigation, energy efficiency, grid diversification, food security, and waste reduction generally pay for themselves and create long-term jobs and,

WHEREAS, financial and technical support for the commission is available through numerous public and private institutions who support community resilience and security; and

WHEREAS, for these reasons, in accordance with the Borough Comprehensive Plan, the Kenai Peninsula Borough shall establish a Resilience and Security Commission to develop and recommend sustainability solutions for the borough;

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

SECTION 1. The assembly hereby establishes the Resilience and Security Commission for the borough subject to the provisions in this ordinance.

SECTION 2. Purpose and Scope. The commission will advise the administration and assembly on developing sustainability solutions for the Kenai Peninsula Borough to promote the economic security, safety, self-reliance, and wellbeing of its inhabitants, while maintaining the ability of future generations to do the same.

The scope of matters subject to consideration by the resilience and security commission includes:

1. Divert materials that would otherwise be discarded in landfills within the borough to extend the lifetime of landfills and save taxpayer dollars;
2. Improve cost and energy efficiency of buildings;
3. Improve cost and energy efficiency of transportation;
4. Increase use of local, clean energy to (a) modernize electricity generation, storage and distribution; (b) increase energy independence; (c) diversify the grid and reduce supply volatility;

5. Support hazard mitigation planning that accounts for changing environmental conditions;
6. Improve food security through support of local agriculture, protection of the ecological integrity of fish and wildlife habitat, protection of water resources, and other means;
7. Conduct cost-benefit analyses of sustainable resource initiatives;
8. Actively engage and communicate with borough communities to develop and institute sustainable resource initiatives through community workgroups, task-forces, online media, etc.;
9. Seek funding to support the work of the commission; and
10. Other similar efforts focused on protection of our natural resources, economy, security and wellbeing.

SECTION 3. Duties. The duties of the commission are as follows to the extent the duties performed are within the scope of the borough’s legally authorized powers:

- A. Collaborate with borough staff, communities, utilities, agencies, universities, and the private sector to lead the development and modification of strategic planning to mitigate and adapt to significant changes in our environment;
- B. Develop programmatic strategies for sustainable development that anticipate, adapt to, and mitigate against changes in our natural systems;
- C. Collaborate with utility cooperatives to conduct energy assessments, evaluate borough investments in the energy sector, and diversify energy portfolios;
- D. Conduct cost-benefit analyses of strategic support of sectors with good long-term outlook, such as building and transportation efficiency, renewable energy, agriculture, tourism, and fishing;
- E. Lead implementation of strategies through continued collaboration with the mayor, assembly, staff, agencies, utilities, universities, the private sector, and communities;
- F. Provide metrics for monitoring progress toward meeting goals, and report annually to the mayor and assembly at the end of January on the progress made for the previous year along with recommendations on how to support or improve those efforts;

- G. Actively engage and communicate with borough communities to collaboratively develop and institute sustainable resource initiatives through citizen workgroups, task-forces, online media, etc.; and
- H. Make recommendations to the mayor on public purpose grants that promote sustainability goals of the borough.

SECTION 4. Memberships. The resilience and security commission shall consist of nine voting members appointed by the mayor and approved by the assembly. Appointed members shall have experience in at least one of the ten areas defining the scope of the commission and shall serve overlapping three-year terms for no more than two consecutive terms.

Sustainability commissioners shall be appointed by the mayor and approved by the assembly from each of the following geographic areas as generally described below.

1. East Peninsula including areas of Seward, Moose Pass, Cooper Landing
2. Southwest Borough including areas of Seldovia, Port Graham, Homer, Kachemak City, Nanwalek
3. South Central including areas of Anchor Point, Ninilchik, Kasilof, Clam Gulch
4. Central including areas of Sterling, Kenai, Soldotna, Kalifornsky
5. Northwest Borough including areas of Hope, Tyonek, Nikiski
6. Four At-Large Seats

In addition, the commission may appoint two non-voting youth members. Youth members shall serve one-year terms.

SECTION 5. Officers. A chair and vice-chair of the commission shall be selected annually from and by the appointed members of the commission.

The Commission shall be staffed by the planning department to publicize meetings, take minutes, etc. The Assembly President may appoint an assembly member to be the assembly representative for this advisory commission.

SECTION 6. Meetings. Meetings shall occur once a month at assembly chambers.

SECTION 7. Duration. The commission shall continue until disbanded by the assembly by ordinance.

SECTION 8. Investigation and recommendation authority. The resilience and security commission may consider and investigate subject matter tending to the development and betterment of the borough, now and in the future. It may make recommendations as it considers advisable to the planning commission, administration and the assembly. The commission must request approval to make or have made energy assessments, analyses, surveys, maps or plans through the budget process.

SECTION 9. That this ordinance shall take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2020

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Broyles, Randi

From: Blankenship, Johni
Sent: Monday, June 8, 2020 8:38 AM
To: Broyles, Randi
Subject: FW: <EXTERNAL-SENDER>CLAPC minutes re. Ord. 2020-25
Attachments: 20200603 CLAPC Minutes UNAPP.pdf

From: Cooper Landing Advisory Planning Commission [mailto:cooperlandingapc@gmail.com]
Sent: Friday, June 05, 2020 4:11 PM
To: Carpenter, Kenn <KCarpenter@kpb.us>
Cc: Hibbert, Brent <bhibbert@kpb.us>; Smalley, Hal <HSmalley@kpb.us>; Bjorkman, Jesse <JBjorkman@kpb.us>; Cox, Tyson <tysoncox@kpb.us>; Blakeley, Norm <NBlakeley@kpb.us>; Johnson, Brent <bjohnson@kpb.us>; Cooper, Kelly <kellycooper@kpb.us>; Dunne, Willy <WDunne@kpb.us>; Blankenship, Johni <JBlankenship@kpb.us>
Subject: <EXTERNAL-SENDER>CLAPC minutes re. Ord. 2020-25

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.

Assemblyman Carpenter:

The Cooper Landing Advisory Planning Commission unanimously supports the passage of Ordinance 2020-25 establishing the Resilience and Security Advisory Commission for the Kenai Peninsula Borough.

Establishing this commission will aid the Kenai Peninsula at large, and Cooper Landing specifically, by helping advance towards established KPB Comprehensive Plan goals. Those concerns of high importance to Cooper Landing that may be advanced by the Resilience and Security Advisory Commission include:

- hazard mitigation and planning
- protection of anadromous habitat
- self-sustainability and food security
- diversion of materials from landfills
- sustainable, alternative energy sources and efficiencies.

We must adapt to the change that is coming. Forethought and action are needed to prepare our communities. This advisory commission could be vital to making sure necessary steps are taken. Please see the attached minutes of our meeting for details.

Respectfully,

Janette Cadieux
CLAPC Chair

**COOPER LANDING ADVISORY PLANNING COMMISSION
REGULAR MEETING
LOCATION: ZOOM TELECONFERENCE
WEDNESDAY, JUNE 3, 2020
6:00 PM
UNAPPROVED MINUTES**

1. CALL TO ORDER - 6:00pm.
2. ROLL CALL - C. Degernes, J. Cadieux, K. Recken, H. Harrison, D. Story, present. Sean Holland, Jonathan Tymick, Lori Landstrom and Marcus Mueller, Kaitlin Vadla attending. Laura Johnson and Alex Kime attending but delayed arrival.
3. APPROVAL OF AGENDA – D. Story moves to approve. C. Degernes seconds. All approve.
4. APPROVAL OF MINUTES for May 06, 2020 – K. Recken moves to approve. H. Harrison seconds. All approve.
5. CORRESPONDENCE – none.
6. PUBLIC COMMENT/PRESENTATION WITHOUT PREVIOUS NOTICE – none.
7. REPORT FROM BOROUGH
 - a. DOT&PF Sterling Hwy MP 45-60 Project report and questions/answers. Sean Holland, PE, Project Manager, AKDOTP&F.
 - i. Newsletter coming out this week.
 - ii. Phase 1A is the western end and the 90% design is due on Friday. No major changes. Lowered grade and added vertical components like retaining walls to address impact to areas.
 - iii. Phase 1B initial design shows a lot of ground/gravel material generated. Slowing that down to see how best that material can be used. Anticipate that Phase starting later in 2021 at earliest.
 - iv. MP 47 pinch point for the separated bike/ped. pathway endpoint will be investigated more closely.
 - v. Established a project office across from the Kingfisher.
 - vi. Minor clearing is underway to provide access for drills to determine geological conditions on new alignment.
 - vii. In migratory bird window right now. Three biologists are working about three days ahead of the work crew to mitigate impacts.
 - viii. The land swap with Cook Inlet Region, Incorporated (CIRI) and Department of Interior, (DOI) is moving along through appraisal process.

- ix. Firewood will be available later after the clearing has been done. The wood will be brought out from inside the project limits for community use. That may be next summer, 2021.
- x. Drills are supposed to arrive this Monday and they will head directly to the bridge area where drilling will be going on for 4-6 weeks 24 hours/day.
- xi. J. Cadieux asked about where the materials generated may end up and if the KPB plans to place any of it at the Snug Harbor or Dave's Creek gravel pits to store for later use by the community. The community would like to remain in consideration for having materials available at a future date even if there are no "shovel ready" projects immediately.
 - 1. M. Mueller said the DOT will need to identify the material types for determining the best placement of it. Some will likely be best used on project.
 - 2. J. Cadieux stated that the Cooper Landing Gun Club will require material for its next phase but that they would likely require a higher grade than just fill.
 - 3. J. Cadieux stated that some materials will be needed to improve the parking area at the Slaughter Gulch trailhead as discussed with KPB and DOT at the last meeting.
 - 4. S. Holland mentioned that there will be processing equipment on site and that much of the material will be available for multiple uses and may be more affordable for community use than the common market price due in large part to the proximity to the community.
- xii. J. Tymick mentioned that the next open house has not yet been scheduled because of COVID-19 but they are aiming to determine the date and method they aim to host.

8. OLD BUSINESS – none.

9. NEW BUSINESS

- a. Ordinance 2020-25 establishing the Resilience and Security Advisory Commission for the Kenai Peninsula Borough
 - i. Lori Landstrom –with Sustainable Seward and Kaitlyn Vadla with Cook Inlet Keeper Central Peninsula Regional Director presenting to support the ordinance.
 - ii. The ordinance has a hearing with the KPB Assembly on June 16th and will present to the KPB Planning Commission next week.
 - iii. Many groups working to get this ordinance passed.
 - iv. Hopeful that the CLAPC will give support to this ordinance.
 - v. K. Vadla said that the goal is an advisory commission that finds sustainability solutions that may be on the books already but haven't been acted on yet.

1. E.g. pursuing grants that can help the KPB or communities within the borough that exist for already identified goals.
- vi. J. Cadieux wanted to know how community organizations might interface with this new commission. She noted that timeline of communication is always critical.
- vii. L. Landstrom noted some of the other communities that have supported the resolution and some of the key items within the KPB Comprehensive Plan that align with the establishment of this commission.
- viii. The commission goals include saving money for the borough and its residents, making strides towards the goals of the KPB Comprehensive Plan such as improved agriculture and mariculture opportunities, renewable energy jobs, and food production within the KPB. There are nine key components to the commission's work.
- ix. K. Vadla said similar commissions exist in Fairbanks, Anchorage, Whitehorse and other areas in the lower 48 and asked rhetorically why is it needed?
 1. Planning for things like Seldovia running out of water or Cooper Landing being impacted by wildfire. Helping communities within our borough to become more resilient in the face of changing circumstances.
- x. C. Degernes said that the earlier proposal was for a more established commission with compensation and that that had met resistance. She asked if the new proposal would be voluntary.
 1. K. Vadla said that it is drafted now for the commission to be comprised of volunteers similar to the APCs at first with the hope to demonstrate its value enough to justify more support in the future.
- xi. C. Degernes asked what the best way to support the goals of this group.
 1. K. Vadla said that the best methods to demonstrate support are to:
 - a. Reach out to Ken Carpenter directly to support the ordinance and ask that he support it with a yes vote on its establishment.
 - b. Having the CLAPC recommend supporting the ordinance to the KPB Planning Commission.
 - c. Public comment at the night of the ordinance's public hearing by the KPB Assembly on June 16th.
- xii. C. Degernes moves to have the CLAPC support the passage of the ordinance and to communicate our support to Representative Carpenter and other assembly members and the Assembly Clerk highlighting the benefits of such a commission to the KPB and also to Cooper Landing specifically. H. Harrison seconds. All approve.

1. Specific benefits to the Cooper Landing area identified by commission members include hazard mitigation and planning, protection of anadromous habitat, self-sustainability and food security, diversion of materials from landfills, sustainable alternative energy sources and efficiencies.

10. PLAT REVIEW - none

11. INFORMATION and ANNOUNCEMENTS

- a. J. Cadieux asked whether in regard to the Slaughter Gulch trail identification by AllTrails.com if we should draft a letter to explain concerns about the trail in order to help mitigate the impacts experienced.
 - i. Others said there is no harm in trying.
- b. M. Mueller said that he and Jesse Labenski of the USFS spoke last week about what the uses, conflicts, strategies, and resources surrounding the use of the trail are.
 - i. He said that the USFS is not in a position to put resources towards the trail anytime fast and while the KPB has some opportunities to help with resources it does not have management authority for the trail or trailhead.
 - ii. He described one mechanism for resolving this as a community trail management mechanism like that which Tsalteshi Trails in Soldotna is managed under. A community trail agreement may be a good opportunity if a volunteer group can be established to assist.

12. COMMISSIONER'S COMMENTS – none.

13. ADJOURNMENT – C. Degernes moves to adjourn. L. Johnson seconds. All approve.

For more information or to submit comments please contact:

David Story, Secretary Treasurer or Janette Cadieux, Chair, P.O. Box 694, Cooper Landing, 99572 CooperLandingAPC@gmail.com



Sponsored by: Vice Mayor Molloy

CITY OF KENAI

RESOLUTION NO. 2020-37

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING THE KENAI PENINSULA BOROUGH ASSEMBLY ESTABLISHING THE RESILIENCE AND SECURITY ADVISORY COMMISSION FOR THE KENAI PENINSULA BOROUGH.

WHEREAS, in accordance with the Borough Comprehensive Plan, proposed Kenai Peninsula Borough Ordinance 2020-25 would establish a Resilience and Security Commission ("Commission") to develop and recommend sustainability solutions for the borough; and,

WHEREAS, proposed Borough Ordinance 2020-25 provides that the purpose and scope of the proposed Commission is to advise the borough administration and assembly on developing sustainability solutions for the Kenai Peninsula Borough to promote the economic security, safety, self-reliance, and wellbeing of its inhabitants, while maintaining the ability of future generations to do the same; and,

WHEREAS, proposed Borough Ordinance 2020-25 further defines the scope of matters to be considered by the Commission, and establishes the Commission's duties, authority, memberships, officers, meetings, and duration; and,

WHEREAS, the Commission's membership is to consist of nine voting members appointed by the Borough Mayor and approved by the assembly, with appointed members to have experience in at least one of the ten areas defining the scope of the Commission; and,

WHEREAS, the Commission's appointed members will be from each of the geographic areas described in Borough Ordinance 2020-25; and,

WHEREAS, one of the geographic areas is "Central including areas of Sterling, Kenai, Soldotna, Kalifornsky"; and,

WHEREAS, it is the best interest in the City of Kenai to have an appointed member on the Commission; and,

WHEREAS, the cities of Homer, Seldovia, and Soldotna all passed resolutions in support of the Commission; and,

WHEREAS, the City of Kenai engages in efficiency, hazard and mitigation planning, and it is in the best interest of the City of Kenai to participate in the Borough's Commission; and,

WHEREAS, the Assembly has set a public hearing on proposed Borough Ordinance 2020-25 for June 16, 2020; and

WHEREAS, the City of Kenai recommends sunset three years after its creation and to amend Section 7 of Ordinance No. 2020-25 accordingly.

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

Section 1. That the Kenai City Council supports the Kenai Peninsula Borough Assembly's establishing the Resilience and Security Advisory Commission for the Kenai Peninsula Borough.

Section 2. That the Mayor of the City of Kenai will recommend a resident of the City of Kenai to the Borough Mayor for consideration for appointment to the Commission and for approval by the Assembly.

Section 3. That a copy of this resolution be provided to the Borough Clerk for distribution to the Borough Mayor and Assembly.

Section 4. That this resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 3rd day of June, 2020.

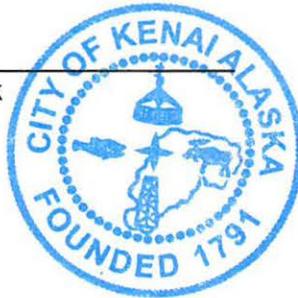


BRIAN GABRIEL, SR., MAYOR

ATTEST:



Jamie Heinz, CMC, City Clerk



RECEIVED

APR 21 2020

Borough Clerk's Office
Kenai Peninsula Borough

CITY OF HOMER
HOMER, ALASKA

Aderhold

RESOLUTION 20-035

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
SUPPORTING THE ESTABLISHMENT OF A KENAI PENINSULA
BOROUGH RESILIENCE AND SECURITY COMMISSION

WHEREAS, Annual air temperatures in the Kenai Peninsula Borough have risen by 3.4 degrees Fahrenheit since 1969 and July 2019 was the warmest month on record in Alaska; and

WHEREAS, Over the past half-century annual available water on the western Kenai Peninsula has declined 55%; and

WHEREAS, In August 2019, most of the Kenai Peninsula Borough was in "Severe Drought" status, and for the first time parts of the northern peninsula reached "Extreme Drought" status; and

WHEREAS, The Kenai Peninsula Borough issued three disaster declarations in summer 2019 in response to multiple fires and droughts caused or exacerbated by increased average temperature and decreased level of rainfall; and

WHEREAS, The 2019 Swan Lake Fire was far and away the most expensive fire in the country at an estimated cost to fight of \$46 million; and

WHEREAS, Continuation of current climate trends may increase the risk and intensity of wildfires resulting from drought and increasing temperatures across the Borough; and

WHEREAS, Current winter trends indicate that the southern Kenai Peninsula will lose 10-20% of its snowpack by 2030-2059; and

WHEREAS, Water temperatures in non-glacial Cook Inlet streams are exceeding physiological thresholds for salmon; and

WHEREAS, Continuation of current climate trends threatens the future of salmon runs on the Kenai Peninsula by depleting water levels and raising temperatures in local watersheds; and

WHEREAS, Ocean acidification will continue to damage vital nurseries for many fish stocks in Kachemak Bay and Cook Inlet; and

43 WHEREAS, The Alaska Department of Fish and Game has determined that the effects
44 of the changing climate are “beginning to impact Alaska’s natural systems and the uses they
45 sustain;” and
46

47 WHEREAS, Infrastructure and private property values are threatened by increasing
48 instances of flash flooding, which results in erosion and bluff instability; and
49

50 WHEREAS, Bluff erosion rates on the eastern shores of Cook Inlet are 1 foot per year,
51 and 2.3 feet per year in the western Homer area; and
52

53 WHEREAS, The Caribou Hills was the epicenter of a spruce bark beetle outbreak that
54 killed about 1 million acres of spruce on the Kenai Peninsula from the mid-1980s through the
55 1990s, sustained by consecutive summers of above-average temperatures; and
56

57 WHEREAS, The spruce bark beetle’s range is expanding as the state warms, and the
58 scale of outbreaks is increasing; and
59

60 WHEREAS, The City of Homer stands at risk of significant economic and social harm
61 should the integrity of local fisheries and surrounding natural environment be further
62 compromised; and
63

64 WHEREAS, The City of Homer has already formally recognized the importance of
65 climate action by being the first city in the State to adopt a climate action plan; and
66

67 WHEREAS, The City of Homer passed Resolution 19-078 supporting the inclusion of a
68 “Kenai Peninsula Borough Commission on Sustainability” in the Kenai Peninsula Borough’s
69 final 2019 Comprehensive Plan; and
70

71 WHEREAS, The 2019 Kenai Peninsula Comprehensive Plan includes multiple
72 references to the need for a commission related to resilience and security, including the
73 following:
74

- 75 • Focus Area: Land Use, Objective G
 - 76 ○ Strategy 1 states, “Form a Kenai Peninsula Borough Commission on
 - 77 Sustainability”
 - 78 ○ Strategy 2 states, “Develop a climate change action plan ...”
 - 79
- 80 • Focus Area: Energy & Utilities, Objective C states, “Support residential, community
- 81 and region wide renewable energy initiatives and projects ... Charge the
- 82 commission with developing a renewable energy strategy to investigate and make
- 83 recommendations for feasible renewable energies for Kenai Peninsula”

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- Focus Area: Agriculture & Mariculture
 - Objective A states, “Support a more sustainable and resilient Kenai Peninsula by increasing production and distribution of quality, healthy agricultural products for local, state and export markets”
 - Objective B states, “Sustain and create new agriculture-related jobs and businesses”
 - Objective C states, “Encourage greater local and regional self-sufficiency”

- Focus Area: Solid Waste Services, Objective C states, “Increase awareness of and opportunities for waste reduction and landfill diversion, including Reduce, Recycle, Reuse”; and

WHEREAS, It is in the Kenai Peninsula Borough’s interest to implement policies that mitigate against known hazards, invest in local agriculture, improve the efficiency of buildings and transportation, reduce solid waste, protect habitats of fish and wildlife, and invest in modern, clean, local sources of energy.

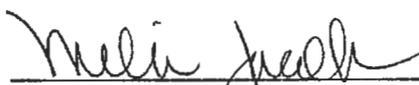
NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska supports the establishment of a Kenai Peninsula Borough Resilience and Security Commission.

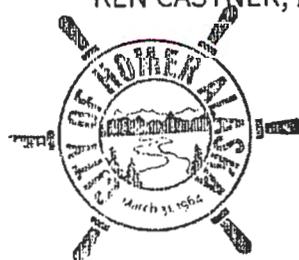
NOW, THEREFORE BE IT FURTHER RESOLVED that copies of this resolution shall be mailed to the Kenai Peninsula Borough Mayor Charlie Pierce, members of the Kenai Peninsula Borough Assembly, and members of the Kenai Peninsula Borough Planning Commission.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 13 day of April, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK



Fiscal Note: N/A

RESOLUTION 20-26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELDOVIA, ALASKA, SUPPORTING THE KENAI PENINSULA BOROUGH IN THE ESTABLISHMENT OF A RESILIENCE AND SECURITY COMMISSION

WHEREAS, annual air temperatures in the Kenai Peninsula Borough (KPB) have risen by 3.4 degrees Fahrenheit since 1969 and July 2019 was the warmest month on record in Alaska; and

WHEREAS, over the past half-century, annual available water on the western Kenai Peninsula has declined 62%, according to the Kenai National Wildlife Refuge, U.S. Fish & Wildlife Service, and in 2019 Kenai Peninsula communities experienced severe drought and the Kenai Peninsula Borough declared an emergency disaster on behalf of Seldovia and Nanwalek due to severe water shortages; and

WHEREAS, significant warming trends in Alaska rivers and ocean are beginning to harm tourism, subsistence, sport, and commercial fisheries, water temperatures in non-glacial Cook Inlet streams routinely exceed physiological thresholds for salmon during the month of July, according to Cook Inletkeeper, and in 2019 warm water conditions exceeded temperatures forecasted for 2069, causing high rates of pre-spawn mortality of salmon across the state. NOAA has determined that a recent series of collapses in Pacific Cod fisheries are linked to warming ocean conditions, and these same warming ocean conditions appear to be harming salmon survival. Warming of nearshore waters is increasing the rate of harmful algal blooms, such as PSP, hurting the mariculture industry. Ocean acidification will continue to damage vital nurseries for many fish stocks in Kachemak Bay and Cook Inlet, according to the National Estuarine Research Reserve; and

WHEREAS; according to USDA, Forest Service, current winter trends indicate that the southern Kenai Peninsula will lose 10-20% of its snowpack by 2030-2059, which threatens winter tourism, recreation, as well as fish and wildlife that are at the center of our culture and economies. As winters warm, private property values are threatened by increased instances of flash flooding, which results in erosion and bluff instability, according to new research by the University of Alberta. According to the Kachemak Bay National Estuarine Research Reserve, erosion rates on the eastern shores of Cook Inlet are 1 foot per year, and 2.3 feet per year in the western Homer area; and

WHEREAS, the Alaska Division of Forestry changed the official start date of the statewide fire season from May 1 to April 1 in response to the Tracy Avenue Fire that threatened Homer in 2005, the first spring grassland fire on the peninsula. There is a projected 66% increase in the estimated value of human structures (e.g. homes, businesses) that are at risk of fire in the next half century on the Kenai Peninsula, according to the Climate Change Vulnerability Assessment for the Chugach National Forest and the Kenai Peninsula. According to the Anchorage Daily News, the 2019 Swan Lake Fire on the Kenai Peninsula was far and away the most expensive fire in the country at an estimated cost to fight of \$46 million; this estimate does not include heavy losses to tourism revenue, losses to private property, or significant losses associated with repair of roads or power lines. A

study in Climatic Change estimates that costs due to increased wildfires across Alaska are \$1.1 to \$2.1 billion annually from 2006 through the end of the century; and

WHEREAS, the Caribou Hills was the epicenter of an unprecedented spruce bark beetle outbreak that eventually culled about 1 million acres of Sitka, White and Lutz Spruce on the southern and central Kenai Peninsula from the mid-1980s through the 1990s, sustained by consecutive summers of above-average temperatures, according to the Kenai National Wildlife Refuge. The northern peninsula and the Mat-Su Borough have been hard hit by spruce bark beetle in the past couple years, and spruce bark beetle's range is expanding as the state warms and the scale of outbreaks is increasing; and

WHEREAS, the Alaska Department of Fish and Game has determined that the effects of the changing climate are "beginning to impact Alaska's natural systems and the uses they sustain"; and

WHEREAS, a Resilience and Security Commission would help guide and support the Borough's responses to these challenges and to implement comprehensive strategic planning to mitigate known hazards, adapt to significant changes, and modernize and diversify the energy sector; and

WHEREAS, the 2019 Kenai Peninsula Borough Comprehensive Plan, Focus Area: Land Use, Objective G, Strategy 1 states, "Form a Kenai Peninsula Borough Commission on Sustainability"; and Strategy 2 states "Develop a climate change action plan..."; and

WHEREAS, the KPB Comprehensive Plan outlines strategies for renewable energy: Focus Area: Energy & Utilities, Objective C states, "Support residential, community and region-wide renewable energy initiatives and projects...Charge the commission with developing a renewable energy strategy to investigate and make recommendations for feasible renewable energies for Kenai Peninsula"; and

WHEREAS, the 2019 Kenai Peninsula Comprehensive Plan, Focus Area: Agriculture & Mariculture, Objective A states, "Support a more sustainable and resilient Kenai Peninsula by increasing production and distribution of quality, healthy agricultural products for local, state and export markets"; Objective B states "Sustain and create new agriculture-related jobs and businesses", and Objective C states "Encourage greater local and regional self-sufficiency"; and

WHEREAS, the 2019 Kenai Peninsula Comprehensive Plan, Focus Area: Solid Waste Services, Objective C states, "Increase awareness of and opportunities for waste reduction and landfill diversion, including Reduce, Recycle, Reuse"; and

WHEREAS, the City Councils of Seldovia, Homer and Soldotna all passed resolutions in support of the establishment of a commission to develop strategic responses to warming trends in our environment for the protection of public safety and welfare; and

WHEREAS, the City of Homer has a climate action plan and the City of Seward is working on a climate action plan; and

WHEREAS, a Resilience and Security Commission would support the ongoing work within the KPB to improve energy and climate security through such projects as Bradley and Grant Lake hydroelectric, the Soldotna landfill gas energy project; the Kenai Peninsula Agriculture Initiative;

the installation of electric vehicle charging stations; the banning of single-use plastic bags in Soldotna, Kenai, Seward and Homer; the development of regional building efficiency standards by the Alaska Housing Finance Corporation; the development of the borough All-Hazard Mitigation Plan; the creation of climate action plans by the cities of Homer and Seward; as well as the ongoing monitoring of climate changes on the peninsula by such institutions as the Kenai National Wildlife Refuge and the University of Alaska; and

WHEREAS, the Kenai Peninsula Borough has over 148 facilities and investments in energy efficiency and renewable energy for these facilities represent enormous potential savings on electricity and maintenance costs over the mid- and long-term; and

WHEREAS, the Kenai Peninsula Borough Land Management Division is developing an agricultural initiative and pilot project with the strategy of managing borough land designated as agricultural land for long-term agricultural production and the initiative needs a commission to provide guidance and oversight; and

WHEREAS, it is in KPB’s interest to implement policies that mitigate against known hazards, invest in local agriculture, improve the efficiency of buildings and transportation, reduce solid waste, protect habitats of fish and wildlife, and invest in modern, clean, local sources of energy; and

WHEREAS, these policies will have additional benefits for residents, including cost savings, job creation, bolstering self-reliance, increased economic stability through market diversification, greater protection of public natural resources, and better public health outcomes; and

WHEREAS, investments in hazard mitigation, energy efficiency, grid diversification, food security, and waste reduction generally pay for themselves and create long-term jobs and,

WHEREAS, financial and technical support for the Commission is available through numerous public and private institutions who support community resilience and security; and

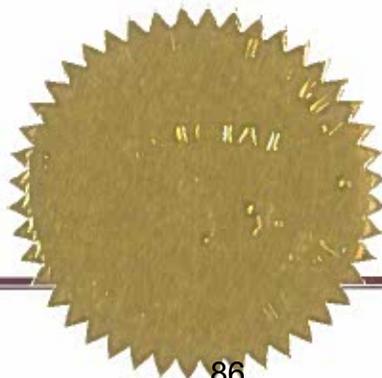
WHEREAS, for these reasons, in accordance with the Kenai Peninsula Borough Comprehensive Plan, the City Council of the City of Seldovia supports the establishment of a RESILIENCE AND SECURITY COMMISSION that will develop and recommend sustainability solutions for the borough;

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Seldovia supports Kenai Peninsula Borough’ establishment of a RESILIENCE AND SECURITY COMMISSION.

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of Seldovia, Alaska, on this 27 day of May, 2020.

ATTEST:


Heidi Geagel, City Clerk



APPROVED:


Dean Lent, Mayor

Charles Barnwell
410 Crestwood Circle
Homer, Alaska 99603
(907) 602-1213

Kenai Peninsula Borough Assembly
144 N. Binkley Street,
Soldotna, Alaska 99669

Dear Assembly Members:

I strongly support the establishment of a KPB RESILIENCE AND SECURITY COMMISSION. I was raised in the Anchorage area, now live in Homer; and in my lifetime have been fortunate to enjoy the Kenai Peninsula, starting in the 1960s. I am very concerned about the changes affecting the Kenai in the past five years particularly. It is unfortunate that while our roads have dramatically improved access to the Kenai from Anchorage (and are improving more in the next few years), the effects of climate change endanger our industries on the Kenai, for example tourism. The effects of climate change on the Kenai Peninsula are huge, and increasing. For example, the Swan Lake Fire in 2019, water shortages in various communities (e.g. Seldovia); and 2019 wildfires in the Homer area (e.g. North Fork, Caribou Hills) that posed serious risk to Homer and other communities. The financial burden posed by these events in 2019 affected every level of the Kenai's economy, as well as critical infrastructure such as HEA's transmission lines. Beyond the economy, the environmental threats are growing. For all of these reasons, there needs to be a pro-active Commission established immediately that can deal with these types of changes.

Please support the establishment of the KPB Resilience and Security Commission.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Charles E. Barnwell', with a long horizontal flourish extending to the right.

Charles E. Barnwell

Nancy Hillstrand
Pioneer Alaskan Fisheries Inc
Coal Point Trading Company
Box 674 Homer, Alaska 99603
907-399-7777

06/04/20

IN FAVOR of KPB Ordinance 20-25 Resilience and Security Commission

Greetings Borough Planning members,

Our Alaskan Corporation has been in the Alaskan food producing/processing business since 1964 working with hundreds of different Alaskan vendors, citizens, fisherman and farmers.

KPB Ordinance 20-25 is one of the most important ordinances this planning commission has ever voted on generating significant savings and jobs for citizens of the Kenai Peninsula.

Please support this critical KPB commission to structure a closer focus on the critical issues of resilience and security to guide and support these more specific borough programmatic responses to the many challenges seen not only today but anticipated into the future. These challenges require preventative comprehensive strategic consideration that can assist the Borough Planning Commission and assembly to mitigate known hazards, adapt to significant changes, and modernize and diversify our food and energy sector.

In our state of Alaska we have become much too dependent on lower 48 for year round food production and other necessities that need tightening up so we can become more efficient.

20-25 will provide consolidation, to collaborate, and synthesize up to date comprehensive information for Kenai Peninsula boroughs citizens resiliency and food security.

Please act now, without delay, to support a sustainable, all inclusive, framework structure using this commission to lead to accurate well rounded knowledgeable decision-making. Using this specific formal commission structure will save time, money. This structure will reduce inefficient efforts using fragmented procedures that deter comprehensive decision-making for effective policies on these critical issues.

Thank-you in advance of your wise support to generate this vehicle needed for the Resiliency and Security Commission that will aid and advise the administration, planning commissions, and assembly on developing comprehensive sustainability solutions for the Kenai Peninsula Borough to promote wise economic security, safety, self-reliance, and wellbeing of its inhabitants maintaining the ability of future generations to do the same.

Let us know if we can assist in any way.

With sincere and kind Regards,
Nancy Hillstrand

Kenai Peninsula Borough Assembly
 144 N. Binkley Street,
 Soldotna, Alaska 99669
 Filed Electronically To
assemblyclerk@kpb.us
 And Assembly Members

RE: KPB RESILIENCE AND SECURITY COMMISSION, Ordinance 20220-25.

Dear Kenai Peninsula Borough Assembly Members:

We strongly support the establishment of a Kenai Peninsula Borough Resilience and Security Commission for the following reasons:

1. To support local agriculture to ensure long-term, sustainable food security—as this pandemic shows, there can be no more important policy priority;
2. To protect biodiversity and health of fish and wildlife habitats, which includes protecting our water bodies and water resources;
3. To improve cost and energy efficiency of buildings and transportation;
4. To support the concepts of (a) Reduce, Reuse, Recycle and (b) community composting in order to minimize materials that require landfills; also to support the concept of energy production from methane gases generated in existing landfills;
5. To increase use of local, clean, renewable energy to provide long-term, stable and resilient energy sources that have minimal environmental impacts;
6. To support resilience and security planning that accounts for changing environmental conditions on the peninsula; and
7. To engage local communities to identify ways they can contribute to peninsula resilience and security in order to maximize effectiveness of Commission recommendations.

The Cities of Homer, Soldotna, Seldovia, and Seward have passed unanimous resolutions in support of such a commission.

The Resilience and Security Commission would generate significant cost savings and additional jobs for the Kenai Peninsula Borough. Failing to establish such a commission continues to generate unnecessary costs associated with responding to environmental change and crises reactively rather than proactively. Supporting a commission focused on comprehensive, long-range, sustainable resource planning protects everyone—both physically and financially.

Please support this ordinance.

Sincerely,

Roberta Highland

Robert Archibald

PO Box 2460
 Homer, AK. 99603
 907 235-8214

Introduced by: Cox, Dunne, Hibbert, Smalley
Date: 05/05/20
Hearing: 06/02/20
Action: Enacted as Amended
Vote: 6 Yes, 3 No, 0 Absent
Action: Notice of Reconsideration Given by Carpenter

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-24**

**AN ORDINANCE AMENDING KPB TITLE 4 REGARDING BOROUGH ELECTIONS
TO PROVIDE FOR VOTE BY MAIL ELECTIONS, FOR MORE TIME BETWEEN A
REGULAR ELECTION AND A RUN-OFF ELECTION, AND TO REMOVE
PROPOSITION STATEMENTS**

- WHEREAS**, state statutes provide that the local governing body establish the procedures governing local elections; and
- WHEREAS**, the remote nature of areas of the borough would make voting by mail more efficient, convenient, and less complicated; and
- WHEREAS**, jurisdictions that have instituted vote-by-mail have experienced increased voter participation; and
- WHEREAS**, recruiting, training and retaining election officials has been an ongoing challenge; and
- WHEREAS**, by mail elections can be conducted with fewer election officials than in person voting; and
- WHEREAS**, the Kenai Peninsula Borough entered into a conciliation agreement with the Alaska Human Rights Commission which specified that the borough would have an ADA compliant election process in place by the end of 2020; and
- WHEREAS**, the Kenai Peninsula Borough Assembly established the Election Stakeholders Group (“ESG”) through the direction and adoption of Resolution 2019-006, which included community members and members from many local governments in the borough, researched ways to increase voter participation by developing sustainable election processes that maximize accessibility and inclusivity; and
- WHEREAS**, after holding many public meetings throughout 2019 the ESG issued a final report with six specific recommendations regarding potential changes to borough code and election processes which are intended to achieve guiding principles initially adopted by the ESG; and

WHEREAS, recommendation number 1 of the ESG was for the borough assembly to transition the election process from the current polling site structure to a vote by mail hybrid structure (VBMS); and

WHEREAS, recommendation number 6 of the ESG is that the assembly amend KPB 4.10.110 by deleting Section B which provides for the inclusion of statements advocating voter approval or rejection of propositions in the voter pamphlet; and

WHEREAS, in the event of a run-off election, KPB 4.10.050 is amended to provide for an extra week between the regular election and the run-off election to allow more time for the clerk's office to get ballot packages out to ensure receipt by the voter and return receipt by the borough; and

WHEREAS, recent catastrophic events including disaster declarations related to local floods, fires and a global public health pandemic reinforce the need to implement a VBMS election process that would allow for greater flexibility and voter participating when events make it impractical or impossible to vote at a traditional polling site; and

WHEREAS, in response to the current statewide emergency disaster, Governor Dunleavy signed Senate Bill 241 in to law which, among other things, authorizes elections to be conducted by mail during the emergency disaster;

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

SECTION 1. That KPB 4.10.020 is hereby amended as follows:

4.10.020. Definitions.

In this title, unless the context otherwise requires:

[A.] "Borough election" means any election:

1. To fill a borough office;
2. Upon a proposition submitted to the voters under the ordinances of the borough; or
3. That the borough is required by law to administer.

[B.] "Borough office" means an elective office under the ordinances of the borough.

- [C.] "Clerk" means the clerk of the borough, any properly authorized assistant or designee.
- [D.] "Day" means a calendar day including Saturday, Sunday and holidays.
- [E.] "Election" includes a regular, special or run-off borough election.
- [F.] "Election official" means the [BOROUGH]clerk and members of all election boards.
- [G. RESERVED.]
- [H.] "Election supervisor" means the [BOROUGH]clerk.
- [I.] "Oath" includes affirmation on penalty of perjury.
- [J.] "Precinct" means the geographical area for voting purposes that is defined by the Alaska State Legislature. [TERRITORY WITHIN WHICH RESIDENT VOTERS MAY CAST VOTES AT ONE POLLING PLACE].
- [K.] "Proposition" includes question.
- [L.] "Publication" means a newspaper of general circulation or posting in public places.
- [M.] "Qualified voter" means any person who has the qualifications required by this chapter and is not disqualified under Article V of the Alaska State Constitution.
- [N.] ["QUESTIONED VOTER" MEANS A VOTER WHOSE NAME DOES NOT APPEAR ON THE REGISTER IN THE PRECINCT WHERE HE ATTEMPTS TO VOTE, A VOTER WHO HAS RECEIVED AN ABSENTEE BALLOT AND DOES NOT TURN IT IN WHEN VOTING AT HIS PRECINCT ON ELECTION DAY, A VOTER WHO DOES NOT BEAR IDENTIFICATION OR IS NOT PERSONALLY KNOWN TO AN ELECTION OFFICIAL THOUGH HIS NAME APPEARS ON THE PRECINCT REGISTER, OR A VOTER WHO IS QUESTIONED FOR GOOD CAUSE AT THE POLLS IN WRITING.]
- [O.] "Regular election" means a general election to fill borough offices as required by Alaska Statutes.
- [P.] "Registration" or "registered" refers to the form of registration required by the state election code. For borough elections, a person is registered if registered to vote in state elections in the precinct in which that person seeks to vote 30 days prior to the borough election.

- [Q.] "Signature" includes any mark intended as a signature or subscription.
- [R.] "Special election" means any election held at a time other than when a regular election is held.
- [S.] "Swear" includes "Affirm".
- [T.] "Total votes cast" means the total number of votes cast in each seat for candidates whose names are printed on the ballot plus votes properly cast for the same seat in the write-in position(s) of the ballot. Ballots which are counted as blank votes in a particular race and ballots which are counted as over votes in a particular race shall not be added into the total votes in determining the percentage of votes cast.
- "Vote center" means any location designated by the clerk for the purpose of providing voter assistance that is not solely for casting votes for a specific precinct.
- [U.] "Voter" means any person who presents himself for the purpose of registering to vote or voting, either in person or by absentee application or ballot.

SECTION 2. That KPB 4.10.050(C) is hereby amended as follows:

4.10.050. Election times.

- C. Time of Run-off Election. When a run-off election is required by law, the election shall be held on the [third]fourth Tuesday following the regular election or within [2]3 weeks after certification of the results of the regular election. The run-off election shall not be considered a special election within the meaning of AS 29.71.800(21).

SECTION 3. That KPB 4.10.060 is hereby amended as follows:

4.10.060. Notice of elections.

- A. The election supervisor shall publish a notice of each election at least twice in one or more newspapers of general circulation in the borough. The election supervisor shall also post such a notice in two conspicuous places in each precinct. The first such publication, and the posting in each precinct, shall be accomplished at least 20 days prior to a regular election or at least 20 days before a special election.

- B. Each notice of election shall include:
1. The type of election, whether regular, special or run-off;
 2. The date of the election;
 3. The notice of election shall state that the election is to be conducted by mail and that there will be no precinct polling places open for the election on election day.
 - 4[3]. The hours the [POLLS] vote centers will be open and locations;
 - 5[4]. The offices to which candidates are to be elected;
 - 6[5]. The subjects of propositions to be voted upon;
 - 7[6]. Voter qualifications and instructions for registration;
 - 8[7]. Instructions for application for absentee voting;
 - [8. PRECINCT POLLING PLACES.]
- C. For run-off elections, the notice of the locations of the [PRECINCT POLLING PLACES] vote centers may be included or separate from the notice of the election and publication shall be made at least once, no later than 5 days prior to the run-off election. The notice of election shall be posted at 2 places within each precinct.

SECTION 4. That KPB 4.10.110 is hereby amended as follows:

4.10.110. Informational brochures for ballot propositions.

- A. 21 days prior to each regular or special election the [BOROUGH]clerk shall prepare [AND MAIL TO EVERY BOROUGH BOXHOLDER] a brochure containing information approved by the assembly of a strictly factual nature pertaining to each proposition on the ballot to be included in the ballot package. The clerk shall prepare instructions explaining to voters how to mark ballots, and how to obtain new ballots to replace those destroyed or spoiled, and how to return the ballots.[, EXCEPT AS PROVIDED BELOW IN THIS SECTION.]
- [B. NOTWITHSTANDING KPB 4.10.100, STATEMENTS ADVOCATING VOTER APPROVAL OR REJECTION OF PROPOSITIONS SHALL BE INCLUDED IN THE INFORMATIONAL BROCHURE IN ACCORDANCE WITH THIS SUBSECTION.

1. THE CLERK SHALL PROVIDE THE OPPORTUNITY FOR STATEMENTS ADVOCATING VOTER APPROVAL AND REJECTION OF PROPOSITIONS IN THE ELECTION PAMPHLET. THE CLERK SHALL OFFER AUTHORSHIP OF THE STATEMENT ADVOCATING VOTER APPROVAL OR REJECTION BY APPLYING THE FOLLOWING CRITERIA:
 - A) THE CLERK SHALL OFFER AUTHORSHIP OF THE STATEMENT ADVOCATING VOTER APPROVAL OF A PROPOSITION TO THE PRIME SPONSOR OF THE INITIATIVE, REFERENDUM, OR RECALL PETITION THAT SUCCESSFULLY FILED THE BALLOT PROPOSITION;
 - B) THE CLERK SHALL OFFER AUTHORSHIP OF THE STATEMENT ADVOCATING VOTER APPROVAL OF A PROPOSITION THAT HAS BEEN PLACED ON THE BALLOT THROUGH AN ASSEMBLY CRAFTED ORDINANCE OR RESOLUTION, AND NOT THROUGH THE INITIATIVE, REFERENDUM, OR RECALL PETITION PROCESS, TO AN INDIVIDUAL OR ORGANIZATION WITH A STATED INTEREST IN APPROVAL OF THE PROPOSITION;
 - C) THE CLERK SHALL OFFER AUTHORSHIP OF THE STATEMENT ADVOCATING VOTER REJECTION TO AN INDIVIDUAL OR ORGANIZATION WITH A STATED INTEREST IN REJECTION OF THE PROPOSITION.
2. THE CLERK SHALL ESTABLISH A DEADLINE FOR THE SUBMISSION OF A STATEMENT UNDER THIS SECTION. A STATEMENT ADVOCATING VOTER APPROVAL OR REJECTION MUST BE RECEIVED BY THE CLERK BY THE ESTABLISHED DEADLINE DATE.
3. A STATEMENT SUBMITTED UNDER THIS SECTION MAY NOT EXCEED 500 WORDS.
4. A STATEMENT SUBMITTED UNDER THIS SECTION MUST INCLUDE A SIGNER'S BLOC LOCATED AT THE BOTTOM OF THE STATEMENT. THE SIGNER'S BLOC MUST INCLUDE NO MORE THAN THREE SIGNERS. ANY SIGNERS MORE THAN THE ALLOTTED THREE WILL BE CONSIDERED

ENDORSEMENTS AND COUNTED AGAINST THE 500-WORD LIMIT. SIGNERS MUST INCLUDE THEIR FULL NAMES AND ORGANIZATIONS, IF ANY.

5. SIGNERS SHALL SIGN A FORM PREPARED BY THE CLERK INDICATING THAT THE SIGNERS PARTICIPATED IN THE DRAFTING OF THE STATEMENT.
6. THE CLERK SHALL ACCEPT STATEMENTS MEETING THE REQUIREMENTS OF KP.B 4.10.110(B) AND WILL NOT RELEASE STATEMENTS SUBMITTED UNTIL THE DAY FOLLOWING THE DEADLINE DATE FOR SUBMITTAL.
7. THE CLERK MAY APPOINT A COORDINATOR FOR THE DRAFTING OF THE STATEMENTS UNDER THIS SECTION.
8. STATEMENTS ACCEPTED BY THE CLERK ADVOCATING EITHER VOTER APPROVAL OR REJECTION SHALL BE PUBLISHED. IF ONLY ONE STATEMENT IS RECEIVED BEFORE THE CLERK'S DEADLINE THEN IT SHALL BE PUBLISHED.
9. THE CLERK WILL ADD A DISCLAIMER TO EACH INITIATIVE, REFERENDUM OR RECALL NOTING THE TEXT OF THE BALLOT PROPOSITION IS PRESENTED AS SUBMITTED BY THE PETITION SPONSORS. THE CLERK WILL ADD A DISCLAIMER TO EACH STATEMENT NOTING THE INFORMATION IS THE OPINION OF THE AUTHOR(S) AND HAS BEEN REPRODUCED AS SUBMITTED, WITHOUT ANY CHANGES TO GRAMMAR, SPELLING OR PUNCTUATION.
10. THE ASSEMBLY SHALL PROVIDE THE CORRESPONDING FINANCIAL DATA REVEALING THE GROSS REVENUE STREAM AFFECTED BY AND RELEVANT TO ANY ESTIMATE OF REVENUE LOSS OR FINANCIAL DATA COST IN ALL OF ITS PROPOSITION SUMMARIES.
11. THE PRESENTATION ORDER FOR EACH PROPOSITION SHALL BE:
 - A) TEXT OF THE BALLOT PROPOSITION OR SAMPLE BALLOT;
 - B) PROPOSITION SUMMARY APPROVED BY THE ASSEMBLY OF A STRICTLY FACTUAL NATURE;

- C) A STATEMENT ADVOCATING VOTER APPROVAL;
- D) A STATEMENT ADVOCATING VOTER REJECTION.]

SECTION 5. That KPB 4.10.120 is hereby amended as follows:

4.10.120. Election supplies and equipment.

- [A. BEFORE THE OPENING OF THE POLLS THE CLERK SHALL FURNISH TO THE ELECTION BOARD OF EACH PRECINCT THE STATE VOTER REGISTRATION LIST FOR THAT PRECINCT AND SHALL EQUIP AND SUPPLY EACH POLLING PLACE WITH SUFFICIENT MATERIALS FOR THAT PRECINCT'S ELECTION, INCLUDING THOSE MATERIALS REQUIRED BY THIS SECTION.
- B. THE CLERK SHALL PREPARE INSTRUCTIONS EXPLAINING TO VOTERS HOW TO OBTAIN BALLOTS, HOW TO MARK THEM, AND HOW TO OBTAIN NEW BALLOTS TO REPLACE THOSE DESTROYED OR SPOILED. THESE INSTRUCTIONS SHALL BE PRINTED ON CARDS IN LARGE, CLEAR TYPE AND SHALL BE DISTRIBUTED TO THE ELECTION BOARDS TO BE PROMINENTLY DISPLAYED IN EACH POLLING PLACE. THE CLERK SHALL PROVIDE BOOTHS AT EACH POLLING PLACE WITH APPROPRIATE SUPPLIES AND CONVENIENCES TO ENABLE EACH VOTER TO MARK HIS BALLOT SCREENED FROM OBSERVATION. BALLOT BOXES SHALL BE PLACED OUTSIDE THE VOTING BOOTHS IN PLAIN VIEW OF THE ELECTION OFFICIALS, VOTERS AND OTHER PERSONS AT THE POLLING PLACE.
- C.] The clerk may contract for the provision of specialized election materials and supplies without obtaining competitive bids. These specialized materials and supplies shall include, but not be limited to, the official borough voter pamphlet, election envelopes for absentee and questioned voting, election signs, election software, computer equipment and voting booths

SECTION 6. That KPB 4.10.130 is hereby amended as follows:

4.10.130. Election expenses.

- A. The borough shall pay all necessary expenses relating to the conduct of each borough election except as provided below for service area special elections. Special elections held at the request of a service area and for the primary benefit of the residents of that service area shall be paid for by the service area requesting the special election. Necessary expenses shall

include those associated with conducting the election. [SECURING POLLING PLACES, AND SHALL PROVIDE BALLOT BOXES, BALLOTS, VOTING BOOTHS OR SCREENS, NATIONAL FLAGS, AND OTHER SUPPLIES AND ANY WAGES TO ELECTION OFFICIALS UNLESS OTHERWISE PROVIDED BY THIS CODE]

- B. The borough or the service area as applicable shall pay each election board member and canvass board member an hourly rate for time spent at his election duties, including the receiving of instructions and posting of notices. The election supervisor shall set the hourly compensation to be paid for time spent by election officials at a rate comparable to that paid by the state for state elections. The clerk shall retain a record for auditing and payment of election expenses, including the cost of giving notice, renting [POLLING PLACES] vote centers, paying election officials, securing ballot [BOXES] receiving sites, booths and other election necessities.

SECTION 7. That KPB 4.10.140 is hereby amended as follows:

4.10.140. Preservation of election ballots, papers and materials.

The clerk shall preserve all precinct election certificates, tallies, and registers, receipts for ballots, all voted ballots and declarations of candidacy filed [FOR ONE YEAR AFTER THE ELECTION] for one month after the election is certified, unless the election is contested. If the election is contested these records shall be preserved for one month after the election contest is resolved and the election is certified. These materials may be destroyed after their retention period has lapsed unless their destruction is stayed by an order of the court. Certificates of the canvass board are to be preserved as permanent records.

SECTION 8. That KPB 4.20.010 is hereby amended as follows:

4.20.010. Voter qualifications.

- A. A person is qualified to vote in borough-wide elections who:
1. is a citizen of the United States;
 2. [HAS PASSED HIS] is at least 18 years old [BIRTHDAY OR IS SUCH OTHER AGE AS PRESCRIBED BY LAW FOR VOTING IN STATE ELECTIONS];
 3. has been a resident of the borough and the precinct in which the voter is qualified to vote [HE VOTES] as provided by the state election code and this chapter;
 4. is registered to vote as required by the state election code in state elections at least 30 days before any election;

5. is registered to vote in state elections at a residence address within the borough at least 30 days before the borough election at which the person seeks to vote.
- B. A person [IS QUALIFIED TO VOTE IN ASSEMBLY ELECTIONS IF HE] that meets the requirements of Section 4.20.010(A) and has been a resident of the assembly district in which [he] the individual seeks to vote for at least 30 days immediately preceding the election is qualified to vote in assembly elections.
 - C. A person [IS QUALIFIED TO VOTE IN A SERVICE AREA ELECTION IF HE] that meets the requirements of Section 4.20.010(A) and has [IN ADDITION] been a resident of the service area in which [HE] the individual seeks to vote for at least 30 days immediately preceding the election is qualified to vote in a service are election.

SECTION 9. That KPB 4.20.020 is hereby amended as follows:

4.20.020. Rules for determining residence of voter.

For the purpose of determining residence for voting, the place of residence is governed by the following rules:

- A. The residence of a person is that place in which habitation is fixed, and to which, whenever [HE IS] absent [, HE HAS] the person has an intention to return. If a person resides in one place but does business in another, the former is the person's place of residence. Temporary camps do not constitute a dwelling place.
- B. A change of residence is made only by the act of removal joined with the intent to remain in another place. There can only be one residence.
- C. A person does not gain or lose [HIS] residence solely by reason of [HIS]presence while employed in the service of the United States or of this state, or while a student of an institution or asylum at public expense, or while confined in a public prison or while residing upon an Indian or military reservation, or while residing at the Alaska Pioneers Home.
- D. No member of the armed forces of the United States, [HIS]or that individual's spouse or [HIS]a dependent, is a resident of this state solely by reason of being stationed in the state.
- E. A person does not lose [HIS]residence for purposes of this section if the individual travels [IF HE LEAVES HIS HOME AND GOES] to another country, state, or place within this state for temporary purposes only. [AND WITH THE INTENTION OF RETURNING.]

- F. A person does not gain [A] residence [IN A PLACE TO WHICH HE COMES] without a present intent to establish a permanent dwelling there.
- G. A person [LOSES HIS RESIDENCE IN THIS STATE IF HE] who votes in an election held in another state loses residence in this state, unless upon return that person reestablishes residence in this state[, AND HAS NOT UPON HIS RETURN REGAINED HIS RESIDENCE IN THIS STATE] under the provisions of this chapter and state law.
- H. The term of residence is computed by including the day on which the person's residence commences and by excluding the day of the election.

SECTION 10. That KPB 4.20.030 is hereby amended as follows:

4.20.030. Registration.

- [A.] [NO PERSON MAY VOTE IN AN ELECTION UNLESS HE IS]Only a qualified voter under the Alaska State Constitution and laws of Alaska, [AND H]as prescribed by this chapter, who [AND] has registered as required by the state election code and KPB 4.20.010 may vote in an election.
- [B.] THE PRECINCT ELECTION OFFICIALS AT ANY ELECTION SHALL ALLOW A PERSON TO VOTE WHOSE NAME IS ON THE OFFICIAL REGISTRATION LIST FOR THAT PRECINCT AND WHO IS QUALIFIED UNDER THIS CHAPTER AND AS 15.05. A PERSON WHOSE NAME IS NOT ON THE OFFICIAL REGISTRATION LIST SHALL BE ALLOWED TO VOTE A QUESTIONED BALLOT.]

SECTION 11. That KPB 4.30.030 is hereby amended as follows:

4.30.030. Public official financial disclosure statements.

- A. Candidates for elective borough office [AND DECLARED WRITE-IN CANDIDATES] shall file a public official financial disclosure statement with the [BOROUGH]clerk as required by the provisions of AS 39.50 at the time of filing a declaration of candidacy. The name of the candidate shall be placed on the ballot by the [BOROUGH]clerk only after the candidate has complied with this requirement. This subsection does not apply to candidates for service area boards. Declared write-in candidates shall file a public official financial disclosure statement with the [BOROUGH] clerk as required by the provisions of AS 39.50 at the time of filing a declaration of candidacy.

- B. Each candidate also shall file the name and address of the campaign treasurer with the Alaska Public Offices Commission no later than 7 days after the date of filing for office. The name of the candidate shall be placed on the ballot by the [BOROUGH]clerk only after the candidate has complied with this requirement.

SECTION 12. That KPB 4.40.020 is hereby amended as follows:

4.40.020. Preparation and distribution.

- A. The clerk shall obtain the printing of all ballots for borough elections. The clerk shall possess the printed ballots at least [15]21 days before each regular election and at least 15[0] days before each special and run-off election. At that time, the ballots may be inspected by any candidate whose name is on the ballot, or by his authorized agent, and any discovered mistake shall be corrected immediately.
- B. The clerk may contract for the preparation and printing of the ballots without obtaining competitive bids.
- [C. THE CLERK SHALL ARRANGE FOR DELIVERY OF BALLOTS TO EACH ELECTION BOARD PRIOR TO OR ON THE DATE OF THE ELECTION BEFORE THE OPENING OF THE POLLS. THE BALLOTS SHALL BE DELIVERED IN SEPARATE CONTAINERS, WITH THE NUMBER OF BALLOTS ENCLOSED IN EACH CONTAINER CLEARLY MARKED ON THE OUTSIDE OF IT. A RECEIPT FOR EACH PACKAGE SHALL BE TAKEN FROM THE ELECTION BOARD TO WHICH IT IS DELIVERED.]

SECTION 13. That KPB 4.40.030 is hereby amended as follows:

4.40.030. Sample ballots

The clerk shall obtain the printing of sample ballots. Sample ballots shall be clearly labeled "Sample Ballot." [SAMPLE BALLOTS SHALL BE DELIVERED TO THE ELECTION BOARD IN EACH PRECINCT.] Sample ballots shall be made available at vote centers.

SECTION 14. That KPB 4.50 is hereby amended as follows:

CHAPTER 4.50. [OPERATION OF POLLS] ELECTIONS BY MAIL

4.50.010. Election officials.

- A. Before each election, the clerk, subject to approval by the assembly, shall appoint election officials. [AT LEAST 3 JUDGES IN EACH PRECINCT. THE CLERK SHALL DESIGNATE ONE ELECTION JUDGE FROM EACH PRECINCT AS THE CHAIRMAN, WHO SHALL BE PRIMARILY RESPONSIBLE FOR ADMINISTERING THE ELECTION IN THAT PRECINCT.]
- [B. THE BOROUGH CLERK MAY APPOINT CLERKS AND COUNTERS AT ANY POLLING PLACE WHERE THEY ARE NEEDED TO CONDUCT AN ORDERLY ELECTION AND TO RELIEVE THE ELECTION JUDGES OF UNDUE HARDSHIP.]
- B[C]. If any appointed election official is not able or refuses to serve [ON ELECTION DAY], the clerk may appoint a replacement for that official.
- [D. EACH ELECTION OFFICIAL SERVING AT A PRECINCT POLLING PLACE MUST BE A QUALIFIED VOTER AND, IF POSSIBLE, A RESIDENT WITHIN THE PRECINCT FOR WHICH HE IS APPOINTED.]
- C[E]. All election [JUDGES, CLERKS AND COUNTERS] officials before entering upon their duties must subscribe to the oath required of all public officers by the Constitution of the State of Alaska in the manner prescribed by the clerk.
- D[F]. Candidates shall not serve as election officials. Certain familial relationships may not exist between a candidate and [A PRECINCT ELECTION JUDGE]an election official[ELECTION CLERK, OR MEMBER OF A BALLOT COUNTING TEAM]in regular, run-off or special elections. Those familial relationships are:
1. Mother, mother-in-law, stepmother;
 2. Father, father-in-law, stepfather;
 3. Sister, sister-in-law, stepsister;
 4. Brother, brother-in-law, stepbrother;
 5. Spouse; or
 6. Person sharing the same living quarters.

E[G]. If the [ELECTION SUPERVISOR] clerk knows or learns that any of these relationships exist, the [PRECINCT ELECTION JUDGE, ELECTION CLERK, OR MEMBER OF THE BALLOT COUNTING TEAM] election official shall be notified and replaced.

4.50.015. [ABSENTEE B] By-mail precincts.

A. All Precincts within the Kenai Peninsula Borough shall be designated as [WHERE THE VOTER TURNOUT WAS LESS THAN 200 VOTERS AT THE LAST REGULAR ELECTION MAY BE DESIGNATED AS "ABSENTEE] "by-mail" precincts [BY RESOLUTION OF THE ASSEMBLY. IN THOSE PRECINCTS, NO ELECTION WORKERS SHALL BE APPOINTED]. The procedures [OUTLINED IN CHAPTER 4.120 SHALL BE FOLLOWED WITH THE FOLLOWING EXCEPTIONS] shall be as follows:

1. that ballots shall be sent to each registered voter in the precinct on or before the [15th]21st day prior to the regular election and 15th day prior to a run-off election; and
2. that voted ballots must be postmarked on or before midnight of election day and received by the clerk no later than the Tuesday following the election.

B. Voters wishing to vote [ABSENTEE] in person may do so at any designated [ABSENTEE VOTING SITE] vote center.

[C. ANY PRECINCT DESIGNATED AS AN "ABSENTEE BY-MAIL" PRECINCT IN ACCORDANCE WITH THE PROVISIONS OF SUBSECTION A, ABOVE, WILL REMAIN AN "ABSENTEE BY-MAIL" PRECINCT UNTIL SUCH TIME AS THE "ABSENTEE BY-MAIL" STATUS IS REMOVED BY RESOLUTION OF THE ASSEMBLY.]

[4.50.020. OPENING OF POLLING PLACE.

A. ON THE DAY OF THE ELECTION, EACH ELECTION BOARD SHALL OPEN THE POLLS FOR VOTING AT 7:00 A.M., SHALL CLOSE THE POLLS FOR VOTING AT 8:00 P.M., AND SHALL KEEP THE POLLS CONTINUOUSLY OPEN DURING THE TIME BETWEEN THOSE HOURS. THE ELECTION BOARD SHALL REPORT TO THE POLLING PLACE BY 6:30 A.M. SO THAT VOTING WILL START PROMPTLY AT 7:00 A.M. THE CHAIRMAN OF THE ELECTION BOARD SHALL ROTATE TIMES AT WHICH ELECTION JUDGES,

BOARD MEMBERS, AND CLERKS MAY BE RELIEVED FOR BREAKS OR MEALS; PROVIDED, HOWEVER, THAT AT ALL TIMES AT LEAST 2 JUDGES FROM THE ELECTION BOARD ARE PRESENT AT THE POLLING PLACE.

- B. BEFORE ISSUING ANY BALLOTS, THE ELECTION BOARD MUST, IN THE PRESENCE OF ANY PERSONS ASSEMBLED AT THE POLLING PLACE, OPEN AND EXHIBIT THE BALLOT BOX TO BE USED AT THE POLLING PLACE. THE BALLOT BOX THEN SHALL BE CLOSED AND SHALL NOT BE OPENED AGAIN OR REMOVED FROM THE POLLING PLACE UNTIL THE POLLS HAVE CLOSED.]

4.50.025. Procedures for conducting elections by mail.

- A. The clerk shall mail by non-forwardable mail an official ballot package with a return identification envelope addressed to the Clerk's Office and a secrecy sleeve. The ballot, return envelope, and secrecy envelope shall be mailed no later than the 21st day before the date of a regular or special election and no later than the 15th day before the date of a runoff election. The ballot shall be sent to the address stated on the official registration list unless
1. the voter has notified the clerk in writing of a different address to which the ballot should be sent; or
 2. the address on the official registration list has been identified as being an undeliverable (UN) address or is in the condition of purge notice (PN).
- B. On receipt of any ballot described in this section, the voter shall mark the ballot, sign the return identification envelope supplied with the ballot, and comply with the instructions provided with the ballot. The voter may return the marked ballot to the Clerk's Office by return mail or by depositing the ballot at any place of deposit designated by the clerk. The ballot must be returned in the identified envelope. A ballot must be received by the clerk or at a place of deposit designated by the clerk, not later than the end of the period determined under regulations established by the clerk.

[4.50.030. VOTER REGISTRATION.

THE JUDGES SHALL KEEP AN ORIGINAL REGISTER OR REGISTERS IN WHICH EACH VOTER BEFORE RECEIVING HIS BALLOT SHALL SIGN HIS NAME AND GIVE BOTH HIS RESIDENCE AND MAILING ADDRESS. A RECORD SHALL BE KEPT IN THE REGISTRATION BOOK, IN A SPACE PROVIDED, OF THE NAMES OF PERSONS WHO OFFER TO VOTE BUT WHO ACTUALLY DO NOT VOTE, AND A BRIEF STATEMENT OF

EXPLANATION. THE SIGNING OF THE REGISTER CONSTITUTES A DECLARATION BY THE VOTER THAT HE IS QUALIFIED TO VOTE. IF ANY ELECTION OFFICIAL PRESENT BELIEVES THE VOTER IS NOT QUALIFIED, HE MAY QUESTION THE VOTE IN ACCORDANCE WITH THE PROVISIONS OF THIS TITLE.]

[4.50.040. VOTER IDENTIFICATION AT POLLS.

- A. BEFORE BEING ALLOWED TO VOTE, EACH VOTER SHALL EXHIBIT TO AN ELECTION OFFICIAL ONE FORM OF IDENTIFICATION, INCLUDING BUT NOT LIMITED TO AN OFFICIAL VOTER REGISTRATION CARD, DRIVER'S LICENSE, PASSPORT, OR HUNTING OR FISHING LICENSE.
- B. AN ELECTION OFFICIAL MAY WAIVE THE IDENTIFICATION REQUIREMENT IF THE ELECTION OFFICIAL KNOWS THE IDENTITY OF THE VOTER.
- C. A VOTER WHO CANNOT EXHIBIT A SATISFACTORY FORM OF IDENTIFICATION SHALL BE ALLOWED TO VOTE A QUESTIONED BALLOT.]

[4.50.050. PERSONS NOT ON OFFICIAL REGISTRATION LIST.

IF A PERSON'S NAME DOES NOT APPEAR ON THE OFFICIAL REGISTRATION LIST IN THE PRECINCT IN WHICH THE PERSON SEEKS TO VOTE, THE PERSON MAY VOTE A QUESTIONED BALLOT.]

[4.50.060. PROVIDING BALLOT TO VOTER.

WHEN A VOTER HAS QUALIFIED TO VOTE, THE ELECTION OFFICIAL SHALL GIVE THE VOTER AN OFFICIAL BALLOT. THE VOTER SHALL RETIRE TO A BOOTH OR PRIVATE PLACE TO MARK THE BALLOT.]

[4.50.070. ASSISTING VOTER.

A QUALIFIED VOTER WHO CANNOT READ, MARK THE BALLOT, OR SIGN HIS NAME MAY REQUEST AN ELECTION OFFICIAL OR NOT MORE THAN TWO PERSONS OF HIS CHOICE TO ASSIST HIM. IF THE ELECTION OFFICIAL IS REQUESTED, HE SHALL ASSIST THE VOTER. IF ANY OTHER PERSON IS REQUESTED, THE PERSON SHALL STATE UPON OATH BEFORE THE ELECTION OFFICIAL THAT HE WILL NOT DIVULGE THE VOTE CAST BY THE PERSON WHOM HE ASSISTS.]

[4.50.080. SPOILED BALLOTS.

THE ELECTION SUPERVISOR SHALL SPECIFY UNIFORM PROCEDURES

FOR REPLACEMENT, REGISTRATION AND DISPOSITION OF SPOILED BALLOTS. THESE UNIFORM PROCEDURES SHALL BE PROVIDED IN WRITING TO THE ELECTION JUDGES.]

[4.50.090. PLACING BALLOT IN BALLOT BOX.

WHEN THE VOTER HAS MARKED THE BALLOT, THE VOTER SHALL INFORM THE ELECTION OFFICIAL. THE CLERK MAY REQUIRE THAT THE VOTER RETURN THE BALLOT TO THE ELECTION OFFICIAL TEMPORARILY SO THAT ANY STUB WHICH MAY BE PART OF THE BALLOT MAY BE REMOVED BY THE ELECTION OFFICIAL. ANY SUCH REQUIREMENT SHALL PROTECT THE SECRECY OF THE BALLOT. IN ALL CASES THE BALLOT SHALL BE DEPOSITED IN THE BALLOT BOX BY THE VOTER IN THE PRESENCE OF THE ELECTION OFFICIAL UNLESS THE VOTER REQUESTS THE ELECTION OFFICIAL TO DEPOSIT THE BALLOT.]

[4.50.100. QUESTIONING PROCEDURE.

- A. IF THE POLLING PLACE OF A VOTER IS IN QUESTION, THE VOTER SHALL VOTE A QUESTIONED BALLOT AFTER COMPLYING WITH SUBSECTION C.
- B. EVERY ELECTION OFFICIAL AND ELECTION JUDGE SHALL QUESTION, AND EVERY WATCHER AND ANY OTHER PERSON QUALIFIED TO VOTE IN THE PRECINCT, OR QUALIFIED TO VOTE IN THE PARTICULAR ELECTION INVOLVING LESS THAN AN ENTIRE PRECINCT IN THE CASE OF SERVICE AREAS, MAY QUESTION A PERSON ATTEMPTING TO VOTE IF THE QUESTIONER HAS GOOD REASON TO SUSPECT THAT THE QUESTIONED PERSON IS NOT QUALIFIED TO VOTE IN THE ELECTION. ALL QUESTIONS REGARDING A PERSON'S QUALIFICATIONS TO VOTE SHALL BE MADE IN WRITING, SETTING OUT THE REASON THAT THE PERSON HAS BEEN QUESTIONED.
- C. THE QUESTIONED PERSON, BEFORE VOTING, SHALL SUBSCRIBE TO AN OATH OR AFFIRMATION ON A FORM PROVIDED BY THE ELECTION OFFICIAL ATTESTING TO THE FACT THAT IN EACH PARTICULAR THE PERSON MEETS ALL THE QUALIFICATIONS OF A VOTER, IS NOT DISQUALIFIED, AND HAS NOT VOTED AT THE SAME ELECTION. IF THE QUESTION IS TO RESIDENCE WITHIN THE PRECINCT OR VOTING AREA, THE PERSON SHALL ALSO STATE THE PLACE FROM WHICH THAT PERSON CAME IMMEDIATELY BEFORE LIVING IN THE PRECINCT WHERE OFFERING TO VOTE AND THE LENGTH OF

TIME OF RESIDENCE IN THE FORMER PLACE. AFTER THE QUESTIONED PERSON HAS EXECUTED THE OATH OR AFFIRMATION, THE PERSON MAY VOTE. IF THE QUESTIONED PERSON REFUSES TO EXECUTE THE OATH OR AFFIRMATION, THE PERSON SHALL NOT VOTE.

- D. A VOTER WHO CASTS A QUESTIONED BALLOT SHALL VOTE HIS BALLOT IN THE SAME MANNER AS PRESCRIBED FOR OTHER VOTERS. AFTER THE ELECTION OFFICIAL OR JUDGE REMOVES THE NUMBERED STUB FROM THE BALLOT, THE VOTER SHALL INSERT THE BALLOT INTO A SMALL ENVELOPE AND PUT THE SMALL ENVELOPE INTO A LARGER ENVELOPE ON WHICH THE STATEMENT HE PREVIOUSLY SIGNED IS LOCATED. THESE LARGER ENVELOPES SHALL BE SEALED AND DEPOSITED IN THE BALLOT BOX. WHEN THE BALLOT BOX IS OPENED, THESE ENVELOPES SHALL BE SEGREGATED, COUNTED, COMPARED TO THE VOTING LIST, AND DELIVERED TO THE ELECTION CANVASSING BOARD. THE ELECTION CANVASSING BOARD SHALL REVIEW AND JUDGE THE APPLICABILITY OF QUESTIONED BALLOTS IN ACCORDANCE WITH SECTIONS 4.90.020 AND 4.90.030.]

[4.50.110. CLOSING OF THE POLLS.

- A. FIFTEEN MINUTES BEFORE THE CLOSING OF THE POLLS, AND AT THE TIME OF CLOSING THE POLLS, AN ELECTION OFFICIAL SHALL ANNOUNCE BOTH THE DESIGNATED CLOSING TIME AND THE ACTUAL TIME AT WHICH THE ANNOUNCEMENT IS MADE. FAILURE TO MAKE THE ANNOUNCEMENT AT 15 MINUTES BEFORE CLOSING TIME SHALL NOT IN ANY WAY INVALIDATE THE ELECTION OR EXTEND THE TIME FOR CLOSING OF THE POLLS. AFTER CLOSING, NO PERSON WILL BE ALLOWED TO ENTER THE POLLING PLACE FOR PURPOSES OF VOTING. EVERY QUALIFIED VOTER PRESENT AND IN LINE AT THE TIME PRESCRIBED FOR CLOSING THE POLLS MAY VOTE.
- B. WHEN THE POLLS ARE CLOSED AND THE LAST VOTE HAS BEEN CAST, THE ELECTION BOARD SHALL ACCOUNT FOR ALL BALLOTS BY COMPLETING A BALLOT STATEMENT CONTAINING, IN A MANNER PRESCRIBED BY THE CLERK, THE NUMBER OF OFFICIAL BALLOTS SUPPLIED.
- C. THE ELECTION BOARD SHALL COUNT THE NUMBER OF QUESTIONED BALLOTS AND SHALL COMPARE THAT NUMBER TO THE NUMBER OF QUESTIONED VOTERS IN THE REGISTER. DISCREPANCIES SHALL BE NOTED ON THE BALLOT

STATEMENT.]

[4.50.120. VOTERS IN LINE WHEN POLLS CLOSE.

EVERY QUALIFIED VOTER PRESENT AND IN LINE AT THE TIME PRESCRIBED FOR CLOSING THE POLLS MAY VOTE.]

[4.50.130. PROHIBITIONS.

- A. DURING THE HOURS THAT THE POLLS ARE OPEN, NO ELECTION OFFICIAL MAY DISCUSS ANY POLITICAL PARTY, CANDIDATE OR ISSUE WHILE ON DUTY.
- B. DURING THE HOURS THE POLLS ARE OPEN, NO PERSON WHO IS IN THE POLLING PLACE OR WITHIN 200 FEET OF ANY ENTRANCE TO THE POLLING PLACE MAY ATTEMPT TO PERSUADE A PERSON TO VOTE FOR OR AGAINST A CANDIDATE, PROPOSITION OR QUESTION. NOR MAY ANY PERSON CONDUCT OTHER POLITICAL ACTIVITIES THAT MAY PERTAIN TO ANY FUTURE ELECTION OR POTENTIAL BALLOT PROPOSITION. FOR THE PURPOSES OF THIS SECTION, THE ENTRANCE TO A POLLING PLACE THAT IS IN A SCHOOL IS THE ENTRANCE TO THE SCHOOL BUILDING. THE ELECTION BOARD SHALL POST WARNING NOTICES IN THE FORM AND MANNER PRESCRIBED BY THE CLERK.
- C. NO VOTER MAY EXHIBIT A BALLOT TO AN ELECTION OFFICIAL OR ANY OTHER PERSON SO AS TO ENABLE ANY PERSON TO ASCERTAIN HOW THE VOTER MARKED THE BALLOT, EXCEPT AS PROVIDED IN SECTION 4.50.070.
- D. WHILE THE POLLS ARE OPEN NO ELECTION OFFICIAL MAY OPEN ANY BALLOT RECEIVED FROM A VOTER, MARK A BALLOT BY FOLDING OR OTHERWISE SO AS TO BE ABLE TO RECOGNIZE IT, OR OTHERWISE ATTEMPT TO LEARN HOW A VOTER MARKED A BALLOT, OR ALLOW THE SAME TO BE DONE BY ANOTHER PERSON.
- E. RESERVED.
- F. NO PERSON MAY LEAVE THE POLLING PLACE WITH THE OFFICIAL BALLOT THAT THE PERSON RECEIVED TO MARK.]

[4.50.140. UNUSED BALLOTS.

THE NUMBERS OF ALL BALLOTS NOT ISSUED SHALL BE RECORDED

AND THEN ALL SUCH BALLOTS SHALL BE DISPOSED OF AS INSTRUCTED BY THE CLERK BEFORE THE BALLOT BOX IS OPENED. THE NUMBERS OF BALLOTS DAMAGED BY VOTERS AND REPLACED BY ELECTION OFFICIALS SHALL ALSO BE RECORDED. THE RECORD OF BALLOTS NOT ISSUED AND BALLOTS DAMAGED AND REPLACED SHALL BE PRESERVED FOR 60 DAYS UNLESS THE ELECTION IS CONTESTED.]

SECTION 15. That KPB 4.70.020, .030, 040 .070 are hereby amended and KPB 4.70.100 is hereby deleted as follows:

4.70. BALLOT COUNTING PROCEDURES

4.70.020. Commencement of ballot count.

- [A. FOR COUNTING OF PAPER BALLOTS, WHEN THE POLLS ARE CLOSED AND THE LAST VOTE HAS BEEN CAST, THE ELECTION BOARD SHALL IMMEDIATELY PROCEED TO OPEN THE BALLOT BOX, SEPARATE THE QUESTIONED BALLOT ENVELOPES FROM OTHER BALLOTS AND THEN PROCEED TO COUNT THE VOTES CAST. IN ALL CASES THE ELECTION BOARD SHALL CAUSE THE COUNT TO BE CONTINUED WITHOUT ADJOURNMENT UNTIL THE COUNT IS COMPLETE. THE CLERK MAY AUTHORIZE THE APPOINTMENT OF COUNTERS TO ASSIST IN THE COUNTING OF BALLOTS. BEFORE UNDERTAKING THE DUTIES OF THE OFFICE, EACH COUNTER SHALL SUBSCRIBE TO AN OATH TO HONESTLY, FAITHFULLY, IMPARTIALLY AND PROMPTLY CARRY OUT THE DUTIES OF THE POSITION. AN ELECTION JUDGE MAY ADMINISTER THE OATH. IF AN APPOINTED COUNTER FAILS TO APPEAR AND SUBSCRIBE TO THE OATH AT THE TIME DESIGNATED BY THE CLERK, THE ELECTION BOARD MAY APPOINT ANY QUALIFIED VOTER TO FILL THE VACANCY.]
- [B. IN OPTICAL SCAN OR OTHER COMPUTER-READ OR ELECTRONIC BALLOT PRECINCTS, WHEN THE POLLS HAVE CLOSED AND THE LAST VOTE HAS BEEN CAST, THE ELECTION BOARD SHALL IMMEDIATELY TRANSMIT ELECTION RESULTS TO THE CLERK FOLLOWING THE WRITTEN INSTRUCTIONS PROVIDED TO EACH PRECINCT. ONCE THE ELECTION RESULTS HAVE BEEN TRANSMITTED, THE ELECTION BOARD SHALL OPEN THE BALLOT BOX, SEPARATE QUESTIONED AND WRITE-IN BALLOTS FROM OTHER BALLOTS CAST, PLACE ALL BALLOTS IN THE TAMPER PROOF CONTAINERS PROVIDED, AND PROCEED WITH THE BALLOT ACCOUNTABILITY AND POLL CLOSING PROCEDURES PROVIDED BY THE CLERK.

Upon receipt of voted ballot packages the election official will verify that the voter has provides at least one identifier, signed the envelope and that the signature has been witnessed. If the ballot package is complete and valid the package will be sorted by precinct and the ballot and identifying envelope will be separated. The ballot will proceed to be scanned and counted. The unofficial results will not be tallied until the end of the designated election period.

4.70.030. General procedure for ballot count.

- [A.] The election supervisor may issue rules prescribing the manner in which the precinct ballot count is accomplished so as to assure accuracy in the count and to expedite the process. The election board shall account for all ballots by completing a ballot statement containing (1) the number of official ballots received; (2) the number of official ballots voted; (3) the number of official ballots spoiled; (4) the number of official ballots unused and destroyed. [THE BOARD SHALL COUNT THE NUMBER OF QUESTIONED BALLOTS AND SHALL COMPARE THAT NUMBER TO THE NUMBER OF QUESTIONED VOTERS IN THE REGISTER.] Discrepancies shall be noted and the numbers included in the certificate prescribed by the [ELECTION SUPERVISOR] clerk. When hand counting ballots, the election [BOARD] official shall count the ballots in a manner that allows watchers to see the ballots when opened and read. No person handling the ballot after it has been taken from the ballot box and before it is placed in the envelope for mailing may have a marking device in hand or remove a ballot from the immediate vicinity [OF THE POLLS].
- [B. BALLOTS MAY NOT BE COUNTED BEFORE 8:00 P.M., LOCAL TIME, ON THE DAY OF THE ELECTION.]

4.70.040. Rules for counting hand-marked ballots.

- A. The election [BOARD] officials shall count hand-marked ballots according to the following rules:
1. A voter may mark his ballot with a cross mark, "X" mark, diagonal, horizontal or vertical mark, solid mark, star, circle, asterisk, check or plus sign using the marking device provided at the [POLLING PLACE] vote center or with any black-inked marker. The marks will be counted only if they are clearly spaced in the square opposite the name of the candidate the voter desires to designate.
 2. A failure to properly mark a ballot as to one or more candidates does not itself invalidate the entire ballot.

3. If a voter marks fewer names than there are persons to be elected to the office, a vote shall be counted for each candidate properly marked.
 4. If a voter marks more names than there are persons to be elected to the office, the votes for candidates for that office shall not be counted.
 5. The mark specified in subsection 1 of this section shall be counted only if it is substantially inside the square provided, or touching the square so as to indicate clearly that the voter intended the particular square marked.
 6. Improper marks on the ballot shall not be counted and shall not invalidate marks for candidates properly marked.
 7. An erasure or correction invalidates only that section of the ballot in which it appears.
- B. The rules set out in this section are mandatory and there shall be no exceptions to them. A ballot may not be counted unless marked in compliance with these rules.

4.70.070. Tally of votes.

- [A.] Tally of votes cast by paper ballots. The [ELECTION SUPERVISOR] clerk shall issue instructions and shall provide forms and supplies for the tally of votes cast by paper ballot so as to assure accuracy and to expedite the process. The election board shall canvass and count the votes according to the rules for determining marks on ballots prescribed in [SECTION] KPB 4.70.040. The election board shall canvass the ballots in a manner that allows watchers to see the ballots when opened and read. No person handling the ballot after it has been taken from the ballot box and before it is placed in the envelope for delivery to the election supervisor may remove a ballot from the immediate vicinity of the polls or have a marking device in hand.
- [B. [RESERVED.]]

[4.70.100. OTHER BALLOT COUNTING SYSTEMS AUTHORIZED.

NOTHING IN THIS TITLE PROHIBITS THE USE OF OTHER BALLOT COUNTING SYSTEMS WHICH HAVE BEEN APPROVED FOR USE IN STATE ELECTIONS. THE ELECTION SUPERVISOR, SUBJECT TO ANY

FURTHER APPROVAL AS MAY BE REQUIRED BY LAW, MAY PRESCRIBE RULES FOR THE USE OF THESE SYSTEMS OR MAY ADOPT SUCH RULES, REGULATIONS AND PROCEDURES AS HAVE BEEN ADOPTED BY THE STATE FOR USE IN STATE ELECTIONS.]

SECTION 16. That the KPB 4.80 title and sections 4.80.030, .060, .080, .095, are hereby amended, and sections 4.80.120, .130, .140 and .150 are hereby enacted as follows:

4.80. ABSENTEE AND VOTE CENTER VOTING

4.80.030. - Eligibility.

Any qualified voter may vote [AN ABSENTEE BALLOT]at a vote center for the precinct in which [HE] the voter resides and is registered if [HE]the voter was unable to vote by mail whether inside the borough or not. [(1) IF HE BELIEVES HE WILL BE UNAVOIDABLY ABSENT FROM HIS VOTING PRECINCT ON ELECTION DAY, WHETHER INSIDE THE BOROUGH OR NOT, OR (2) IF HE WILL BE UNABLE TO BE PRESENT AT THE POLLS BECAUSE OF PHYSICAL DISABILITY.]

4.80.060. [ABSENTEE]Vote center voting—In person.

- A. A qualified voter may apply in person for an absentee ballot at the office of the [BOROUGH] clerk during regular office hours, or the voter may apply to the nearest city clerk's office or [ABSENTEE VOTING]election official [IN HIS AREA]during regular office hours.
- B. On receipt of an application in person for an absentee ballot and exhibition of proof of identification as required in this title, the [CLERK]election official shall issue the ballot to the applicant.
- C. The voter shall proceed to mark the ballot in secret, to place the ballot in the small envelope, to place the small envelope in the larger envelope in the presence of the election official who shall sign as attesting official and date [HIS]of the signature. The election official shall then accept the ballot.
- D. The election official may not accept a marked ballot that has been exhibited by an absentee voter with intent to influence other voters. If the [ABSENTEE] voter improperly marks or otherwise damages a ballot, the voter may request, and the election official shall provide [HIM]the voter with another ballot up to a maximum of three. Exhibited, improperly marked, or damaged ballots shall be destroyed. The numbers of all ballots destroyed shall be noted on the ballot statement.

- E. Each [ABSENTEE VOTING]election official shall keep a record of the names and the signatures of voters who cast absentee ballots before [HIM]the election official and the dates on which the ballots were cast.

- F. Fifteen minutes before the closing of the vote center, and at the time of closing the voter center, an election official shall announce both the designated closing time and the actual time at which the announcement is made. Failure to make the announcement at 15 minutes before closing time shall not in any way invalidate the election or extend the time for closing of the voter center. After closing, no person will be allowed to enter the voter center for purposes of voting. Every qualified voter present and in line at the time prescribed for closing the voter center may vote.

- G. When the voter centers are closed and the last vote has been cast, the election official shall account for all ballots by completing a ballot statement containing, in a manner prescribed by the clerk, the number of official ballots supplied.

4.80.080. Absentee voting—By electronic transmission.

...

- B. A ballot electronically transmitted shall contain a copy of the ballot to be used at the election in a form suitable for transmission. A photocopy of the computerized ballot card to be used by persons voting in person at the [POLLING PLACES] vote center is acceptable.

...

- E. A voter who returns the absentee ballot by electronic transmission must comply with the same deadlines as for voting in person on or before the closing hour of the [polls] vote centers.

...

4.80.095. Special needs voting.

A qualified voter with a disability who, because of that disability, is unable to go to [a polling place] a voter center to vote may vote a special needs ballot. Special needs ballots shall be issued and accounted for in accordance with the rules adopted by the state for use in state elections and in effect at the time of the local election.

4.80.120. Prohibitions.

- A. During the hours that the vote centers are open, no election official may discuss any political party, candidate or issue while on duty.

- B. During the hours the vote centers are open, no person who is in the voter center or within 200 feet of any entrance to the voter center may attempt to persuade a person to vote for or against a candidate, proposition or question. Nor may any person conduct other political activities that may pertain to any future election or potential ballot proposition. The election official shall post warning notices in the form and manner prescribed by the clerk.
- C. No voter may exhibit a ballot to an election official or any other person so as to enable any person to ascertain how the voter marked the ballot, except as provided in this chapter.
- D. While the vote centers are open no election official may open any ballot received from a voter, mark a ballot by folding or otherwise so as to be able to recognize it, or otherwise attempt to learn how a voter marked a ballot, or allow the same to be done by another person.
- E. No person may leave the voter center with the official ballot that the person received to mark.

4.80.130. Assisting voter.

A qualified voter who cannot read, mark the ballot, or provide a signature may request assistance from an election official or not more than two persons of the voter's choice. If the election official is requested, the official shall assist the voter. If any other person is requested, the person providing assistance shall state upon oath before the election official that the voter's ballot will be kept confidential.

4.80.140. Spoiled ballots.

The election supervisor shall specify uniform procedures for replacement, registration and disposition of spoiled ballots. These uniform procedures shall be provided in writing to the election judges.

4.80.150. Placing ballot in ballot box.

When the voter has marked the ballot, the voter shall inform the election official. The clerk may require that the voter return the ballot to the election official temporarily so that any stub which may be part of the ballot may be removed by the election official. Any such requirement shall protect the secrecy of the ballot. In all cases the ballot shall be deposited in the ballot box by the voter in the presence of the election official unless the voter requests the election official to deposit the ballot.

SECTION 17. That a new section KPB 4.90.015 is hereby enacted as follows:

4.90.015. Preparation for counting ballots delivered by mail.

- A. Ballots may not be counted before 8:00 p.m., local time, on the day of the election.
- B. Not sooner than the tenth day before the date of an election, in preparation for counting ballots delivered by mail, the election supervisor may:
 - 1. begin opening return identification and secrecy envelopes of ballots delivered by mail and received; and
 - 2. take any other actions that are necessary to allow the counting of ballots delivered by mail to begin at 8:00 p.m., local time, on election day.

SECTION 18. That KPB 4.90.020 and .040 are hereby amended as follows and KPB 4.90.30 is hereby deleted as follows:

- A. No later than the Monday following each election, the election canvass board shall meet in public session and canvass all election returns. In full view of those present, the election canvass board shall judge the applicability of by mail and absentee [AND QUESTIONED] ballots, shall open and tally those accepted, and shall compile the total votes cast in the election. [THE CANVASS OF THE BALLOT VOTE COUNTED BY THE PRECINCT ELECTION BOARDS SHALL BE ACCOMPLISHED BY REVIEWING THE TALLIES OF THE RECORDED VOTE TO CHECK FOR MATHEMATICAL ERROR BY COMPARING TOTALS WITH THE PRECINCT'S CERTIFICATE OF RESULTS. ALL OBVIOUS ERRORS FOUND BY THE ELECTION CANVASS IN THE TRANSFER OF TOTALS FROM THE PRECINCT TALLY SHEETS TO THE PRECINCT CERTIFICATE OF RESULTS SHALL BE CORRECTED BY THE CANVASS BOARD. A MISTAKE WHICH HAS BEEN MADE IN PRECINCT RETURNS THAT IS NOT CLEARLY AN ERROR IN THE TRANSFER OF THE RESULTS FROM THE TALLIES TO THE CERTIFICATE OF RESULTS EMPOWERS THE CANVASSING BOARD TO RECOMMEND A RECOUNT OF THE RESULTS OF THE PRECINCT OR PRECINCTS FOR THAT PORTION OF THE RETURNS IN QUESTION.]
- B. Upon completion of the canvass, the canvassing board shall prepare a final certificate of the results of votes cast by absentee[, QUESTIONED AND CHALLENGED] ballot[s] and of votes cast by [REGULAR] by mail ballot, and shall prepare a written report of the results to be submitted to the assembly.
- [C. IF ELECTION MATERIALS HAVE NOT BEEN RECEIVED FROM A PRECINCT PRIOR TO COMPLETION OF THE CANVASS, BUT ELECTION RESULTS HAVE BEEN

TRANSMITTED BY TELEPHONE, TELEGRAM, RADIO OR ELECTRONIC TRANSMISSION, THE CANVASSING BOARD SHALL COUNT THE ELECTION RESULTS RECEIVED. IF THE BOROUGH CLERK HAS REASON TO BELIEVE THAT A MISSING PRECINCT CERTIFICATE, IF RECEIVED, WOULD AFFECT THE RESULT OF THE ELECTION, THE CLERK SHALL AWAIT THE RECEIPT OF THE CERTIFICATE UNTIL 2:00 P.M. ON THE TUESDAY FOLLOWING THE ELECTION. IF THE CERTIFICATE IS NOT RECEIVED BY THE CLERK BY 2:00 P.M., TUESDAY, THEN THE CERTIFICATE SHALL NOT BE COUNTED NOR INCLUDED IN THE FINAL CERTIFICATION OF THE CANVASSING BOARD.]

[4.90.030. Procedures for handling questioned ballots.

THE CANVASSING BOARD BY MAJORITY VOTE MAY REFUSE TO ACCEPT THE QUESTION AND COUNT THE BALLOT OF A PERSON PROPERLY QUESTIONED. IF THE BALLOT IS REFUSED, THE CLERK SHALL RETURN A COPY OF THE STATEMENT QUESTIONING THE BALLOT TO THE VOTER, AND SHALL ENCLOSE ALL REJECTED BALLOTS IN A SEPARATE ENVELOPE WITH STATEMENTS OF THE BASIS FOR THE QUESTION. THE ENVELOPE SHALL BE LABELED WITH "REJECTED BALLOTS" AND SHALL BE PRESERVED WITH OTHER VOTED BALLOTS. IF THE BALLOT IS NOT REFUSED, THE LARGE ENVELOPE SHALL BE OPENED, THE SMALLER INNER ENVELOPE SHALL BE PLACED IN A CONTAINER AND MIXED WITH OTHER ABSENTEE BALLOT ENVELOPES OR, IN THE CASE OF COUNTING QUESTIONED BALLOTS, WITH OTHER QUESTIONED BALLOT ENVELOPES. THE MIXED SMALLER ENVELOPES SHALL BE DRAWN FROM THE CONTAINER AND OPENED, AND THE BALLOTS SHALL BE COUNTED ACCORDING TO THE RULES FOR DETERMINING PROPERLY MARKED BALLOTS.]

4.90.040. Voters not on official registration list.

A person whose registration has been cancelled under AS 15.07.130(b) [AND WHO VOTES A QUESTIONED BALLOT] shall not have [THE] their ballot counted.

SECTION 17. That KPB 4.120 is hereby amended by amending the title, enacting KPB 4.120.005, and deleting KPB 4.120.010, .020, .030, .040 and .060 as follows:

CHAPTER 4.120. SPECIAL ELECTIONS [BY MAIL]

4.120.005. Procedure.

The clerk shall conduct special elections in accordance with the procedures set out in this title for a regular election.

**[4.120.010. VOTING BY MAIL—BALLOTS—BALLOT REVIEW—
BALLOT ENVELOPES.**

- A. THE CLERK MAY CONDUCT A SPECIAL ELECTION BY MAIL.
- B. WHEN THE CLERK CONDUCTS A SPECIAL ELECTION BY MAIL, THE CLERK SHALL SEND A BALLOT TO EACH PERSON WHOSE NAME APPEARS ON THE OFFICIAL VOTER REGISTRATION LIST PREPARED UNDER AS § 15.07.125 FOR THAT ELECTION. THE BALLOT SHALL BE SENT TO THE ADDRESS STATED ON THE OFFICIAL REGISTRATION LIST UNLESS THE VOTER HAS NOTIFIED THE CLERK IN WRITING OF A DIFFERENT ADDRESS TO WHICH THE BALLOT SHOULD BE SENT. THE CLERK SHALL SEND BALLOTS BY FIRST CLASS, NONFORWARDABLE MAIL ON OR BEFORE THE 22ND DAY BEFORE THE ELECTION.
- C. THE CLERK SHALL REVIEW BALLOTS VOTED UNDER THIS SECTION UNDER PROCEDURES ESTABLISHED FOR THE REVIEW OF ABSENTEE BALLOTS.
- D. THERE SHALL BE A SMALL BLANK ENVELOPE AND A RETURN ENVELOPE SUPPLIED TO EACH BY-MAIL VOTER. THE RETURN ENVELOPE SHALL HAVE PRINTED UPON IT AN AFFIDAVIT BY WHICH THE VOTER SHALL DECLARE HIS QUALIFICATIONS TO VOTE, FOLLOWED BY PROVISION FOR ATTESTATION BY A PERSON QUALIFIED TO ADMINISTER OATHS OR ONE ATTESTING WITNESS WHO IS AT LEAST 18 YEARS OF AGE. SPECIFIC INSTRUCTIONS FOR VOTING A BY-MAIL BALLOT AND A LIST OF THE APPOINTED ABSENTEE VOTING OFFICIALS, THEIR HOURS AND LOCATIONS, WILL BE MAILED TO EACH VOTER WITH THE BALLOT.

4.120.020. CASTING BALLOTS.

- A. UPON RECEIPT OF A MAIL-IN BALLOT, THE VOTER SHALL CAST HIS BALLOT IN THE MANNER SPECIFIED IN KP.B § 4.80.070. IF THE BALLOT IS CAST IN THE CLERK'S OFFICE, THE CLERK SHALL RETAIN IT FOR DELIVERY TO THE CANVAS BOARD. IF THE BALLOT IS CAST IN ANOTHER LOCATION, THE VOTER SHALL RETURN IT BY MAIL TO THE CLERK IMMEDIATELY FOR DELIVERY TO THE CANVAS BOARD.
- B. A VOTER WHO DOES NOT RECEIVE A MAIL-IN BALLOT MAY CAST HIS BALLOT IN PERSON AS SPECIFIED IN KP.B § 4.80.060.

- C. A VOTER MAY RETURN THE MAIL-IN BALLOT TO AN ABSENTEE VOTING OFFICIAL AS PROVIDED IN KPB § 4.120.040.

4.120.030. NOTICE OF ELECTION—ELECTION DATE—PUBLIC NOTICE.

- A. THE NOTICE OF ELECTION CALLING FOR THE ELECTION MUST STATE THAT THE ELECTION IS TO BE CONDUCTED BY MAIL AND THAT THERE WILL NO POLLING PLACE OPEN FOR REGULAR IN-PERSON VOTING ON ELECTION DAY. IN A BY-MAIL ELECTION, ELECTION DAY IS THE DEADLINE BY WHICH A VOTER'S BALLOT MUST BE RECEIVED BY THE BOROUGH CLERK.
- B. FOR EACH ELECTION CONDUCTED BY MAIL, THE PUBLIC NOTICE POSTED IN EACH PRECINCT AND THE NOTICE PUBLISHED IN NEWSPAPERS OF GENERAL CIRCULATION IN THE AREA OF THE ELECTION JURISDICTION WILL INCLUDE THE INFORMATION SPECIFIED IN KPB § 4.120.040.

4.120.040. ABSENTEE VOTING OFFICIALS—DUTIES.

- A. THE BOROUGH CLERK MAY, WITH THE APPROVAL OF THE CITY CLERKS IN THE BOROUGH, APPOINT CITY CLERKS OR OTHERS IN THE AREA TO ACT AS ABSENTEE VOTING OFFICIALS. IF NO CITY CLERK IS AVAILABLE OR IF THE CITY CLERK IS UNABLE OR UNWILLING TO ACT AS AN ABSENTEE VOTING OFFICIAL, THE BOROUGH CLERK MAY APPOINT ANY QUALIFIED VOTER TO SERVE AS AN ABSENTEE VOTING OFFICIAL. THE CLERK SHALL SUPPLY ADEQUATE VOTING SUPPLIES AND BALLOTS TO THE ABSENTEE VOTING OFFICIALS. THE CLERK SHALL PROVIDE MODERATE COMPENSATION TO THE ABSENTEE VOTING OFFICIALS TO COVER ADDED EXPENSES OF THE ADMINISTRATION OF THIS SERVICE, WHICH SHALL BE AGREED TO BY THE ABSENTEE VOTING OFFICIALS.
- B. THE DUTIES OF THE ABSENTEE VOTING OFFICIALS SHALL BE AS FOLLOWS:
 - 1. PROVIDE ABSENTEE VOTING IN PERSON ON ANY DATE INCLUDING THE DAY OF THE ELECTION FOLLOWING THE PROCEDURES IN KPB 4.80.060 AND SPECIAL NEEDS VOTING ON ANY DATE INCLUDING THE DAY OF THE ELECTION FOLLOWING THE PROCEDURES IN KPB 4.80.095;

2. SIGN A VOTER'S BY-MAIL OATH AND AFFIDAVIT ENVELOPE AS AN AUTHORIZED ATTESTING OFFICIAL, EXCEPT THAT THE ABSENTEE VOTING OFFICIAL MAY NOT ATTEST HIS OR HER OWN BALLOT;
3. ACCEPT RECEIPT OF A BY-MAIL VOTER'S HAND-DELIVERED BALLOT, WHICH HAS BEEN SWORN TO, ATTESTED AND SEALED IN THE BY-MAIL RETURN ENVELOPE; AND
4. PROVIDE GENERAL VOTER ASSISTANCE, INCLUDING BY NOT LIMITED TO, ASSISTANCE TO A QUALIFIED VOTER WHO CANNOT READ, MARK THE BALLOT, OR SIGN HIS NAME, AND PROVIDING REPLACEMENT BALLOTS TO VOTERS WHO HAVE IMPROPERLY MARKED OR DAMAGED THEIR BALLOTS.
5. DATE-STAMP ALL BALLOTS RECEIVED.
6. PROVIDE FOR THE SECURITY AND SAFEKEEPING OF ALL BALLOTS RECEIVED AND PRESENT THOSE BALLOTS TO THE CLERK FOR CANVASSING. THE BOROUGH CLERK WILL SPECIFY THE MEANS OF RETURNING THE VOTED BALLOTS AND ALL OTHER ELECTION SUPPLIES TO THE BOROUGH.

4.120.060. STORING BALLOTS.

THE CLERK SHALL PROVIDE FOR THE SECURE STORAGE OF THE MAIL-IN BALLOTS RECEIVED FROM THE VOTERS AND BY-MAIL OFFICIALS, UNTIL THE DATE SET BY THE CLERK FOR THE COUNTING OF THE BALLOTS.]

SECTION 18. That this ordinance shall become effective January 1, 2021.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 2ND DAY OF JUNE, 2020.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes: Cox, Dunne, Hibbert, Johnson, Smalley, Cooper

No: Bjorkman, Blakeley, Carpenter

Absent: None

Introduced by:

Mayor

Date:

06/16/20

Action:

Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2020-042**

A RESOLUTION APPROVING THE KENAI PENINSULA BOROUGH'S PARTICIPATION IN A PROPOSED REFINANCING BY THE ALASKA MUNICIPAL BOND BANK OF ITS GENERAL OBLIGATION BONDS THAT PROVIDED FUNDS TO PURCHASE THE EDUCATION CAPITAL IMPROVEMENT GENERAL OBLIGATION BOND, SERIES 2013 OF THE KENAI PENINSULA BOROUGH, UNDER A LOAN AGREEMENT BETWEEN THE KENAI PENINSULA BOROUGH AND THE ALASKA MUNICIPAL BOND BANK; AND AUTHORIZING THE KENAI PENINSULA BOROUGH MAYOR OR DESIGNEE TO APPROVE A REVISED SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS ON THE KENAI PENINSULA BOROUGH'S 2013 BOND, IN ACCORDANCE WITH THE LOAN AGREEMENT, IF THE ALASKA MUNICIPAL BOND BANK SUCCESSFULLY REFINANCES ITS BONDS

WHEREAS, the Kenai Peninsula Borough, Alaska (the "Borough"), to finance certain educational capital improvements, issued and sold its Education Capital Improvement General Obligation Bond, Series 2013, dated November 14, 2013, in the original principal amount of \$20,860,000 (the "2013 Bond") to the Alaska Municipal Bond Bank (the "Bond Bank"), as authorized by Resolution No. 2013-071 of the Borough adopted on October 8, 2013 (the "Bond Resolution"), based on terms and conditions set forth in the Bond Resolution and a loan agreement between the Borough and the Bond Bank dated as of November 1, 2013 (the "Loan Agreement"); and

WHEREAS, the Bond Bank issued and sold its General Obligation Bonds, 2013 Series Three (the "Bond Bank Bonds"), to, among other things, provide funds to purchase the 2013 Bond, as provided in the Loan Agreement; and

WHEREAS, Section 6 of the Loan Agreement provides that payments of principal of and interest on the 2013 Bond may be adjusted to reduce debt service on the 2013 Bond if the Bond Bank is able to achieve debt service savings by refunding the Bond Bank Bonds; and

WHEREAS, the Bond Bank now intends to issue a series of its general obligation refunding bonds (the "Bond Bank Refunding Bonds") for the purpose, among others, of refunding all, or a portion, of the outstanding Bond Bank Bonds and achieving debt service savings; and

WHEREAS, the Assembly wishes to approve the Borough's participation in this refinancing and to authorize the Borough Mayor or his designee to accept a revised debt service schedule for the 2013 Bond if the Bond Bank successfully refinances the Bond Bank Bonds;

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

SECTION 1. Approval of Refinancing. The Assembly hereby approves the Borough's participation in the Bond Bank's refinancing of the Bond Bank Bonds and authorizes the Borough Mayor or his designee to approve a revised schedule of principal payment amounts and interest rates for the 2013 Bond, in accordance with Section 6 of the Loan Agreement, so long as the revised debt service schedule is financially advantageous to the Borough. The revised schedule of debt service on the 2013 Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement (the "Amendatory Loan Agreement") and a refunding bond (the "2020 Refunding Bond") to be issued in exchange for the 2013 Bond. Notwithstanding, if only a portion of the outstanding principal amount of the 2013 Bond is refinanced, the 2013 Bond shall be exchanged for a bond reflecting the unrefunded portion of the 2013 Bond (the "Exchanged 2013 Bond").

The Borough Mayor or Finance Director is hereby authorized to execute and deliver the Amendatory Loan Agreement on behalf of the Borough and to deliver the 2020 Refunding Bond and Exchanged 2013 Bond, as the case may be, executed in accordance with the provisions of the Bond Resolution and this resolution, to the Bond Bank in exchange for the 2013 Bond. The Borough Mayor, Finance Director and other appropriate officers and employees of Borough are also hereby authorized to provide financial information about the Borough that the Bond Bank may require for the official statement for the Bond Bank Refunding Bonds.

SECTION 2. Tax Matters. The 2013 Bond was issued as a tax-exempt obligation under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Subject to applicable law, the 2020 Refunding Bond may be issued on a tax-exempt or taxable basis as determined by the Mayor or Finance Director. The Exchanged 2013 Bond shall retain its original tax treatment under the Code.

SECTION 3. General Authorization. The Mayor, Finance Director, Borough Clerk, Borough Attorney, and any other appropriate officers, agents, attorneys and employees of the Borough are each hereby authorized and directed to cooperate with the Bond Bank and to take such steps, do such other acts and things, and execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this Resolution.

SECTION 4. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys and employees of the Borough in connection with refinancing the 2013 Bond are hereby ratified and confirmed.

SECTION 5. Recitals. The recitals to this resolution are hereby incorporated into this resolution as if fully set forth herein.

SECTION 6. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF JUNE, 2020.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

CERTIFICATE

I, the undersigned, Clerk of the Kenai Peninsula Borough, Alaska (the “Borough”), Do
HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2020-042 (the “Resolution”) of the Borough as approved at a regular meeting of the Assembly of the Kenai Peninsula Borough, Alaska (the “Assembly”) held on the 16th day of June, 2020, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such regular meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the approval of the Resolution; that all other requirements and proceedings incident to the proper approval of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2020.

Johni Blankenship, MMC, Borough Clerk
Kenai Peninsula Borough

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: June 4, 2020

SUBJECT: Resolution 2020- 042, Approving the Kenai Peninsula Borough's Participation in a Proposed Refinancing by the Alaska Municipal Bond Bank of its General Obligation Bonds that Provided Funds to Purchase the Education Capital Improvement General Obligation Bond, Series 2013 of the Kenai Peninsula Borough, Under a Loan Agreement Between the Kenai Peninsula Borough and the Alaska Municipal Bond Bank; and the Alaska Municipal Bond Bank; and Authorizing the Kenai Peninsula Borough Mayor or Designee to Approve a Revised Schedule of Principal and Interest Payments on the Kenai Peninsula Borough's 2013 Bond, in Accordance with the Loan Agreement, if the Alaska Municipal Bond Bank Successfully Refinances its Bonds (Mayor)

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank (AMBB) has determined that a portion of the outstanding 2013 School Bond could be refinanced, with potential savings to the residents of the Kenai Peninsula Borough of approximately \$913,037 in interest over the remaining life of the debt.

The attached resolution authorizes the AMBB to refinance the current outstanding bonds to take advantage of the current lower long-term interest rates.

Introduced by: Mayor
Date: 06/16/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2020-043**

A RESOLUTION APPROVING THE KENAI PENINSULA BOROUGH'S PARTICIPATION IN A PROPOSED REFINANCING BY THE ALASKA MUNICIPAL BOND BANK OF ITS GENERAL OBLIGATION BONDS THAT PROVIDED FUNDS TO PURCHASE THE CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA GENERAL OBLIGATION REFUNDING BONDS, 2011 OF THE KENAI PENINSULA BOROUGH, UNDER A LOAN AGREEMENT BETWEEN THE KENAI PENINSULA BOROUGH AND THE ALASKA MUNICIPAL BOND BANK; AND AUTHORIZING THE KENAI PENINSULA BOROUGH MAYOR OR DESIGNEE TO APPROVE A REVISED SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS ON THE KENAI PENINSULA BOROUGH'S 2011 BOND, IN ACCORDANCE WITH THE LOAN AGREEMENT, IF THE ALASKA MUNICIPAL BOND BANK SUCCESSFULLY REFINANCES ITS BONDS

WHEREAS, the Kenai Peninsula Borough, Alaska (the "Borough"), refunded its Central Kenai Peninsula Hospital Service Area General Obligation Bonds, Series 2003, dated December 18, 2003, with proceeds of its Central Kenai Peninsula Hospital Service Area General Obligation Refunding Bonds, 2011, in the original principal amount of \$27,905,000 (the "2011 Bond"); and

WHEREAS, the 2011 Bond was issued pursuant to Borough Resolution 2011-73, adopted by the Assembly on July 5, 2011 (the "Bond Resolution") and purchased by the Alaska Municipal Bond Bank (the "Bond Bank"), based on the terms and conditions set forth in the Bond Resolution and a loan agreement between the Borough and the Bond Bank dated as of September 15, 2011 (the "Loan Agreement"); and

WHEREAS, the Bond Bank issued and sold its General Obligation and Refunding Bonds, 2011 Series Three (the "Bond Bank Bonds"), to, among other things, provide funds to purchase the 2011 Bond, as provided in the Loan Agreement; and

WHEREAS, Section 6 of the Loan Agreement provides that payments of principal of and interest on the 2011 Bond may be adjusted to reduce debt service on the 2011 Bond if the Bond Bank is able to achieve debt service savings by refunding the Bond Bank Bonds; and

WHEREAS, the Bond Bank now intends to issue a series of its general obligation refunding bonds (the "Bond Bank Refunding Bonds") for the purpose, among others, of refunding all, or a portion, of the outstanding Bond Bank Bonds and achieving debt service savings; and

WHEREAS, the Assembly wishes to approve the Borough's participation in this refinancing and to authorize the Borough Mayor or his designee to accept a revised debt service schedule for the 2011 Bond if the Bond Bank successfully refinances the Bond Bank Bonds;

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

SECTION 1. Approval of Refinancing. The Assembly hereby approves the Borough's participation in the Bond Bank's refinancing of the Bond Bank Bonds and authorizes the Borough Mayor or his designee to approve a revised schedule of principal payment amounts and interest rates for the 2011 Bond, in accordance with Section 6 of the Loan Agreement, so long as the revised debt service schedule is financially advantageous to the Borough. The revised schedule of debt service on the 2011 Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement (the "Amendatory Loan Agreement") and a refunding bond (the "2020 Refunding Bond") to be issued in exchange for the 2011 Bond. Notwithstanding, if only a portion of the outstanding principal amount of the 2011 Bond is refinanced, the 2011 Bond shall be exchanged for a bond reflecting the unrefunded portion of the 2011 Bond (the "Exchanged 2011 Bond").

The Borough Mayor or Finance Director is hereby authorized to execute and deliver the Amendatory Loan Agreement on behalf of the Borough and to deliver the 2020 Refunding Bond and Exchanged 2011 Bond, as the case may be, executed in accordance with the provisions of the Bond Resolution and this resolution, to the Bond Bank in exchange for the 2011 Bond. The Borough Mayor, Finance Director and other appropriate officers and employees of Borough are also hereby authorized to provide financial information about the Borough that the Bond Bank may require for the official statement for the Bond Bank Refunding Bonds.

SECTION 2. Tax Matters. The 2011 Bond was issued as a tax-exempt obligation under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Subject to applicable law, the 2020 Refunding Bond may be issued on a tax-exempt or taxable basis, as determined by the Mayor or Finance Director. The Exchanged 2011 Bond shall retain its original tax treatment under the Code.

SECTION 3. General Authorization. The Mayor, Finance Director, Borough Clerk, Borough Attorney, and any other appropriate officers, agents, attorneys and employees of the Borough are each hereby authorized and directed to cooperate with the Bond Bank and to take such steps, do such other acts and things, and execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this Resolution.

SECTION 4. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys and employees of the Borough in connection with refinancing the 2011 Bond are hereby ratified and confirmed.

SECTION 5. Recitals. The recitals to this resolution are hereby incorporated into this resolution as if fully set forth herein.

SECTION 6. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF JUNE, 2020.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

CERTIFICATE

I, the undersigned, Clerk of the Kenai Peninsula Borough, Alaska (the “Borough”), Do HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2020-043 (the “Resolution”) of the Borough as approved at a regular meeting of the Assembly of the Kenai Peninsula Borough, Alaska (the “Assembly”) held on the 16th day of June, 2020, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such regular meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the approval of the Resolution; that all other requirements and proceedings incident to the proper approval of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2020.

Johni Blankenship, MMC, Borough Clerk
Kenai Peninsula Borough

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: June 4, 2020

SUBJECT: Resolution 2020- 043, Approving The Kenai Peninsula Borough's Participation in a Proposed Refinancing by the Alaska Municipal Bond Bank of its General Obligation Bonds that Provided Funds to Purchase the Central Kenai Peninsula Hospital Service Area General Obligation Refunding Bonds, 2011 of the Kenai Peninsula Borough, Under a Loan Agreement Between the Kenai Peninsula Borough and the Alaska Municipal Bond Bank; and Authorizing the Kenai Peninsula Borough Mayor or Designee to Approve a Revised Schedule of Principal and Interest Payments on the Kenai Peninsula Borough's 2011 Bond, in Accordance with the Loan Agreement, if the Alaska Municipal Bond Bank Successfully Refinances its Bonds (Mayor)

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank (AMBB) has determined that a portion of the outstanding 2011 Central Peninsula Hospital Bonds could be refinanced, with potential savings to the residents of the Kenai Peninsula Borough of approximately \$171,726 in interest over the remaining life of the debt.

The attached resolution authorizes the AMBB to refinance the current outstanding bonds to take advantage of the current lower long-term interest rates.

Introduced by: Mayor
Date: 06/16/20
Hearing:
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2020-044**

A RESOLUTION APPROVING THE KENAI PENINSULA BOROUGH'S PARTICIPATION IN A PROPOSED REFINANCING BY THE ALASKA MUNICIPAL BOND BANK OF ITS GENERAL OBLIGATION BONDS THAT PROVIDED FUNDS TO PURCHASE THE BEAR CREEK FIRE SERVICE AREA GENERAL OBLIGATION BONDS, SERIES 2013 OF THE KENAI PENINSULA BOROUGH, UNDER A LOAN AGREEMENT BETWEEN THE KENAI PENINSULA BOROUGH AND THE ALASKA MUNICIPAL BOND BANK; AND AUTHORIZING THE KENAI PENINSULA BOROUGH MAYOR OR DESIGNEE TO APPROVE A REVISED SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS ON THE KENAI PENINSULA BOROUGH'S 2013 BOND, IN ACCORDANCE WITH THE LOAN AGREEMENT, IF THE ALASKA MUNICIPAL BOND BANK SUCCESSFULLY REFINANCES ITS BONDS

WHEREAS, the Kenai Peninsula Borough, Alaska (the "Borough"), to finance certain capital improvements in the Bear Creek Fire Service Area, issued and sold its Bear Creek Fire Service Area General Obligation Bonds, Series 2013, dated March 12, 2013, in the original principal amount of \$1,215,000 (the "2013 Bond") to the Alaska Municipal Bond Bank (the "Bond Bank"), as authorized by Resolution No. 2012-091 of the Borough adopted on December 4, 2012 (the "Bond Resolution"), based on terms and conditions set forth in the Bond Resolution and a loan agreement between the Borough and the Bond Bank dated as of March 1, 2013 (the "Loan Agreement"); and

WHEREAS, the Bond Bank issued and sold its General Obligation and Refunding Bonds, 2013 Series One (the "Bond Bank Bonds"), to, among other things, provide funds to purchase the 2013 Bond, as provided in the Loan Agreement; and

WHEREAS, Section 6 of the Loan Agreement provides that payments of principal of and interest on the 2013 Bond may be adjusted to reduce debt service on the 2013 Bond if the Bond Bank is able to achieve debt service savings by refunding the Bond Bank Bonds; and

WHEREAS, the Bond Bank now intends to issue a series of its general obligation refunding bonds (the "Bond Bank Refunding Bonds") for the purpose, among others, of refunding all, or a portion, of the outstanding Bond Bank Bonds and achieving debt service savings; and

WHEREAS, the Assembly wishes to approve the Borough's participation in this refinancing and to authorize the Borough Mayor or his designee to accept a revised debt service schedule for the 2013 Bond if the Bond Bank successfully refinances the Bond Bank Bonds;

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

SECTION 1. Approval of Refinancing. The Assembly hereby approves the Borough's participation in the Bond Bank's refinancing of the Bond Bank Bonds and authorizes the Borough Mayor or his designee to approve a revised schedule of principal payment amounts and interest rates for the 2013 Bond, in accordance with Section 6 of the Loan Agreement, so long as the revised debt service schedule is financially advantageous to the Borough. The revised schedule of debt service on the 2013 Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement (the "Amendatory Loan Agreement") and a refunding bond (the "2020 Refunding Bond") to be issued in exchange for the 2013 Bond. Notwithstanding, if only a portion of the outstanding principal amount of the 2013 Bond is refinanced, the 2013 Bond shall be exchanged for a bond reflecting the unrefunded portion of the 2013 Bond (the "Exchanged 2013 Bond").

The Borough Mayor or Finance Director is hereby authorized to execute and deliver the Amendatory Loan Agreement on behalf of the Borough and to deliver the 2020 Refunding Bond and Exchanged 2013 Bond, as the case may be, executed in accordance with the provisions of the Bond Resolution and this resolution, to the Bond Bank in exchange for the 2013 Bond. The Borough Mayor, Finance Director and other appropriate officers and employees of Borough are also hereby authorized to provide financial information about the Borough that the Bond Bank may require for the official statement for the Bond Bank Refunding Bonds.

SECTION 2. Tax Matters. The 2013 Bond was issued as a tax-exempt obligation under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Subject to applicable law, the 2020 Refunding Bond may be issued on a tax-exempt or taxable basis, as determined by the Mayor or Finance Director. The Exchanged 2013 Bond shall retain its original tax treatment under the Code.

SECTION 3. General Authorization. The Mayor, Finance Director, Borough Clerk, Borough Attorney, and any other appropriate officers, agents, attorneys and employees of the Borough are each hereby authorized and directed to cooperate with the Bond Bank and to take such steps, do such other acts and things, and execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this Resolution.

SECTION 4. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys and employees of the Borough in connection with refinancing the 2013 Bond are hereby ratified and confirmed.**SECTION 5. Recitals.** The recitals to this resolution are hereby incorporated into this resolution as if fully set forth herein.

SECTION 6. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF JUNE, 2020.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

CERTIFICATE

I, the undersigned, Clerk of the Kenai Peninsula Borough, Alaska (the “Borough”), Do HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2020-044 (the “Resolution”) of the Borough as approved at a regular meeting of the Assembly of the Kenai Peninsula Borough, Alaska (the “Assembly”) held on the 16th day of June, 2020, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such regular meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the approval of the Resolution; that all other requirements and proceedings incident to the proper approval of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 2020.

Johni Blankenship, MMC, Borough Clerk
Kenai Peninsula Borough

Kenai Peninsula Borough Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: June 4, 2020

SUBJECT: Resolution 2020- 044, Approving the Kenai Peninsula Borough's Participation in a Proposed Refinancing by the Alaska Municipal Bond Bank of its General Obligation Bonds that Provided Funds to Purchase the Bear Creek Fire Service Area General Obligation Bonds, Series 2013 of the Kenai Peninsula Borough, Under a Loan Agreement Between the Kenai Peninsula Borough and the Alaska Municipal Bond Bank; and the Alaska Municipal Bond Bank; and Authorizing the Kenai Peninsula Borough Mayor or Designee to Approve a Revised Schedule of Principal and Interest Payments on the Kenai Peninsula Borough's 2013 Bond, in Accordance with the Loan Agreement, if the Alaska Municipal Bond Bank Successfully Refinances its Bonds (Mayor)

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank (AMBB) has determined that a portion of the outstanding 2013 Bear Creek Service Area Bonds could be refinanced, with potential savings to the residents of the Kenai Peninsula Borough of approximately \$52,925 in interest over the remaining life of the debt.

The attached resolution authorizes the AMBB to refinance the current outstanding bonds to take advantage of the current lower long-term interest rates.

Introduced by: Bjorkman
Date: 06/16/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2020-045**

**A RESOLUTION TO REOPEN THE KENAI PENINSULA BOROUGH ASSEMBLY
RESPONSIBLY, RESTORE IN-PERSON ACCESS, AND ENCOURAGE
IMPROVEMENTS TO INTERNET CONNECTIVITY**

- WHEREAS,** Aristotle described the nature of people in this way: “Man is by nature a social animal ... Anyone who either cannot lead the common life or is so self-sufficient as not to need to, and therefore does not partake of society, is either a beast or a god”; and
- WHEREAS,** there is an emerging body of work that shows online social interaction is not equitable to in-person social interaction and gathering; and
- WHEREAS,** Zoom meetings were not intended to replace in-person assembly meetings; and
- WHEREAS,** many residents of the Kenai Peninsula do not have the internet connectivity needed to participate in Kenai Peninsula Borough Assembly meetings using video; and
- WHEREAS,** many Kenai Peninsula residents have expressed difficulties participating in Zoom meetings of the Kenai Peninsula Borough Assembly; and
- WHEREAS,** Alaska Communications (“ACS”) has been given millions of dollars by the federal government of the United States to improve internet connectivity in rural Alaska by completing “the last mile” of internet infrastructure, which would connect many to the internet, and still has not completed improvements needed to connect many Kenai Peninsula residents; and
- WHEREAS,** completion of “the last mile” of infrastructure would mitigate future complications with distance meetings if needed; and
- WHEREAS,** Zoom meetings can be exploited by bad actors who wish to disrupt the public process; and
- WHEREAS,** Alaska Health Mandate 011: Social Distancing has been superseded most recently by the current Phase III and Phase IV of “Reopen Alaska Responsibly Plan”; and
- WHEREAS,** the borough assembly last agreed to talk about talking about changing the mode of assembly meetings on May 19th while the State of Alaska was living under Phase II of “The Reopen Alaska Responsibly Plan;” and

WHEREAS, the majority of the assembly declined to allow discussion about the possibility of a plan to implement in-person meeting options during July on June 3, 2020, even though the laydown memo of May 19, 2020 regarding public meeting forecast as discussed in a work session on May 19, 2020 stated that “the time line (for reopening) be reassessed with the release of new mandates from Governor Dunleavy regarding large group gatherings;” and

WHEREAS, new guidance for social, religious, and other gatherings was released by the Dunleavy regime on May 22, 2020; and

WHEREAS, new guidance for large group gatherings was released by the Dunleavy regime on May 29, 2020; and

WHEREAS, the State of Alaska has moved out of Phase II of reopening and into Phase III through IV which states the following guidance about gatherings:

For Indoor gatherings:

- a. This section applies broadly to any types of gatherings, including political, union, fundraising, or other group events, as well as meetings of individuals from different households.
- b. Social distancing of at least six feet continues to be a best practice.
- c. It is encouraged to continue wearing cloth face coverings when attending gatherings. See Health Alert 010 for helpful information on cloth face coverings.
http://dhss.alaska.gov/dph/Epi/id/SiteAssets/Pages/HumanCoV/SOA_04032020_HealthAlert010_ClothFaceCoverings.pdf.
- d. If the event is being held in a building that is open to the public, and not an individual’s home:
 - i. Persons with symptoms consistent with COVID-19 should not be on the premises.
 - ii. Frequent handwashing by staff and volunteers is encouraged; and

WHEREAS, the Kenai Peninsula Borough owns several school facilities that would provide significant space to allow adherence to the best practices suggested by Phase III and IV of the Reopen Alaska Responsibly Plan; and

WHEREAS, at least one Kenai Peninsula Borough assembly member expressed a desire to move toward in-person availability as an option for borough assembly meetings on May 19, 2020, during the Policies and Procedures Committee meeting, but then a “consensus” was pronounced that the assembly continue to meet on Zoom; and

WHEREAS, a more formal means appears to be needed in order fully open the borough assembly for business and be transparent to the public who does not have technological access;

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

SECTION 1. The Kenai Peninsula Borough Assembly (Assembly) upholds the seminal work of Aristotle and modern social scientists who recognize the need for people to interact in person.

SECTION 2. The Assembly encourages ACS to complete its work of improving internet connectivity to citizens of the Kenai Peninsula as soon as possible in order to mitigate some difficulties of residents participating in possible future online meetings of the Assembly.

SECTION 3. The Assembly shall adhere to the suggested science based and data driven best practices of the State of Alaska and the Centers for Disease Control and Prevention which allow for in-person gatherings.

SECTION 4. The Assembly requests representatives of the administration, Kenai Peninsula Borough School District, clerk’s office, and the IT department to work together with the Assembly to create a plan which would allow for Assembly meetings to be held in a school auditorium on the central Kenai Peninsula, beginning in the month of July.

This plan would include the following:

- i. adherence to suggested best practice health guidelines for meetings as outlined by the State of Alaska;
- ii. the ability for assembly members and the public to attend Assembly meetings in person;
- iii. the ability for the public to testify in person or over the phone via remote sites at Assembly meetings as has been done for numerous meetings in the past on the central peninsula, Seward and Homer;

- iv. this plan does not require the goal of including simultaneous zoom and in-person capabilities beyond what was available to the Assembly and the public before the COVID-19 pandemic; and
- v. inclusion of other stakeholders and facilitators as needed in creation of this plan for the purpose of accomplishing the above goals.

SECTION 5. This resolution be disseminated to interested stakeholders including local entities, ACS, Senator Murkowski, Senator Sullivan and the Dean of the US House of Representatives, Congressman Don Young.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF JUNE, 2020.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Introduced by: Cooper
Date: 06/16/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2020-046**

**A RESOLUTION CONFIRMING THE REAPPOINTMENT OF BRENT JOHNSON TO
THE KENAI PENINSULA COLLEGE COUNCIL**

WHEREAS, it is the duty of the Assembly President to make certain appointments and/or nominations to various borough and non-borough boards, commissions and committees; and

WHEREAS, the Borough Assembly's adopted Rules of Procedure require Assembly confirmation of all appointments to non-borough committees and boards;

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

SECTION 1. That the reappointment listed below is confirmed as follows:

Kenai Peninsula College Council
Brent Johnson, term to expire June 30, 2023

SECTION 2. That this resolution takes effect immediately upon its adoption.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS
16TH DAY JUNE, 2020.**

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Introduced by: Mayor
Date: 06/16/20
Hearing: 07/07/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2019-19-41**

**AN ORDINANCE APPROPRIATING ADDITIONAL CLOSURE AND POST CLOSURE
CARE LIABILITY FUNDS FOR THE HOMER LANDFILL CLOSURE PHASE II
CAPITAL IMPROVEMENT PROJECT**

WHEREAS, state and federal laws and regulations require the borough to place a final cover system on its landfills when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for up to 30 years; and

WHEREAS, in accordance with government accounting standard board statement 18, “Accounting for Municipal Solid Waste Closure and Post Closure Care Cost, which the borough implemented in 1993, the borough has been appropriating funds annually through the operating budget to cover the estimated cost associated with closure and post closure of the Homer Landfill; and

WHEREAS, the borough previously appropriated \$2,322,000 through Ordinance 2018-19-28 based on an initial independent analysis by HDR, Inc.; and

WHEREAS, since that time a construction ready design and cost estimate have been completed; and

WHEREAS, it is currently estimated that this project is underfunded by approximately \$380,000.00; and

WHEREAS, in order to ensure that the funds necessary to award the contract are available an appropriation will need to be made to offset the difference in the project cost;

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

SECTION 1. That funds in the amount of \$380,000 are appropriated from the closure and post closure care liability account to account 411.32122.19HLC.49999.

SECTION 2. That the 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 3. This ordinance takes effect immediately upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2020**

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough
Purchasing and Contracting Department
Maintenance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor CP

FROM: John Hedges, Purchasing and Contracting Director JH
Scott Griebel, Maintenance Director SG
Brandi Harbaugh, Finance Director BH

DATE: June 4, 2020

SUBJECT: Ordinance 2019-19-41, Appropriating Additional Closure and Post Closure Care Liability Funds for the Homer Landfill Closure Phase 2 Capital Improvement Project (Mayor)

The Homer landfill closure project is a capital improvement project for the Solid Waste Department. On February 5, 2019 \$2,322,000 was appropriated from the closure and post closure care liability to fund the costs associated with the Phase II closure of the Homer Landfill.

The borough has just received final construction documentation to solicit bids for closure of the phase 2 portion of the site. Upon receiving the documentation along with the engineer's cost estimate, we have determined that the current balance of appropriated funds will fall short of the amount needed to complete this project. We estimate approximately \$380,000 will be required in additional funds to complete the project. The project is in the bid process and an exact value will be provided once bids have been reviewed prior to the July 7, 2020 hearing date.

The original appropriated amount was based on an estimate developed in 2013. This estimate was only taken to the schematic level. As we have worked through the design process, labor and material costs have increased, and additional challenges in design and construction have been identified. This final design is a comprehensive package that includes all necessary components to allow for solid waste operations around this portion of the closed landfill. More importantly this design meets all the requirements for the mandated closure of the antiquated Homer mono-fill portion of this solid waste site.

Funds have been reserved and are available in the closure and post closure care solid waste liability to fund this appropriation.

Page -2-
June 4, 2020
Re: O2020-041

Your approval of this ordinance would be appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>411.25110</u>
Amount	<u>\$380,000</u>
By: <u>PP</u>	Date: <u>6/4/2020</u>

Introduced by: Mayor
Date: 06/16/20
Hearing: 07/07/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2019-19-42**

**AN ORDINANCE APPROPRIATING \$110,000 TO THE BOROUGH'S SCHOOL
REVENUE CAPITAL PROJECTS FUND FOR THE KALEIDOSCOPE CHARTER
SCHOOL OF ARTS AND SCIENCE FLOORING REPLACEMENT PROJECT**

WHEREAS, the Kenai Peninsula Borough School District's ("KPBSD") Planning and Operations Department communicated a desire to replace the flooring at the Kaleidoscope Charter School of Arts and Science ("Kaleidoscope") facility; and

WHEREAS, it was determined that existing capital flooring funds were not available, therefore the Kaleidoscope administration communicated that they had sufficient funds to support the need and would contribute the funds necessary to accomplish the project; and

WHEREAS, as the majority of these projects fall in the area of maintenance and schools are owned by the borough, it would be suitable for the borough to appropriate and manage this project; and

WHEREAS, the estimated cost of the proposed project is \$110,000; and

WHEREAS, the cost of project management will be funded through the School Maintenance fund;

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

SECTION 1. The borough is authorized to receive funding from the Kenai Peninsula Borough School District Kaleidoscope Charter School of Arts and Science in the amount of up to \$110,000 for flooring replacement.

SECTION 2. That \$110,000 is appropriated in the School Revenue Capital Projects Fund to account number 400.73040.20FLR.49999.

SECTION 3. That the appropriation made in this ordinance is of a project length nature and as such does not lapse at the end of any particular fiscal year.

SECTION 4. That this ordinance takes effect immediately upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2020.**

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough
Purchasing and Contracting Department
Maintenance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: John Hedges, Purchasing and Contracting Director *JH*
Scott Griebel, Maintenance Director *SG*
Brandi Harbaugh, Finance Director *BH*

DATE: June 4, 2020

SUBJECT: Ordinance 2019-19-42, Appropriating \$110,000 to the Borough's School Revenue Capital Projects Fund for the Kaleidoscope Charter School of Arts and Science Flooring Replacement Project (Mayor)

On March 30, 2020 the Kenai Peninsula Borough School District's ("KPBSD") Planning and Operations Department communicated a desire to replace the flooring at the Kaleidoscope Charter School of Arts and Science ("Kaleidoscope") school facility. It was determined that existing flooring funds were not available, therefore the Kaleidoscope administration communicated that they had sufficient funds to support the need and would contribute funds to accomplish the project. The estimated cost of the proposed project is \$110,000.

Carla Salzer, Kenai Peninsula Borough ("KPB") Maintenance Foreman, will be providing project management services for the proposed work supported by the Kaleidoscope administration's contribution. The cost of project management will be funded through the School Maintenance fund.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>400.73040.20FLR.49999</u>
Amount:	<u>N/A</u>
By: <u>PP</u>	Date: <u>6/4/2020</u>



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Assistant Superintendent

Dave Jones

148 North Binkley Street Soldotna, Alaska 99669-7520

Phone (907) 714-8858 Fax (907) 262-5867

Email davejones@kpbsd.k12.ak.us

January 14, 2020

Charlie Pierce, Mayor
Kenai Peninsula Borough
144 N. Binkley Street
Soldotna, AK 99669

Re: Kaleidoscope Charter School Carpet Replacement

Dear Mayor Pierce,

Kaleidoscope Charter school, through their APC board, has allocated \$110,000 for carpet replacement.

Please consider this letter the district's request to proceed with the project and our commitment to fund this project. We would request that this project be included in the summer work schedule.

We appreciate the borough's assistance in moving this project along.

Sincerely,

A handwritten signature in black ink that reads "Dave Jones".

Dave Jones
Assistant Superintendent

Cc: Brandi Harbaugh

Introduced by: Mayor
Date: 06/16/20
Hearing: 08/04/20
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-32**

**AN ORDINANCE AMENDING KPB 1.24, GENERAL PENALTY, KPB 12.04,
PARKING REGULATIONS, AND KPB 14.40 RIGHT OF WAY PERMITS, TO
REPLACE CIVIL FINES WITH CITATIONS TO IMPROVE ENFORCEMENT AND
BE CONSISTENT WITH OTHER RECENT CODE UPDATES**

WHEREAS, the Kenai Peninsula Borough Road Service Area (“RSA”) has the authority to regulate parking within borough rights-of-way pursuant to KPB 12.04 Parking Regulations; and

WHEREAS, the RSA is currently working on several updates and amendments to the borough code pertaining to roads; and

WHEREAS, as the borough code is updated, civil fines are being replaced with citations which are more enforceable; and

WHEREAS, as matters come up for review, chapters and sections pertaining to roads are reviewed and updated as necessary; and

WHEREAS, having recently reviewed a matter pertaining to KPB 12.04, Parking Regulations, it is apparent that the section on civil fines needs to be updated to parallel the remainder of the borough code updates; and

WHEREAS, as summer visitors have begun arriving on the Kenai Peninsula, the issue of recreational vehicles blocking borough rights-of-way and preventing regular maintenance has arisen; and

WHEREAS, while the borough has code language for these situations, that code language calls for civil fines which are impractical and would be very costly and difficult for an out of state visitor to contest; and

WHEREAS, removing the civil fines and substituting them with a citation format not only allows for more realistic enforcement, it also allows for significant cost savings to individuals and better opportunities to contest matters which they may feel are in error; and

WHEREAS, at its meeting held on July 14, 2020, the RSA Board recommended _____;

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

SECTION 1. That KPB 1.24.090 is hereby amended as follows:

1.24.090. Minor offense penalty schedule.

<u>Section</u>	<u>Offense Title</u>	<u>Fine Amount</u>
<u>KPB 5.12.117B</u>	<u>False Representations re: Exemptions on Property Taxes</u>	<u>\$500</u>
<u>KPB 5.12.380B</u>	<u>False Representations re: Property Taxes</u>	<u>\$500</u>
<u>KPB 5.18.620A</u>	<u>Failure to Timely File Sales Tax Returns or Remit Taxes</u>	<u>\$500</u>
<u>KPB 5.18.630</u>	<u>Failure to Keep Adequate Sales Tax Records</u>	<u>\$500</u>
<u>KPB 5.18.640A</u>	<u>Misuse of Resale or Exempt Card</u>	<u>\$500</u>
<u>KPB 10.18.020</u>	<u>Use of Fireworks within the Borough</u>	<u>\$500</u>
<u>KPB 10.18.050</u>	<u>Sale of Fireworks</u>	<u>\$500</u>
<u>KPB 10.20.080</u>	<u>Fail to Report Hazardous Materials</u>	<u>\$750</u>
<u>KPB 11.10.030</u>	<u>Operation of Gambling Establishment or Game of Chance</u>	<u>\$1,000</u>
<u>KPB 12.04.020</u>	<u>Parking in a designated No Parking Area</u>	<u>\$100</u>
<u>KPB 12.04.070</u>	<u>Parking in Manner that Impedes Traffic or Maintenance</u>	<u>\$100</u>
<u>KPB 12.08.020(b)</u>	<u>Abandoned Vehicle on Property not Designated for Vehicle Disposal</u>	<u>\$100</u>
<u>KPB 12.08.030(c)</u>	<u>Abandoned Vehicle on Private Property</u>	<u>\$100</u>
<u>KPB 12.08.040(a)</u>	<u>Junk Vehicle Placed or Remaining on Borough Property or ROW</u>	<u>\$100</u>
<u>KPB 12.40.300(A)</u>	<u>Encroachment without a Permit</u>	<u>\$100</u>
<u>KPB 20.10.030F</u>	<u>Sale of subdivision land prior to Final Plat</u>	<u>\$750</u>

SECTION 2. That KPB 12.04.080 is hereby amended, as follows:

12.04.080. - Parking regulation — [VIOLATIONS — CIVIL PENALTIES] — Towing.

Vehicles or equipment parked on a road in violation of this regulation shall be towed at the owner's expense[, IN ADDITION TO A FINE OF UP TO \$250.00 FOR EACH DAY THE PARKING REGULATION IS VIOLATED AS MORE SPECIFICALLY SET FORTH IN KPB 12.04.100].

SECTION 3. That KPB 12.04.085 is hereby enacted to read as follows:

12.04.085. Violations and penalties.

Any violation of this chapter is an infraction. The fine for offenses in this title is the fine provided in the minor offense fine schedule found in KPB 1.24.090. If no fine is listed in the fine schedule for an offense, then the defendant must appear in court and is subject to the fine provided in KPB 1.24.070.

SECTION 4. That KPB 12.04.090 - Parking Regulation – Civil Penalty - Notice is hereby repealed.

SECTION 5. That KPB 12.04.100 - Civil Penalties- Schedule is hereby repealed.

SECTION 6. That KPB 12.04.110 – Civil Penalties – Citation – Answer – Hearing – Appeal is hereby repealed.

SECTION 7. That KPB 14.40.300 – Remedies for violations – is hereby amended to add a new paragraph (A), as follows:

A. *Infractions.* Any violation of this chapter is an infraction. The fine for offenses in this title is the fine provided in the minor offense fine schedule found in KPB 1.24.090. If no fine is listed in the fine schedule for an offense, then the defendant must appear in court and is subject to the fine provided in KPB 1.24.070.

B.[A] *Court Action.* For any violation of this title the borough may bring a civil action in superior court against the violator for any one or more of the following:

1. To enjoin or abate the violation. Upon application for injunctive relief and a finding that a person is in violation or threatening a violation, the superior court shall enjoin the violation.
2. To require the restoration of any structure, vegetation, land, water body or other thing upon the land that is destroyed, damaged, altered or removed in such violation.
3. To recover damages to the borough caused by the violation.
4. To recover a civil penalty not exceeding \$1,000.00 for each violation, pursuant to AS 29.25.070(b) as now enacted or hereinafter amended.

C.[B] *Borough Enforcement Proceeding.* For any violation of this chapter, the borough may bring an administrative enforcement proceeding under KPB 14.40.320 - .340 against the violator for any one or more of the following:

1. To correct or abate the violation.
2. To recover a civil fine not exceeding \$500.00 per day for each violation in accord with the fine schedule set forth at KPB 14.40.380.

D.[C] *Cease and desist order.*

1. The RSA director may issue a cease and desist order if the director determines that any person or entity is violating the terms of a RSA permit or KPB chapter 14.40. The order may require that the person or entity immediately cease all activity within the right-of-way, even if previously permitted to conduct work, upon receiving notice of the order. Notice may be given in person, or via telephone, e-mail, or facsimile.
2. The person or entity may request an informal meeting with the RSA director to attempt to resolve the violation. The RSA director has discretion to engage in an informal review and may require remedial action, modify the terms of a permit, or establish new permit conditions at the informal meeting. Any such changes must be consistent with mandatory conditions pursuant to KPB chapter 14.40 and the original terms and intent of the permit. The cease and desist order will remain in effect until such time as the RSA director withdraws the order.
3. The RSA director may post a cease and desist order within the affected right-of-way if the person violating chapter KPB chapter 14.40 cannot be ascertained. Removal of a posted notice is subject to the fines set forth in KPB 14.40.380.
4. The person or entity subject to a cease and desist order is entitled to review of the RSA director's decision before the RSA board under KPB 14.40.130.

E.[D] *Permit revocation.*

1. If the RSA director and permittee do not resolve permit violation(s) informally under KPB 14.40.300(C)(2), or if the violations cannot be resolved informally, the RSA director may revoke any permit issued under KPB chapter 14.40. The RSA director is not required to engage in an informal resolution process before revoking a permit.
2. A permit may be revoked at the discretion of the RSA director for failure to comply with the terms of the permit or borough code, or for impacts to the exercise of borough duties, access, or public safety. The permittee is entitled to review before the RSA board regarding the revocation subject to KPB 14.40.130.
3. A permittee who continues with work under a revoked permit is subject to fines as set forth in KPB 14.40.380.

E.[E] No remedy provided in this section is exclusive, but is cumulative of all other remedies available under this chapter or at law or in equity.

SECTION 8. That this ordinance shall take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF * 2020.

Kelly Cooper, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Roads Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor CP

FROM: Dil Uhlin, Roads Director DU

DATE: June 4, 2020

RE: Ordinance 2020-32 Amending KPB 1.24, General Penalty and KPB 12.04, Parking Regulations to Replace Civil Fines with Citations to Improve Enforcement and be Consistent with Other Recent Code Updates (Mayor)

The borough is in the process of updating ordinances relating to the Roads Department. During the review process, the citizens of Lowell Point Subdivision in Seward, Alaska contacted the Roads Department regarding enforcement of the "No Parking" and "Tow Away" zone signs located throughout the neighborhood. The residents submitted a petition, signed by more than 50 percent of the land owners, requesting the borough enforce the signs.

Upon researching the signage issues, the borough could not locate any authorization for placement of the signs. Additionally, a review of the enforcement section of the code, KPB 12.04, indicated a need for revision.

On May 12, 2020, the Road Service Area Board ("Board") passed Resolution 2020-003 officially authorizing the "No Parking" and "Tow Away" zone signs. The Board determined these signs are necessary in order to prevent significant congestion which prevents emergency vehicles from gaining access through the residential streets during an emergency, particularly during the busy summer months.

That same day, the Board approved Resolution 2020-004, recommending amendments to KPB 1.24 and KPB 12.04. The amendments update a violation of the parking regulations from a civil matter to an infraction, allowing the matter to be resolved by a simple citation. The amendment also removes the graduated penalties of first, second, and third offenses since a code enforcement officer would have no way of knowing this information while in the field.

Page -2-
June 4, 2020
RE: O202- 32

These changes are consistent with other recent borough code amendments and allow for uniformity in processing violations of borough code.

Your consideration is appreciated.



May 1, 2020

Kenai Peninsula Borough
Attn: Johni Blankenship
VIA Email: jblankenship@kpb.us
CC: micheleturner@kpb.us
tshassetz@kpb.us
sness@kpb.us
dhenry@kpb.us

License Number:	22294
License Type:	Retail Marijuana Store
Licensee:	Alaskan Grown Products LLC
Doing Business As:	ALASKAN GROWN CANNABIS
Physical Address:	14477 Sterling Highway Ninilchik, AK 99639
Designated Licensee:	Kalla Peacock
Phone Number:	907-312-8521
Email Address:	alaskangrownproducts@gmail.com

New Application **New Onsite Consumption Endorsement Application (Retail Only)**

AMCO has received a complete application for a marijuana establishment within your jurisdiction. This notice is required under 3 AAC 306.025(d)(2). Application documents will be sent to you separately via ZendTo.

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant. If the protest is a “conditional protest” as defined in 3 AAC 306.060(d)(2) and the application otherwise meets all the criteria set forth by the regulations, the Marijuana Control Board may approve the license, but require the applicant to show to the board’s satisfaction that the requirements of the local government have been met before the director issues the license.

3 AAC 306.010, 3 AAC 306.080, and 3 AAC 306.250 provide that the board will deny an application for a new license if the board finds that the license is prohibited under AS 17.38 as a result of an ordinance or election conducted under AS 17.38 and 3 AAC 306.200, or when a local government protests an application on the grounds that the proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

This application will be in front of the Marijuana Control Board at our June 10-11, 2020 meeting.

Department of Commerce, Community, and Economic Development
CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

State of Alaska / Commerce / Corporations, Business, and Professional Licensing / Search & Database Download / Corporations / Entity Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Alaskan Grown Products LLC

Entity Type: Limited Liability Company

Entity #: 10079221

Status: Good Standing

AK Formed Date: 2/28/2018

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2022

Entity Mailing Address: HC89 BOX 255, WILLOW , AK 99688

Entity Physical Address: 59686 SOUTH HUSKY BLVD., WILLOW , AK 99688

Registered Agent

Agent Name: Jana Weltzin

Registered Mailing Address: 901 PHOTO AVE, ANCHORAGE, AK 99503

Registered Physical Address: 901 PHOTO AVE, ANCHORAGE, AK 99503

Officials

Show Former

AK Entity #	Name	Titles	Owned
	Kailia Peacock	Member, Manager	100.00

Filed Documents

Date Filed	Type	Filing	Certificate
2/28/2018	Creation Filing	Click to View	Click to View
3/26/2018	Initial Report	Click to View	
4/02/2018	Agent Change	Click to View	
4/26/2018	Amendment	Click to View	Click to View
6/04/2019	Agent Change	Click to View	
12/19/2019	Biennial Report	Click to View	

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THE STATE of ALASKA

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 485-2550 • Email: corporations@alaska.gov
Website: corporations.alaska.gov

AK Entity #: 10079221
State of Alaska, COR

FOR DIVISION USE ONLY

Domestic Limited Liability Company

2020 Biennial Report

For the period ending December 31, 2019

Due Date: This report along with its fees are due by January 2, 2020

Fees: If postmarked before February 2, 2020, the fee is \$100.00.

If postmarked on or after February 2, 2020 then this report is delinquent and the fee is \$137.50.

Entity Name: Alaskan Grown Products LLC
Entity Number: 10079221
Home Country: UNITED STATES
Home State/Prov.: ALASKA

Registered Agent information cannot be changed on this form. Per Alaska Statutes, to update or change the Registered Agent information this entity must submit the Statement of Change form for this entity type along with its filing fee.
Name: Jana Weitzin
Physical Address: 901 PHOTO AVE, ANCHORAGE, AK 99503
Mailing Address: 901 PHOTO AVE, ANCHORAGE, AK 99503

Officials: The following is a complete list of officials who will be on record as a result of this filing.

- Provide all officials and required information. Use only the titles provided.
Mandatory Members: this entity must have at least one (1) Member. A Member must own a % in addition, this entity must provide all Members who own 5% or more of the entity. A Member may be an individual or another entity.
Manager: If the entity is manager managed (per its articles or amendment) then there must be at least (1) Manager provided. A Manager may be a Member if the Manager also owns a % of the entity.

Table with 4 columns: Full Legal Name, Complete Mailing Address, % Owned, Member. Row 1: Kaila Peacock, HC89 BOX 255, WILLOW, AK 99688, 100.00, X

If necessary, attach a list of additional officers on a separate 8.5 X 11 sheet of paper.

Purpose: To cultivate, process, and retail misc. crops and goods, and any other lawful purpose.

NAICS Code: 111998 - ALL OTHER MISCELLANEOUS CROP-FARMING

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means

OPERATING AGREEMENT

Alaskan Grown Products, LLC
an Alaska limited liability company

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**OPERATING AGREEMENT
OF
Alaskan Grown Products,
LLC**

an Alaska limited liability company

THIS OPERATING AGREEMENT (this "Agreement") is entered into to be effective as of ~~August 2, 2018~~ (the "Effective Date"), by and among each of the persons listed on ~~Exhibit A and executing this Agreement~~, or a counterpart thereof, as Members of Alaskan Grown Products, LLC, an Alaska limited liability company (the "Company").

Section I

Formation; Name and Office; Purpose

1.1. *Formation.* Pursuant to the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995 (the "Act"), the parties have formed an Alaska limited liability company effective upon the filing of the Articles of Organization of this Company (the "Articles") with the State of Alaska Department of Commerce, Community, and Economic Development. The parties have executed this Agreement to serve as the "Operating Agreement" of the Company, as that term is defined in A.S. section 10.50.095, and, subject to any applicable restrictions set forth in the Act, the business and affairs of the Company, and the relationships of the parties to one another, shall be operated in accordance with and governed by the terms and conditions set forth in this Agreement. By executing this Agreement, the Members certify that those executing this Agreement constitute all of the Members of the Company at the time of its formation. The parties agree to execute all amendments of the Articles, and do all filing, publication, and other acts as may be appropriate from time to time hereafter to comply with the requirements of the Act.

1.2. *Name and Known Place of Business.* The Company shall be conducted under the name of Alaskan Grown Products, LLC and the known place of business of the Company shall be at 59686 SOUTH HUSKY BLVD., WILLOW, AK 99688 or such other place as the Manager may from time to time determine.

1.3. *Purpose.* The purpose and business of this Company shall be for a commercial marijuana retail, manufacturing, cultivation facility, and any other lawful purpose as may be determined by the Members. The Company shall have the power to do any and all acts and things necessary, appropriate, or incidental in furtherance of such purpose.

1.4. *Treatment as a Partnership.* It is the intent of the Members that the Company shall always be operated in a manner consistent with its treatment as a partnership for federal income tax purposes, but that the Company shall not be operated or treated as a

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partnership for purposes of the federal Bankruptcy Code. No Member shall take any action inconsistent with this intent.

**Section II
Definitions**

The following terms shall have the meanings set forth in this Section II:

"Act" means the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995, as amended from time to time (or any corresponding provisions of succeeding law).

"Affiliate" means, with respect to any Interest Holder or Member, any Person: (i) who is a member of the Interest Holder's or Member's Family; (ii) which owns more than ten percent (10%) of the voting or economic interests in the Interest Holder or Member; (iii) in which the Interest Holder or Member owns more than ten percent (10%) of the voting or economic interests; or (iv) in which more than ten percent (10%) of the voting or economic interests are owned by a Person who has a relationship with the Interest Holder or Member described in clause (i), (ii), or (iii) above.

"Capital Contribution" means the total amount of cash and the fair market value of any other assets contributed (or deemed contributed under Regulation Section 1.704-1(b)(2)(v)(d)) to the Company by an Interest Holder, net of liabilities secured by the contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code.

"Cash Flow" means all cash funds derived from operations of the Company (including interest received on reserves), without reduction for any non-cash charges, but less cash funds used to pay current operating expenses and to pay or establish reasonable reserves for future expenses, debt payments, capital improvements, and replacements as determined by the Members. Cash Flow shall be increased by the reduction of any reserve previously established.

"Event of Withdrawal" means those events and circumstances listed in Section 10.50.220 and 10.50.225 of the Act provided, however, that following an Event of Withdrawal described in Section 10.50.220 and 10.50.225(4) of the Act the Member shall remain a Member until it ceases to exist as a legal entity.

"Family" means a Person's spouse, lineal ancestor, or descendant by birth or adoption, sibling, and trust for the benefit of such Person or any of the foregoing.

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“Fiscal Year” or “Annual Period” means the fiscal year of the Company, as determined under Section V.

“Interest” means a Person’s share of the Profits and Losses (and specially allocated items of income, gain, and deduction) of, and the right to receive distributions from, the Company.

“Interest Holder” means any Person who holds an Interest, whether as a Member or as an unadmitted assignee of a Member.

“Involuntary Transfer” shall include, without limitation, any Transfer of a Member or Interest Holder’s Interest pursuant to any order of any court relating to any petition for divorce, legal separation, marital dissolution, or annulment, or any guardianship, conservatorship, or other protective proceeding.

“Majority in Interest” means one or more Members who own, collectively, a simple majority of the Percentage Interests held by Members.

“Majority of the Members” means one or more of the Members, regardless of the Percentage Interest held by the Members.

“Member” means each Person signing this Agreement and any Person who subsequently is admitted as a member of the Company until such time as an Event of Withdrawal has occurred with respect to such Member.

“Membership Rights” means all of the rights of a Member in the Company, including a Member’s: (i) Interest, (ii) right to inspect the Company’s books and records, and (iii) right to participate in the management of and vote on matters coming before the Company.

“Percentage Interest” means, as to a Member, the percentage set forth after the Member’s name on **Exhibit A**, as amended from time to time, and, as to an Interest Holder who is not a Member, the Percentage of the Member whose Interest has been acquired by such Interest Holder, to the extent the Interest Holder has succeeded to that Member’s Interest.

“Person” means and includes an individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.

“Property” means all real and personal property (including cash) acquired by the Company, and any improvements thereto.

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“Transfer” means, when used as a noun, any voluntary or involuntary sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, means voluntarily or involuntarily to sell, hypothecate, pledge, assign, or otherwise transfer.

Section III Capital Contributions

3.1. Capital Contributions.

3.1.1. *Initial Capital Contributions.* Upon the execution of this Agreement, the Members have or shall make contributions to the capital of the Company as set forth in **Exhibit A** attached hereto and by this reference made a part hereof.

3.1.2. *Additional Capital Contributions.* No Member shall be required to contribute any additional capital to the Company, and no Member shall have any personal liability for any obligation of the Company.

3.2. *Withdrawal or Return of Capital Contributions.* Except as specifically provided in this Agreement, no Interest Holder shall have the right to withdraw or reduce the Capital Contributions he or she makes to the Company. Upon dissolution of the Company or liquidation of his or her interest in the Company, each Interest Holder shall look solely to the assets of the Company for return of his or her Capital Contributions and, if the Company’s property remaining after the payment or discharge of the debts, obligations, and liabilities of the Company is insufficient to return the Capital contributions of each Interest Holder, no Interest Holder shall have any recourse against the Company, any Interest Holder, or Member except for gross negligence, malfeasance, bad faith, or fraud.

3.3. *Form of Return of Capital.* Under circumstances requiring a return of any Capital Contributions, no Interest Holder shall have the right to receive property other than cash except as may be specifically provided herein.

3.4. *In the Event of Member Loans.* All Member Loans made pursuant to Section 3.4 shall bear interest at the prime rate of interest as reported by *the Wall Street Journal - Western Edition*, shall be unsecured, and shall be repaid in full out of available funds of the Company before any distribution may be made to any Member. If more than one Member has made a Member Loan, repayment shall be made to each Member in proportion to the amount of principal each has advanced.

Section IV

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Distributions

4.1. *Distributions.* Except as otherwise provided in this Agreement, distributions shall be made to the Interest Holders at such times and in such amounts as determined by the Manager. Distributions will be made to Interest Holders *pro rata*, in proportion to their Percentage Interests.

4.2. General.

4.2.1. *Form of Distribution.* In connection with any distribution, no Interest Holder shall have the right to receive Property other than cash except as may be specifically provided herein. If any assets of the Company are distributed in kind to the Interest Holders, those assets shall be valued on the basis of their fair market value, and any Interest Holder entitled to any interest in those assets shall receive that interest as a tenant-in-common with all other Interest Holders so entitled. Unless the Interest Holders otherwise agree, the fair market value of the assets shall be determined by an independent appraiser who shall be selected by the Manager.

4.2.2. *Withholding.* All amounts required to be withheld pursuant to Code Section 1446 or any other provision of federal, state, or local tax law shall be treated as amounts actually distributed to the affected Interest Holders for all purposes under this Agreement.

4.2.3. *Varying Interests; Distributions in Respect to Transferred Interests.* If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, all distributions on or before the date of such transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee. Solely for purposes of making distributions, and allocating Profits, Losses, and other items of income, gain, loss, and deduction pursuant to **Exhibit B** hereof, the Company shall recognize the

transfer not later than the end of the calendar month during which it is given notice of such, provided that if the Company does not receive a notice stating the date such Interest was transferred and such other information as it may reasonably require within thirty (30) days after the end of the Fiscal Year during which the transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the person who, according to the books and records of the Company, on the last day of the Fiscal Year during which the transfer occurs, was the owner of the Interest. Neither the Company nor any Interest Holder shall incur any liability for making allocations and distributions in accordance with the provisions of this Section, whether or not any Interest Holder or the Company has knowledge of any transfer of ownership of Interest.

Section V Management

5.1. *Management.* Subject to the rights under the Act or the provisions of this Agreement to approve certain actions, the business and affairs of the Company shall be managed exclusively by its Manager. The Members shall vote and select a Manager that will direct, manage, and control the business of the Company to the best of their ability and, subject only to those restrictions set forth in the Act or this Agreement, shall have full and complete authority, power, and discretion to make any and all decisions and to do any and all things which the Manager deem appropriate to accomplish the business and objectives of the Company. Each Member agrees not to incur any liability on behalf of the other Members or otherwise enter into any transaction or do anything which will subject the other Members to any liability, except in all instances as contemplated hereby.

5.2. *Certain Management Powers of the Manager.* Without limiting the generality of Section 5.1, the Manager shall have power and authority on behalf of the Company:

5.2.1. In the ordinary course of business, to acquire property from and sell property to any person as the Manager may determine after a majority approval vote of all members interest. The fact that a Manager is directly or indirectly affiliated or connected with any such person shall not prohibit dealing with that Person;

5.2.2. Use credit facilities and borrow money for the Company from banks, other lending institutions, the Interest Holders, or Affiliates of the Interest Holders, on such terms as approved by the Manager, and in connection therewith, to hypothecate, encumber, and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt or other obligation shall be contracted or liability incurred by or on behalf of the Company by the Member;

5.2.3. To purchase liability and other insurance to protect the Company's property and business;

5.2.4. To hold and own any Company real and personal property in the name of the Company or others as provided in this Agreement;

5.2.5. Execute on behalf of the Company all instruments and documents, including, without limitation, checks, drafts, notes, and other negotiable instruments, mortgages, or deeds of trust, security agreements, financing statements, documents providing for the acquisition, mortgage, or disposition of the Company's property, assignments, bills of sale, leases, partnership agreements, and any other instruments or documents necessary, in the opinion of the Manager, to accomplish the purposes of the Company;

5.2.6. To employ accountants, legal counsel, managing agents, or other experts to perform services for the Company and compensate them from Company funds;

5.2.7. Except for the agreements described in Section 5.3.6 below, to enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Manager may approve;

5.2.8. To vote any shares or interests in other entities in which Company holds an interest;

5.2.9. To do and perform all other acts as may be necessary or appropriate to accomplish the purposes of the Company; and

5.2.10. To take such other actions as do not expressly require the consent of any non-managing Members under this Agreement.

A Manager may act by a duly authorized attorney-in-fact. Unless authorized to do so by this Agreement, no Member, agent, or employee of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, or to render it liable for any purpose.

5.3. *Actions Requiring Approval of the Members.* In addition to those actions for which this Agreement specifically requires the consent of the Members, the following actions require approval by a Majority of the Members:

5.3.1. Amend this Agreement or the Articles, except that any amendments required under the Act to correct an inaccuracy in the Articles may be filed at any time;

5.3.2. Authorize the Company to make an assignment for the benefit of creditors of the Company, file a voluntary petition in bankruptcy, or consent to the appointment of a receiver for the Company or its assets; or

5.3.3. Approve a plan of merger or consolidation of the Company with or into one or more business entities;

5.3.4. Borrow money for the Company from banks, other lending institutions, the Interest Holders, Members, or Affiliates of the Interest Holders or to hypothecate, encumber, or grant security interests in the assets of the Company;

5.3.5. Sell or otherwise dispose of all or substantially all of the assets of the Company in a single transaction or a series of related transactions; or

5.3.6. Enter into any contract or agreement between the Company and any Member, Interest Holder, or Affiliate of a Member or Interest Holder without the consent of a Majority of the Members.

5.4. *Manager Have No Exclusive Duty to Company.* The Manager shall not be required to manage the Company as the Manager's sole and exclusive function and the Manager may engage in other business and investment activities in addition to those relating to the Company. Neither the Company nor any Interest Holder shall have any right, solely by virtue of this Agreement or its relationship to a Member or the Company, to share or participate in any such other investments or activities of the Members or to the income or proceeds derived therefrom. Manager shall not have any obligation to disclose any such other investments or activities to the Interest Holders unless it actually or potentially adversely affects the business or property of the Company.

5.5. *Compensation and Expenses.* The Company may enter into management or employment contracts, under such terms and conditions and providing for such compensation as shall be approved by the Manager, with one or more Member or Interest Holders or Persons Affiliated with the Member or Interest Holders.

5.6. *Books and Records.* At the expense of the Company, the Manager shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of transactions with respect to the conduct of the Company's business. The books and records shall be maintained in accordance with sound accounting practices and kept at the Company's known place of business and such other location or locations as the Manager shall from time to time determine. At a minimum the Company shall keep at its known place of business the following records:

ALASKAN GROWN PRODUCTS, LLC
OPERATING AGREEMENT

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5.6.1. A current list of the full name and last known business, residence, or mailing address of each Member;

5.6.2. A copy of the initial Articles and all amendments thereto and restatements thereof;

5.6.3. Copies of the Company's federal, state, and local income tax returns and reports, if any, for the three most recent fiscal years;

5.6.4. Copies of this Agreement and all amendments hereto or restatements hereof, including any prior operating agreements no longer in effect;

5.6.5. Copies of any documents relating to a Member's obligation to contribute cash, property, or services to the Company;

5.6.6. Copies of any financial statements of the Company for the three (3) most recent fiscal years; and

5.6.7. Copies of minutes of all meetings of the Members and all written consents obtained from Members for actions taken by Members without a meeting.

5.7. *Financial Accounting / Member Access to Books and Records.* The Manager shall prepare and make available a financial accounting of the Company no less than once every sixty (60) days. Within three (3) calendar days following written notice, which may be submitted in writing, via facsimile or electronic mail, each Member shall have the right, during normal business hours, to inspect and copy, at the Member's expense, the Company's books and records.

5.8. *Reports.* Within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each Person who was a Member at any time during the Fiscal Year a complete accounting of the affairs of the Company for the Fiscal Year then ended. In addition, within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each Person who was an Interest Holder at any time during the Fiscal Year, the tax information concerning the Company which is necessary for preparing the Interest Holder's income tax returns for that year. At the request of any Member, and at the Member's expense, the Members shall cause an audit of the Company's books and records to be prepared by independent accountants for the period requested by the Member.

5.9. *Title to Company Property.*

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OPERATING AGREEMENT

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5.9.1. Except as provided in Section 5.9.2, all real and personal property acquired by the Company shall be acquired and held by the Company in its name.

5.9.2. Ten (10) days after giving notice, the Manager may direct that legal title to all or any portion of the Company's property be acquired or held in a name other than the Company's name. Without limiting the foregoing, the Manager may cause title to be acquired and held any one Member's name or in the names of trustees, nominees, or straw parties for the Company. It is expressly understood and agreed that the manner of holding title to the Company's property (or any part thereof) is solely for the convenience of the Company and all of that property shall be treated as Company property. The notice to be given to the Members under this section shall identify the asset or assets to be titled outside of the Company name, the Person in whom legal title is intended to vest, and the reason for the proposed transaction. If any Member provides written notice of an objection to the transaction before the expiration of the ten (10) day period, the transaction shall not be consummated except upon approval of a Majority of the Members.

Section VI Members

6.1. *Meetings.* Unless otherwise prescribed by the Act, meetings of the Members may be called, for any purpose or purposes, by a Majority of the Members.

6.2. *Place of Meetings.* Whoever calls the meeting may designate any place, either within or outside the State of Alaska, as the place of meeting for any meeting of the Members.

6.3. *Notice of Meetings.* Except as provided in this Agreement, written notice stating the date, time, and place of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered not less than three (3) nor more than fifty (50) days before the date of the meeting, either personally or by mail, electronic mail, facsimile, or overnight or next-day delivery services by or at the direction of the person or persons calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the Member at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or fax number, if any, for the respective Member which has been supplied by such Member to the Company and identified as such Member's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the Member at his or her address as it appears on the books of the Company. When a meeting is adjourned to another time or place, notice need

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not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than thirty (30) days. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting.

6.4. *Meeting of All Members.* If all of the Members shall meet at any time and place, including by conference telephone call, either within or outside of the State of Alaska, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice.

6.5. *Record Date.* For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof, unless notice of the adjourned meeting is required to be given pursuant to Section 6.3.

6.6. *Quorum.* A Majority of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. Business may be conducted once a quorum is present.

6.7. *Voting Rights of Members.* Each Member shall be entitled to one (1) vote on all matters stipulated herein. If all of an Interest is transferred to an assignee who does not become a Member, the Member from whom the Interest is transferred shall no longer be entitled to vote. No withdrawn Member shall be entitled to vote nor shall such Member's Interest be considered outstanding for any purpose pertaining to meetings or voting.

6.8. *Manner of Acting.* Unless otherwise provided in the Act, the Articles, or this Agreement, the affirmative vote of a Majority of the Members at a meeting at which a quorum is present shall be the act of the Members.

6.9. *Proxies.* At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of its exercise. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

6.10. *Action by Members without a Meeting.* Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, circulated to all the Members with an explanation of the background and reasons for the proposed action, signed by that percentage or number of the Members required to take or approve the action. Any such

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written consent shall be delivered to the Members of the Company for inclusion in the minutes or for filing with the Company records. Action taken by written consent under this Section shall be effective on the date the required percentage or number of the Members have signed and delivered the consent to all Members, unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the written consent is circulated to the Members.

6.11. *Telephonic Communication.* Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person, except where the Member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground the meeting is not lawfully called or convened.

6.12. *Waiver of Notice.* When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

Section VII Transfers and Withdrawals

7.1. *Transfers.* Except as otherwise provided in this Section VII no Member may Transfer all, or any portion of, or any interest or rights in, the Membership Rights owned by the Member, and no Interest Holder may Transfer all, or any portion of, or any interest or rights in, any Interest without the prior written consent of the other Members, which consent may be withheld in the Members' sole and absolute discretion. Any sale or foreclosure of a security interest will itself constitute a Transfer independent of the grant of security. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship of the Members. The Transfer of any Membership Rights or Interests in violation of the prohibition contained in this Section shall be deemed invalid, null, and void, and of no force or effect. Any Person to whom Membership Rights or an Interest are attempted to be transferred in violation of this Section shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive allocations or distributions from the Company, or have any other rights in or with respect to the Membership Rights or Interest.

7.2. *Withdrawal.* Except as otherwise provided in this Agreement, no Member shall have the right to withdraw from the Company. Any such withdrawal shall constitute a material breach of this Agreement and the Company shall have the right to recover damages from the withdrawn member and to offset the damages against any amounts otherwise distributable to such Member under this Agreement.

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73. *Option on Death, Bankruptcy or Involuntary Transfer.* On the death, bankruptcy, or similar event (whether voluntary or involuntary) of a Member or Interest Holder, and upon any Involuntary Transfer, the Member or Interest Holder (or such Person's estate) shall offer, or shall automatically be deemed to have offered, to sell the Member's or Interest Holder's Interest to the Company or its nominee. Upon the approval of a Majority of the Members other than the offering Member, the Company or its nominee shall have the right and option, within seventy-five (75) days after the Members' actual knowledge of the death, bankruptcy, or similar event, to acquire the Interest, for the purchase price and on the terms set forth in Exhibit C attached hereto and made a part hereof. If the Interest is not purchased by the Company or its nominee, the Interest shall be transferred to the assignee of the Interest but shall remain fully subject to and bound by the terms of this Agreement.

74. *No Transfer of Membership Rights.* The Transfer of an Interest shall not result in the Transfer of any of the Transferring Member's other Membership Rights, if any, and unless the transferee is admitted as a Member pursuant to Section VII of this Agreement, the transferee shall only be entitled to receive, to the extent transferred, the share of distributions, including distributions representing the return of contributions, and the allocation of Profits and Losses (and other items of income, gain, or deduction), to which the Transferring Member would have otherwise been entitled with respect to the Transferring Member's Interest. The transferee shall have no right to participate in the management of the business and affairs of the Company or to become or to exercise any rights of a Member.

75. *Substitute Members.* Notwithstanding any provision of this Agreement to the contrary, an assignee of a Member may only be admitted as a substitute Member upon the written consent of a Majority of the non-transferring Members, which consent may be withheld in the Members' sole and absolute discretion.

76. *Additional Members.* The Company shall not issue additional Interests after the date of formation of the Company without the written consent or approval of a Majority of the Members, which consent may be withheld in the Members' sole and absolute discretion.

77. *Expenses.* Expenses of the Company or of any Interest Holder occasioned by transfers of Interests shall be reimbursed to the Company or Interest Holder, as the case may be, by the transferee.

78. *Distributions on Withdrawal.* Upon the occurrence of an Event of Withdrawal with respect to a Member, the withdrawn Member shall not be entitled to receive a withdrawal distribution but the withdrawn Member (or the withdrawn Member's

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personal representatives, successors, and assigns) shall be entitled to receive the share of distributions, including distributions representing a return of Capital Contributions, and the allocation of Profits and Losses, to which the withdrawn Member otherwise would have been entitled if the Event of Withdrawal had not occurred, during the continuation of the business of the Company and during and on completion of winding up. If the Event of Withdrawal violated this Agreement, the distributions paid to the withdrawn Member shall be offset by any damages suffered by the Company or its Members as a result of the Event of Withdrawal.

Section VIII Dissolution and Termination

8.1. Dissolution.

8.1.1. *Events of Dissolution.* The Company will be dissolved upon the occurrence of any of the following events:

8.1.1.1. Upon the written consent of a Majority of the Members;

8.1.1.2. Upon the entry of a decree of dissolution under Section 10.50.405 of the Act or an administrative dissolution under Section 10.50.408 of the Act;

8.1.1.3. Upon the sale or other disposition of all or substantially all of the Company's assets and receipt by the Company of the proceeds therefrom; or

8.1.1.4. Upon the occurrence of an Event of Withdrawal of the last remaining Member unless within ninety (90) days all assignees of Interests in the Company consent in writing to admit at least one member to continue the business of the company.

8.2. *Continuation.* An Event of Withdrawal with respect to a Member shall not cause dissolution, and the Company shall automatically continue following such an Event of Withdrawal.

8.3. *Distributions and Other Matters.* The Company shall not terminate until its affairs have been wound up and its assets distributed as provided herein. Promptly upon the dissolution of the Company, the Members shall cause to be executed and filed a Notice of Winding Up with the Alaska Department of Commerce, Community, and Economic Development, and will liquidate the assets of the Company and apply and distribute the proceeds of such liquidation, or distribute the Company's assets in kind, as follows and in the following order:

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8.3.1. *Ordinary Debts.* To payment of the debts and liabilities of the Company, including debts owed to Interest Holders, in the order of priority provided by law, provided that the Company shall first pay, to the extent permitted by law, liabilities with respect to which any Interest Holder is or may be personally liable;

8.3.2. *Reserves and Distributions.* To the setting up of such reserves as the Members may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the Company business;

8.3.3. *Remainder.* The balance of the proceeds shall be distributed to the Interest Holders in accordance with the positive balance in their Capital Accounts, determined as though all of the Company assets were sold for cash at their fair market value as of the date of distribution. Any such distributions shall be made in accordance with the timing requirements of Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).

8.4. *Deficit Capital Accounts.* Notwithstanding anything to the contrary in this Agreement, if any Interest Holder's Capital Account has a deficit balance (taking into account all contributions, distributions, and allocations for the year in which a liquidation occurs), the Interest Holder shall not be obligated to make any contribution to the capital of the Company and the negative balance of such Interest Holder's Capital Account shall not be considered a debt owed by the Interest Holder to the Company or to any other person for any purpose whatsoever.

8.5. *Rights of Interest Holders—Distributions of Property.* Except as otherwise provided in this Agreement, each Interest Holder shall look solely to the assets of the Company for the return of his or her Capital Contribution and shall have no right or power to demand or receive property other than cash from the Company. No Interest Holder shall have priority over any other Interest Holder for the return of his or her Capital Contributions, distributions, or allocations.

8.6. *Articles of Termination.* When all the assets of the Company have been distributed as provided herein, the Members shall cause to be executed and filed Articles of Termination as required by the Act.

Section IX Other Interests of an Interest Holder

Any Interest Holder may engage in or possess interests in other business ventures of every nature and description, independently or with others. Neither the Company nor any Interest Holder shall have any right to any independent ventures of any other Interest Holder or to the income or profits derived therefrom. The fact that an Interest Holder, a member of his or her Family, or an Affiliate is employed by, or owns, or is otherwise

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directly or indirectly interested in or connected with, any person, firm, or corporation employed or retained by the Company to render or perform services, including without limitation, management, contracting, mortgage placement, financing, brokerage, or other services, or from whom the Company may buy property or merchandise, borrow money, arrange financing, or place securities, or may lease real property to or from the Company, shall not prohibit the Company from entering into contracts with or employing that person, firm, or corporation or otherwise dealing with him or it, and neither the Company nor any of the Interest Holders as such shall have any rights in or to any income or Profits derived therefrom.

Section X Indemnity

101. *Indemnity Rights.* The Company shall indemnify each Interest Holder who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of his or her actions as an Interest Holder or by reason of his or her acts while serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses, including attorneys' fees, and against judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, provided that the acts of such Interest Holder were not committed with gross negligence or willful misconduct, and, with respect to any criminal action or proceeding, such Interest Holder had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or its equivalent, shall not, in and of itself, create a presumption that the Interest Holder acted with gross negligence or willful misconduct, or with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

102. *Notice and Defense.* Any Interest Holder who is or may be entitled to indemnification shall give timely written notice to the Company, the Interest Holders that a claim has been or is about to be made against him or her, shall permit the Company to defend him or her through legal counsel of its own choosing, and shall cooperate with the Company in defending against the claim. The Interest Holder shall have the sole power and authority to determine the terms and conditions of any settlement of the claim.

103. *Other Sources.* The indemnification provided for herein shall apply only in the event, and to the extent that, the person is not entitled to indemnification, or other payment, from any other source (including insurance), and the Company's indemnity obligations hereunder shall be in excess of any indemnification or other payment provided by such other source.

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104. *Survival.* The indemnification provided for herein shall continue as to a person who has ceased to be an Interest Holder and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section XI Miscellaneous

111. *Notices.* Any notice, demand, offer, or other communication which any person is required or may desire to give to any other person shall be delivered in person or by United States mail, electronic mail, facsimile, or overnight or next-day delivery service. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the person at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or facsimile number, if any, for the person which has been supplied by such person and identified as such person's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the person at his or her address as it appears on the books of the Company.

112. *Bank Accounts.* All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Manager shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.

113. *Partial Invalidity.* The invalidity of any portion of this Agreement will not affect the validity of the remainder hereof.

114. *Governing Law; Parties in Interest.* This Agreement will be governed by and construed according to the laws of the State of Alaska without regard to conflicts of law principles and will bind and inure to the benefit of the heirs, successors, assigns, and personal representatives of the parties.

115. *Execution in Counterparts.* This Agreement may be executed in counterparts, all of which taken together shall be deemed one original.

116. *Titles and Captions.* All article, section, or paragraph titles or captions contained in this Agreement are for convenience only and are not deemed part of the context thereof.

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117. *Pronouns and Plurals.* All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or persons may require.

118. *Waiver of Action for Partition.* Each of the Interest Holders irrevocably waive any right that he or she may have to maintain any action for partition with respect to any of the Company Property.

119. *Entire Agreement.* This Agreement contains the entire understanding between the parties, and supersedes any prior understandings and agreements between or among them with respect to the subject matter hereof.

11.10. *Estoppel Certificate.* Each Member shall, within ten (10) days after written request by any Member or the Members, deliver to the requesting Person a certificate stating, to the Member's knowledge, that: (a) this Agreement is in full force and effect; (b) this Agreement has not been modified except by any instrument or instruments identified in the certificate; and (c) there is no default hereunder by the requesting Person, or if there is a default, the nature and extent thereof.

Section XII Arbitration

If the parties are unable to resolve any dispute arising out of this Agreement either during or after its term informally, including the question as to whether any particular matter is arbitrable, the parties agree to submit the matter to binding arbitration. In the event the parties have not agreed upon an arbitrator within twenty (20) days after either party has demanded arbitration, either party may file a demand for arbitration with an Alaska regional office of the American Arbitration Association ("AAA") and a single arbitrator shall be appointed in accordance with the then existing Commercial Arbitration Rules of the AAA. At all times during arbitration, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of disputes, and the arbitrator shall limit discovery whenever appropriate to insure that this purpose is preserved. The dispute between the parties shall be submitted for determination within sixty (60) days after the arbitrator has been selected. The decision of the arbitrator shall be rendered within thirty (30) days after the conclusion of the arbitration hearing. The decision of the arbitrator shall be in writing and shall specify the factual and legal basis for the decision. Upon stipulation of the parties, or upon a showing of good cause by either party, the arbitrator may lengthen or shorten the time periods set forth herein for conducting the hearing or for rendering a decision. The decision of the arbitrator shall be final and binding upon the parties. Judgment to enforce the decision of the arbitrator, whether for legal or equitable relief, may be entered in any court having jurisdiction thereof, and the parties

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hereto expressly and irrevocably consent to the jurisdiction of the Alaska Courts for such purpose. The arbitrator shall conduct all proceedings pursuant to the then existing Commercial Arbitration Rules of the AAA, to the extent such rules are not inconsistent with the provisions of this Article III. The AAA Uniform Rules of Procedure shall not apply to any arbitration proceeding relating to the subject matter or terms of the documents. In the event a dispute is submitted to arbitration pursuant to this Section, the prevailing party shall be entitled to the payment of its reasonable attorneys' fees and costs, as determined by the arbitrator. Each of the parties shall keep all disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

Section XIII
Agreement of Spouses of Members

By executing this Agreement, the spouse of each Interest Holder acknowledges and consents to the terms and conditions of this Agreement and agrees, for himself or herself and for the community of himself and herself and the Interest Holder, to be bound hereby. Each spouse of an Interest Holder, for himself or herself and the community of which he or she is a member, hereby irrevocably appoints the Interest Holder as attorney-in-fact with an irrevocable proxy coupled with an interest to vote on any matter to come before the Members or to agree to and execute any amendments of this Agreement without further consent or acknowledgment of the spouse and to execute proxies, instruments, or documents in the spouse's name as may be required to effect the same. This power of attorney is intended to be durable and shall not be affected by disability of the spouse.

Section XIV
Representation

The parties hereby acknowledge that (i) JDW, LLC (the "Firm") has represented Alaskan Grown Products, LLC in connection with the drafting of this Operating Agreement; (ii) that each of the signatories has been advised to seek independent counsel in connection with such matters; and (iii) that the Firm does not represent any Member individually either directly or indirectly, but rather represents the Company. Payment of the Firm's fees by the Company shall not alter or amend any of the relationships.

IN WITNESS WHEREOF, the Members have executed this Operating Agreement, effective as of the date first set forth above.

Signatures of the Members follow on Page 21.

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MEMBERS:


Kaitia Peacock

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EXHIBIT B

Tax Matters

1. *Definitions.* The capitalized words and phrases used in this **Exhibit B** shall have the following meanings:

1.1. "*Adjusted Book Value*" means with respect to Company Property, the Property's Initial Book Value with the adjustments required under this Agreement.

1.2. "*Adjusted Capital Account Deficit*" means, with respect to any Interest Holder, the deficit balance, if any, in the Interest Holder's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

121. the Capital Account shall be increased by the amounts which the Interest Holder is obligated to restore under this Agreement or is deemed obligated to restore pursuant to Regulation Sections 1.704-2(g)(1) and (i)(5) (i.e., the Interest Holder's share of Minimum Gain and Member Minimum Gain); and

122. the Capital Account shall be decreased by the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

This definition of Adjusted Capital Account Deficit is intended to comply with Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with that Regulation.

1.3. "Capital Account" means the account maintained by the Company for each Interest Holder in accordance with the following provisions:

131. An Interest Holder's Capital Account shall be credited with the amount of money contributed by the Interest Holder to the Company; the fair market value of the Property contributed by the Interest Holder to the Company (net of liabilities secured by such contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code); the Interest Holder's allocable share of Profit and items of income and gain; and the amount of Company liabilities that are assumed by the Interest Holder under Regulation Section 1.704-1(b)(2)(iv)(c);

132. An Interest Holder's Capital Account shall be debited with the amount of money distributed to the Interest Holder; the fair market value of any Company property distributed to the Interest Holder (net of liabilities secured by such distributed Property that the Interest Holder is considered to assume or take subject to under Section 752 of the Code); the Interest Holder's allocable share of Loss and items of deduction; and the amount

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EXHIBIT A

Members, Capital Contributions, and Interest

<u>Member</u>	<u>Initial Capital Contribution</u>	<u>Current Capital Account</u>	<u>Percentage Interest</u>
Kalla Peacock			100.00%
TOTAL			100.00%

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of the Interest Holder's liabilities that are assumed by the Company under Regulation Section 1.704-1(b)(2)(iv)(c);

133. If Company Property is distributed to an Interest Holder, the Capital Accounts of all Interest Holders shall be adjusted as if the distributed Property had been sold in a taxable disposition for the gross fair market value of such Property on the date of distribution (taking into account Section 7701 of the Code) and the Profit or Loss from such disposition allocated to the Interest Holders as provided in this **Exhibit B**.

134. If money or other Property (other than a *de minimis* amount) is (a) contributed to the Company by a new or existing Interest Holder in exchange for an interest in the Company; or (b) distributed by the Company to a retiring or continuing Interest Holder as consideration for an interest in the Company; then, if the Members deem such an adjustment to be necessary to reflect the economic interests of the Interest Holders, the Book Value of the Company's Property shall be adjusted to equal its gross fair market value on such date (taking into account Section 7701(g) of the Code) and the Capital Accounts of all Interest Holders shall be adjusted in the same manner as if all the Company Property had been sold in a taxable disposition for such amount on such date and the Profit or Loss allocated to the Interest Holders as provided in this **Exhibit B**.

135. To the extent an adjustment to the tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the Book Value of the Company's Property and the Capital Account of the Interest Holders shall be adjusted in a manner consistent with the manner in which the Capital Accounts are required to be adjusted pursuant to that Section of the Regulations.

136. If any Interest is transferred pursuant to the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account is attributable to the transferred Interest. It is intended that the Capital Accounts of all Interest Holders shall be maintained in compliance with the provisions of Regulation Section 1.704-1(b), and all provisions of this Agreement relating to the maintenance of Capital Accounts or the Adjusted Book Value of Company Property shall be interpreted and applied in a manner consistent with that Section of the Regulations.

1.4. "Code" means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

1.5. "Company Minimum Gain" has the meaning set forth in Regulation Section 1.704-2(b)(2) for "partnership minimum gain."

1.6. "Initial Book Value" means, with respect to Property contributed to the Company by an Interest Holder, the Property's fair market value at the time of contribution and, with respect to all other Property, the Property's adjusted basis for federal income tax purposes at the time of acquisition.

1.7. "Member Nonrecourse Debt" has the meaning set forth in Section 1.704-2(b)(4) of the Treasury Regulations for "partner nonrecourse debt."

1.8. "Member Nonrecourse Debt Minimum Gain" has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse debt minimum gain."

1.9. "Member Nonrecourse Deductions" has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse deductions."

1.10. "Nonrecourse Deductions" has the meaning set forth in Regulation Section 1.704-2(b)(1). The amount of Nonrecourse Deductions shall be determined according to the provisions of Regulation Section 1.704-2(c).

1.11. "Nonrecourse Liability" has the meaning set forth in Regulation Section 1.704-2(b)(3).

1.12. "Profit" and "Loss" means, for each Fiscal Year of the Company (or other period for which Profit or Loss must be computed), the Company's taxable income or loss determined in accordance with Code Section 703(a), with the following adjustments:

1.121. All items of income, gain, loss, deduction, or credit required to be stated separately pursuant to Code Section 703(a)(1) shall be included in computing taxable income or loss;

1.122. Any tax-exempt income of the Company, not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.123. Any expenditures of the Company described in Code Section 705(a)(2)(B) (or treated as such pursuant to Regulation Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.124. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then gain or loss resulting from any taxable disposition of Company property shall be computed by reference to the Adjusted Book Value of the Property disposed of rather than the adjusted basis of the property for federal income tax purposes;

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1.125. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then in lieu of the depreciation, amortization, or cost recovery deductions allowable in computing taxable income or loss, the depreciation, amortization (or other cost recovery deduction) shall be an amount that bears the same ratio to the Adjusted Book Value of such Property as depreciation, amortization (or other cost recovery deduction) computed for federal income tax purposes for such period bears to the adjusted tax basis of such Property. If the Property has a zero adjusted tax basis, the depreciation, amortization (or other cost recovery deduction) of such Property shall be determined under any reasonable method selected by the Company; and

1.126. Any items that are specially allocated pursuant to Sections 2.3 and 2.4 hereof shall not be taken into account in computing Profit or Loss.

1.13. "Treasury Regulations" or "Regulations" means the income tax regulations, including any temporary regulations, promulgated under the Code as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

2. *Allocations.* After making any special allocations contained in Section 2.5, remaining Profits and Losses shall be allocated for any Fiscal Year in the following manner.

2.1. *Profits.*

2.1.1. First, Profits shall be allocated among the Interest Holders in proportion to the cumulative Losses previously allocated to the Interest Holder under Section 2.2.3 until the cumulative Profits allocated to each Interest Holder under this subparagraph equal the cumulative Losses previously allocated to each Interest Holder under Section 2.2.3;

2.1.2. Second, Profits shall be allocated proportionately among the Interest Holders until the cumulative Profits allocated to each Interest Holder under this subparagraph equal the cumulative Priority Return each Interest Holder has received through the end of the Fiscal Year plus Losses, if any, allocated to the Interest Holder under Section 2.2.2; and

2.1.3. Third, Profits shall be allocated to the Interest Holders in accordance with their Percentage Interests.

2.2. *Losses.*

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2.2.1. First, Losses shall be allocated to the Interest Holders in proportion to the cumulative Profits previously allocated to the Interest Holders under Section 2.1.3 until the cumulative Losses allocated pursuant to this subparagraph to each Interest Holder are equal to the cumulative Profits previously allocated to each Interest Holder under Section 2.1.3.

2.2.2. Second, Losses shall be allocated to the Interest Holders in proportion to the cumulative Profits previously allocated to the Interest Holders under Section 2.1.2 until the cumulative Losses allocated pursuant to this subparagraph to each Interest Holder are equal to the cumulative Profits previously allocated to each Interest Holder under Section 2.1.2; and

2.2.3. Third, Losses shall be allocated to the Interest Holders in accordance with their Percentage Interests.

2.3. *Loss Limitations.*

2.3.1. *Adjusted Capital Account Deficit.* No Losses shall be allocated to any Interest Holder pursuant to Section 2.1 if the allocation causes the Interest Holder to have an Adjusted Capital Account Deficit or increases the Interest Holder's Capital Account Deficit. All Losses in excess of the limitations set forth in this Subsection shall be allocated to the other Interest Holders in accordance with the other Interest Holders' Percentage Interests until all Interest Holders are subject to the limitation of this Subsection, and thereafter, in accordance with the Interest Holders' interest in the Company as determined by the Members. If any Losses are allocated to an Interest Holder because of this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Interest Holders pro rata based on Losses allocated to them pursuant to this Subsection until each Interest Holder has been allocated an amount of Profits pursuant to this Subsection equal to the Losses previously allocated to that Interest Holder under this Subsection.

2.3.2. *Cash Method Limitation.* If the Company is on the cash method of accounting and more than 35% of the Company's Losses in any year would be allocable to Interest Holders who are limited entrepreneurs (within the meaning of § 464(e)(2) of the Code), then except as otherwise provided in Section 2.2.1, the Losses in excess of 35% otherwise allocable to those Interest Holders shall be specially allocated among the other Interest Holders in the ratio that each share in Losses. If any Losses are allocated to an Interest Holder under this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Interest Holders pro rata based on Losses allocated to them pursuant to this Subsection until each Interest Holder has been allocated an amount of Profits pursuant to this Subsection in the current and previous Fiscal

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Years equal to the Losses allocated to that Interest Holder pursuant to this Subsection in previous Fiscal Years.

2.4. *Section 704(c) Allocations.*

24.1. *Contributed Property.* In accordance with Code Section 704(c) and the Regulations thereunder, as well as Regulation Section 1.704-1(b)(2)(v)(d)(3), income, gain, loss, and deduction with respect to any property contributed (or deemed contributed) to the Company shall, solely for tax purposes, be allocated among the Interest Holders so as to take account of any variation between the adjusted basis of the property to the Company for federal income tax purposes and its fair market value at the date of contribution (or deemed contribution).

24.2. *Adjustments to Book Value.* If the Adjusted Book Value of any Company asset is adjusted as provided in clause (iv) of the definition of Capital Account, subsequent allocations of income, gain, loss, and deduction with respect to the asset shall, solely for tax purposes, take account of any variation between the adjusted basis of the asset for federal income tax purposes and its adjusted book value in the manner as provided under Code Section 704(c) and the Regulations thereunder.

2.5. *Regulatory Allocations.* The following allocations shall be made in the following order.

25.1. *Company Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(f)(2), (3), (4), and (5), if during any Fiscal Year there is a net decrease in Company Minimum Gain, each Interest Holder, prior to any other allocation pursuant to this Section IV, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, succeeding taxable years) in an amount equal to that Interest Holder's share of the net decrease of Company Minimum Gain, computed in accordance with Regulation Section 1.704-2(g)(2). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Nonrecourse Liabilities to the extent of the Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the taxable year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(f).

25.2. *Member Nonrecourse Debt Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(i)(4), if during any Fiscal Year there is a net decrease in Member Nonrecourse Debt Minimum Gain, each Interest Holder with a share of that Member Nonrecourse Debt Minimum Gain (determined under Regulation Section 1.704-2(i)(5)) as of the beginning of the Fiscal Year shall be specially allocated items of

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income and gain for such Fiscal Year (and, if necessary, succeeding Fiscal Years) in an amount equal to that Interest Holder's share of the net decrease in Member Nonrecourse Debt Minimum Gain, computed in accordance with Regulation Section 1.704-2(i)(4). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Member Nonrecourse Debt to the extent of the Member Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the Fiscal Year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(i)(4).

25.3. *Qualified Income Offset.* If an Interest Holder unexpectedly receives an adjustment, allocation, or distribution described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6), then to the extent required under Regulations Section 1.704-1(b)(2)(d), such Interest Holder shall be allocated items of income and gain of the Company (consisting of a pro rata portion of each item of Company income, including gross income and gain for that Fiscal Year) before any other allocation is made of Company items for that Fiscal Year, in the amount and in proportions required to eliminate the Interest Holder's Adjusted Capital Account Deficit as quickly as possible. This Subsection is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulations promulgated under Code Section 704(b).

25.4. *Nonrecourse Deductions.* Nonrecourse Deductions for a Fiscal Year or other period shall be allocated among the Interest Holders in proportion to their Percentage Interests.

25.5. *Member Nonrecourse Deductions.* Any Member Nonrecourse Deduction for any Fiscal Year or other period attributable to a Member Nonrecourse Liability shall be allocated to the Interest Holder who bears the risk of loss for the Member Nonrecourse Debt in accordance with Regulation Section 1.704-2(i).

25.6. *Regulatory Allocations.* The allocations contained in Section 2.5 are contained herein to comply with the Regulations under Section 704(b) of the Code. In allocating other items of Profit or Loss, the allocations contained in Section 2.5 shall be taken into account so that to the maximum extent possible the net amount of Profit or Loss allocated to each Interest Holder will be equal to the amount that would have been allocated to each Interest Holder if the allocations contained in Section 2.4 had not been made.

2.6. *Varying Interests: Allocations in Respect to Transferred Interests.* Profits, Losses, and other items shall be calculated on a monthly, daily, or other basis permitted under Code Section 706 and the Regulations. If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, profits, losses, each item thereof, and all other items attributable to such Interest for such period shall be divided and allocated

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between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Company.

2.7. *Tax Matters Partner.* The Manager shall be the Company's tax matters partner ("Tax Matters Partner") unless the Members designate a different Person to serve in this capacity. The Tax Matters Partner shall have all powers and responsibilities provided in Code Section 6221, et seq. The Tax Matters Partner shall keep all Members informed of all notices from government taxing authorities which may come to the attention of the Tax Matters Partner. The Company shall pay and be responsible for all reasonable third-party costs and expenses incurred by the Tax Matters Partner in performing those duties. The Company shall be responsible for any costs incurred by any Member with respect to a tax audit or tax-related administrative or judicial proceeding against the Member. The Tax Matters Partner shall not compromise any dispute with the Internal Revenue Service without the approval of the Members.

2.8. *Returns and Other Elections.* The Manager shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business.

2.9. *Annual Accounting Period.* The annual accounting period of the Company shall be its Fiscal Year. The Company's Fiscal Year shall be selected by the Manager, subject to the requirements and limitations of the Code.

2.10. *Knowledge.* The Interest Holders acknowledge that they understand the economic and income tax consequences of the allocations and distributions under this Agreement and agree to be bound by the provisions of this **Exhibit B** in reporting their taxable income and loss from the Company.

2.11. *Amendment.* The Manager is hereby authorized, upon the advice of the Company's tax counsel, to amend this **Exhibit B** to comply with the Code and the Regulations promulgated under Code Section 704(b); provided, however, that no amendment shall materially affect the distributions to an Interest Holder without the Interest Holder's prior written consent.

EXHIBIT C

Formula For Determining The Purchase Price Of A Member's Interest And Payment Terms Pursuant To Section VII

When required pursuant to Section VII of this Agreement, the value of an Interest will be determined by a valuation professional accredited in business valuation by the AICPA or American Society of Appraisers ("Appraiser"). Such Appraiser shall be jointly selected by the Company and the offering Member, Interest Holder, or such Person's estate (the "Offering Member") within fifteen (15) days after the other Members' actual knowledge of the Offering Member's death or bankruptcy. The cost of the Appraiser shall be borne equally by the Company and the Offering Member. If a mutually satisfactory Appraiser cannot be selected, then the Company and the Offering Member each shall select and pay for its own Appraiser and the two Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, they shall jointly select a third Appraiser to value the Offering Member's interest. The cost of the third Appraiser shall be borne equally by the Company and the Offering Member. The three Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, then the middle of the three appraisals shall be used as the valuation. The standard of value shall be fair market value.

If applicable, each party shall appoint its Appraiser within seven (7) days after the parties determine they cannot agree on a single Appraiser. The two Appraisers appointed shall select a third Appraiser within seven (7) days after they determine they cannot agree on a single valuation. The Appraisers shall be instructed to provide their valuations within thirty (30) days after their appointment.

Payment of the Offering Member's Interest shall be due and payable by the Company as follows: ten percent (10%) in cash within sixty (60) days after acceptance by the Company of the offer to purchase the Offering Member's Interest and the balance in ten (10) equal semi-annual installments commencing on the six (6) month anniversary of the initial down payment, together with interest on the unpaid balance from time to time outstanding until paid at the prime rate of interest reported by *The Wall Street Journal - Western Edition* (such rate to be determined and fixed as of the date of the initial payment hereunder), payable at the same time as and in addition to the installments of principal.



Application for Food Establishment Permit
 Alaska Department of Environmental Conservation
 Division of Environmental Health
 Food Safety and Sanitation Program



Section 1 - GENERAL INFORMATION (All applicants complete entire section - please print).

Purpose (check one) New Information Change Extensive Remodel Change of owner/operator Reactivate

Name of Entity or Owner Responsible for Food Service: **Alaskan Growth Products, LLC dba Alaskan Growth Cannabis** AK Business License # **1070263**

Business/Corporate Mailing Address: **HC89 Box 255 Willow Alaska 99688**

City: **Willow** State: **Alaska** Zip: **99688**

Business/Corporate Phone: **(907) 312-8521** Email: **alaskangrowthproducts@gmail.com**

Owner(s) or Corporate Officer(s) & Title(s) or Responsible Party: **Kallia Peacock Manager**

City: **Willow** State: **Alaska** Zip: **99688**

Establishment Mailing Address: **14477 Sterling Highway Kallia Peacock**

City: **Niitcheh** State: **Alaska** Zip: **99639**

Establishment Phone: **(907) 312-8521**

Establishment Physical Address: **14477 Sterling Highway Kallia Peacock**

City: **Niitcheh** State: **Alaska** Zip: **99639**

SEATING: (Food Service Only) N/A 25 or less 26-100 > 101

TYPE OF OPERATION Please describe the type of facility you plan to open below (i.e. restaurant, bar, grocery store, etc.)
Marijuana Retail Store

SECTION 2 - NEW OR EXTENSIVELY REMODELED FACILITIES
 A plan review will be required if your facility has never been permitted by the Alaska's Food Safety and Sanitation Program; has not had an active permit in the last five years; will be extensively remodeled; or is a new construction. If any of these apply, a Plan Review Application is required to process your application. Have you attached the Plan Review Application? Yes No

SECTION 3 - COMPLETE FOR ALL FOOD ESTABLISHMENTS (Check all that apply)

FOOD SERVICE ESTABLISHMENTS

a. A copy of your menu will be required. Have you attached a copy of the proposed menu? Yes No

b. Attach appropriate label, placard, or menu notation for the consumer advisories if you serve:
 Wild Mushrooms Unpasteurized juices Farmed halibut, salmon, or sablefish
 Raw/undercooked animal foods such as beef, shell eggs, lamb, pork, poultry, seafood, and shellfish.
 Cook and Serve

c. Methods of food preparation (check the one that most closely describes the establishment):
 Assembly of Ready to Eat Foods Hot or cold service for 2 hours or more is done
 Complex (Preparation 1 day or more in advance, cooling and reheating is done).
 Counter Service Self Service (i.e. buffet line, salad bar)
 Other: _____

d. Style of Service:
 Counter Service Self Service (i.e. buffet line, salad bar)
 Table Service

e. Do you plan to operate as a caterer?
 If yes, list all the equipment used to protect food from contamination and maintain product temperature during Transportation:
 Yes No

Form 18-31-APP.01 (Rev 4/13)

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Permit ID(s): _____ Establishment Name(s): _____

f. Will your food establishment be a kiosk or mobile unit? Yes No

Are employee toilets available within 200 feet? Yes No
 If you have an agreement with another business to use their restrooms, please attach written verification.

Portable water tanks, plumbing, and hoses are NSF or FDA approved components? Yes No
 If you have a kiosk, is it located outside of a building? Yes No

Will you have a service provide water or remove wastewater? Yes No
 If yes, provide a letter of agreement from water hauler or wastewater hauler outlining services provided and frequency.

Will another permitted food establishment (commissary) provide support to your facility? If yes, attach a copy of the Commissary Agreement. Yes No

g. **FOOD PROCESSORS**

a. A copy of a label for each type of product you will produce is required. Have you attached food labels of each product to be produced? Yes No

b. Describe who you will be distributing your product to (i.e. grocery stores, etc.): _____

c. Will you be doing any of the following processes? Check all that apply.
 Reduced Oxygen Packaging Smoking Other: _____
 Low Acid Canned Foods Curing _____
 Shelf Stable Acidified Foods Dehydrating _____
 Be sure to check with your local Environmental Health Officer for any applicable forms and FDA requirements.

d. Do you have a HACCP Plan? Yes No N/A
 Required for high hazard food processors such as smoking, curing, acidifying, dehydrating, thermally processing low acid foods, reduced oxygen packaging, etc.

e. You are required to have a product coding system and a recall plan. Have you attached a copy of the coding system and recall procedures? Yes No

MOBILE RETAIL VENDOR SELLING SEAFOOD

a. A list of products that you will be selling is required. Have you attached a copy of the list of products? Yes No

b. Provide names of suppliers where you will be purchasing your product: _____

c. Will all of your product be prepackaged? Yes No

d. Will another permitted food establishment (commissary) provide support to your facility? If yes, attach a copy of the Commissary Agreement. Yes No

MACHINES VENDING POTENTIALLY HAZARDOUS FOODS

a. Have you attached the label that will be affixed to the front of each machine with name, physical address, and phone number of the permitted food establishment servicing the machine? Yes No

SECTION 4 - Food Managers Certification/Alaska Safe Food Worker Card

a. Have you attached a copy of a Food Manager's Certification? Yes No N/A
 The operator of a food establishment that serves and prepares unwrapped or unpackaged food, except for a bar, tavern, or limited food service, must have at least one Certified Food Protection Manager who is involved in the daily operations of the establishment.

b. Does everyone who works or will work at the food establishment have a Food Worker Card? Yes No N/A
 An operator of a food establishment shall keep on file a copy of the Food Worker Card issued by the department for each employed food worker and make the copy available to the Department upon request.

I declare, under penalty of unsworn falsification, that this application (including any accompanying statements) has been examined by me and to the best of my knowledge and belief is true, correct, and complete. I agree to pay all fees before operating.

Applicant's Signature: [Signature] Date: MARCH 5, 2020

Applicant's Printed Name: Kallia Peacock Title: Manager

Form 18-31-APP.01 (Rev 4/13)

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Alaska Marijuana Control Board
Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaskan Grown Products, LLC	License Number:	22294
License Type:	Retail Marijuana Store		
Doing Business As:	Alaskan Grown Cannabis		
Premises Address:	14477 Sterling Highway	State:	Alaska
City:	Ninilchik	ZIP:	99639

Section 2 – Individual Information

Enter information for the individual licensee.

Name:	Kalla Peacock
Title:	Member, Manager

Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

Retail #11119, Retail #20440, Retail #20439, Retail #17769, Retail #17764, Retail #21094, Retail #23813, Manufacturing #17768, Cultivation #17766, Cultivation #14073, Manufacturing #14619, Retail #14083



Alaska Marijuana Control Board
Form MJ-00: Application Certifications

What is this form?

Read each line below, and then sign your initials in the box to the right of each statement:

Section 4 – Certifications

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

I certify that I am not currently on felony probation or felony parole.

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(g).

I certify that my proposed premises is not located in a liquor licensed premises.

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.



Alaska Marijuana Control Board
Form MJ-00: Application Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

Initials

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

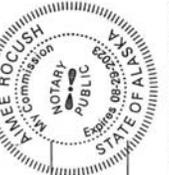
I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.



Notary Public in and for the State of Alaska

My commission expires: 8/29/2025
5th day of March, 2022

Signature of licensee

Printed name of licensee

Kalla Peacock

Subscribed and sworn to before me this

[Form MJ-00] (rev.09/27/2018)

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Alaska Marijuana Control Board
Form MJ-01: Marijuana Establishment Operating Plan

What is this form?

An operating plan is required for all marijuana establishment license applications. Applicants should review Title 17.38 of Alaska Statutes and Chapter 306 of the Alaska Administrative Code. This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Control plan for persons under the age of 21
- Security
- Business records
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Health and safety standards
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising

Applicants must also complete the corresponding operating plan supplemental forms (Form MJ-03, Form MJ-04, Form MJ-05, or Form MJ-06) to meet the additional operating plan requirements for each license type.

Section 1 – Establishment & Contact Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaskan Grow Products LLC	MJ License #:	22294
License Type:	Retail Marijuana Store		
Doing Business As:	ALASKAN GROWN CANNABIS		
Premises Address:	14477 Sterling Highway	State:	Alaska
City:	Ninilchik	ZIP:	99639
Mailing Address:	HC89 Box 255		
City:	Willow	State:	Alaska
		ZIP:	99688
Designated Licensee:	Kalla Peacock		
Main Phone:	907-312-8521	Cell Phone:	
Email:	alaskangrownproducts@gmail.com		

[Form MJ-01] (rev.4/3/2019)

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Section 2 – Control Plan for Persons Under the Age of 21

2.1. Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

Alaskan Grown Cannabis will refuse entrance to any person who does not produce a form of valid photo identification showing that person is twenty-one (21) years of age or older. A valid form of identification includes: (1) an unexpired, unaltered passport; (2) an unexpired, unaltered driver's license; instruction permit, or identification card of any state or territory of the United States, the District of Columbia, or a province of Canada; and (3) an identification card issued by a federal or state agency authorized to issue a driver's license or identification card. At no time will a person under the age of twenty-one (21) be permitted to remain on the premises. If at any time an employee suspects that a person is a minor, the employee will refuse access and have the individual escorted off the premises. A designated employee will request from all customers for government-issued, photo identification and will thoroughly examine the ID before allowing entrance into the retail store. Continued...

Section 3 – Security

Restricted Access Areas (3 AAC 306.710):

3.1. Describe how you will prevent unescorted members of the public from entering restricted access areas:

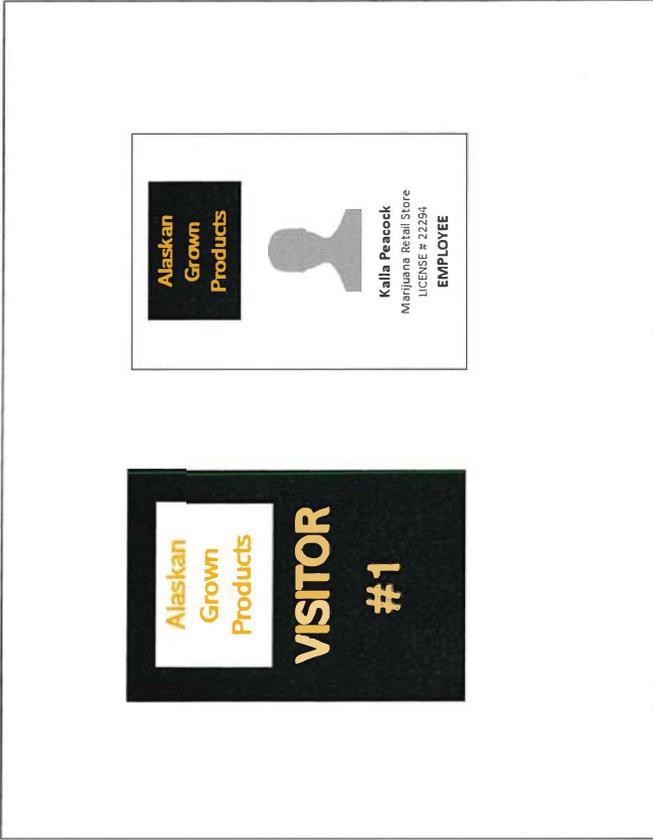
The retail store will be equipped with 24 hour monitoring alarm system, exterior lighting, and video surveillance. To maintain the security of the facility and all marijuana products, restricted access areas of the store will be monitored and restricted at all times. Access will only be granted to employees and Kalla, with the limited exception of scheduled pre-approved visitors (AMCO enforcement, law enforcement and other duly authorized agents are not considered visitors and will be granted access whenever access is requested). Each entry point to a restricted access area will have signs prominently posted stating that the area is restricted, for employees only. Distinct and apparent cameras will be placed throughout and around the store to discourage the public from attempting access. At least one employee will be behind the point of sale counter at all times. All members of the public who are allowed access to the restricted access areas of the facility must check in at the front entrance door and obtain a visitor badge, which are to be worn and clearly displayed at all times while on the premises.

3.2. Describe your recordkeeping and processes for admitting visitors into and escorting them through restricted access areas:

In order to be escorted into restricted access areas, a visitor must be pre-scheduled by either Kalla, or a manager, with the exception of AMCO Enforcement and duly authorized law enforcement agents. Each visitor will sign into the visitor's log indicating their name, the date, time in and out of the restricted access area, and purpose of the visit. All visitors will be required to sign in, and to provide valid, government issued, photo identification. Each visitor (with the exception of law enforcement, AMCO Enforcement or other duly authorized agents) will be issued a visitor badge and will be instructed to clearly display it on their person at all times while on the licensed premises and return the badge upon exit. At this time, the employee or Kalla will brief the visitor on the company's policy regarding hygiene, safety, regulatory compliance and any other pertinent information the visitor should be aware of while inside the restricted access areas of the retail store. A designated employee or Kalla will escort and actively supervise the visitor (s) during the entire visit. At no time will there be more than 5 visitors per supervising employee or licensee on the premises. Once the visit has concluded, all visitors will be required to exit the premises and return their visitor badges. The visitors log will be kept and stored on-site as an official business record. The escorting employee will record all information related to the visitor's presence, including any reportable activity or behavior during the visit. This visitor log will be made available to AMCO upon request. The records will be stored in the secured storage room. After 7 years the hard copy may be destroyed.



3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:



Security Alarm Systems and Lock Standards (3 AAC 306.715):

3.4. Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

The exterior lighting fixtures of the retail facility will be designed and installed to deter nuisance activity and enhance surveillance, while minimizing any sort of neighborhood nuisance. Additional lighting will be used to increase picture quality and brightness for security related documentation. The camera system and lighting will be constantly calibrated to maximize the quality of any recorded images, and to also discourage theft and/or trespassing. The lighting fixtures will be installed to insure there are no dark spots around the perimeter, or any of the entrances to the facility. All outdoor lighting will be weather proof and vandal proof.



3.5. An alarm system is required for all license types that must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe the security alarm system for the proposed premises, explain how it will meet all regulatory requirements, and outline your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when the alarm system alerts of an unauthorized breach:

Alaskan Grown Cannabis will contract with a third party security company to install the alarm system, maintain the equipment, periodically test the devices and continuously monitor the facility at an off-site security monitoring center. The alarm system will be set up to monitor for intrusions with motion detectors in all areas of the building, active during closed hours, as well as a door sensor on the exterior door and glass break sensors on each exterior window. If triggered, an automatic, electronic alert will be sent to the security monitoring center as well as to Kalla's cell phone and/or the general manager. This will also trigger an audible alarm to help deter potential intruders. Live security footage will also be accessible to Kalla and/or the general manager via their cellular phones so they may keep an eye on the facility even when they are away. The alarm system will be active at all times that the store is closed. The last employee or Kalla to leave the store each night will activate the alarm system and the first employee or Kalla to arrive in the morning will deactivate the system. In the event that the alarm system sends an electronic alert to local law enforcement to notify them of an unauthorized breach, the management team will evacuate the building (if it's safe to do and necessary) to a pre-determined safe location. A designated employee will take a head count of employees and any visitors that may have been on the premises to ensure everyone is accounted for. Management will await instruction from law enforcement and comply with all directives. Once it is safe to do so, employees will return to the facility and inspect for property damage, theft, take inventory and submit all necessary and requested documentation to law enforcement officials and to AMCO enforcement. Additionally, any event that occurs on the licensed premises that involves local law enforcement will be promptly reported to AMCO Enforcement via email. In the case of the establishments knowledge of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises; or any unauthorized access to the licensed premises, Kalla will notify AMCO and AMCO Enforcement as soon as possible and in any event, not more than 24 hours.

3.6. Describe your policies and procedures for preventing diversion of marijuana or marijuana product, including by employees:

Alaskan Grown Cannabis will implement a security and anti-diversion plan that will encompass training, surveillance and mandated operating procedures. First, all employees will be taught methods of diversion, and how to detect them. They will be trained in the company's standard operating procedures for handling marijuana products including the label tags placed on every package of marijuana, and how to insure they are in the database inventory. All adjustments to inventory will require a manager's code, which is recorded in a file that tell who logged on, what adjustments were made, and will also time stamp it. Beyond the electronic record keeping, visual verification will be done by managers on each shift, and all parts of the facility will be monitored by surveillance cameras. Employees will be taught how diversion could take place including: employee theft, customer theft at the place of delivery, outside their (robbery), or a combination of all of the above. Employees will be taught not just detection, but the appropriate responses to insure the safety of our fellow employees, customers, the public, and the facility itself.

3.7. Describe your policies and procedures for preventing loitering:

Signage stating "No Loitering" and that the premises is under video and audio surveillance will be prominently posted around the facility. Designated Alaskan Grown Cannabis personnel will be trained to perform routine, but unscheduled patrols of the premises to check for individuals with no official business on the property. Individuals found to be loitering on the premises will be met with a verbal request to exit the premises per the no loitering policy and if they do not comply law enforcement will be contacted for back up.

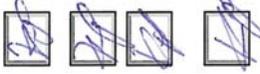
You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials 

3.8. I certify that if any additional security devices are used, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm, to enhance security of the licensed premises, I will have written policies and procedures describing their use.



Video Surveillance (3 AAC 306.720):

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials



3.9. The video surveillance and camera recording system for the licensed premises covers each restricted access area, and both the interior and exterior of each entrance to the facility.

3.10. Each video surveillance recording is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing (consistent with the Alcohol & Marijuana Control Office's approved format list); clearly and accurately displays the time and date; and is archived in a format that does not permit alteration of the recorded image.

3.11. The surveillance room or area is clearly defined on the Form MJ-02: Premises Diagram that is submitted with this application.

3.12. Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area where access is limited to the licensee(s), an authorized employee, and law enforcement personnel (including an agent of the Marijuana Control Board).

3.13. Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

The retail facility premises will be protected by a surveillance recording system that will have cameras positioned to view the entire perimeter of the area of the licensed retail premises. The security cameras will be monitored 24 hours a day, 7 days a week. A variety of specialty cameras, such as infrared, motion-sensor, and night vision cameras will be used. All cameras will have full tilt/pan/zoom capabilities and will have secure data storage. The premise will have surveillance over all portions of the facility, placed strategically to record all areas of the facility inside and outside, at a variety of angles. All doors and marijuana storage areas will have video coverage to clearly identify the faces of those present. The cameras will offer high resolution and weather resistant features that ensure a clear picture with every use. With these megapixel cameras, the facility will have clear, crisp images that let Kalla see the important details needed for identification. This includes face and license plate recognition, and facial image of anyone within twenty (20) feet of all access point while still capturing a full field of view for exterior monitoring.

3.14. Describe the locked and secure area where video surveillance recording equipment and original copies of surveillance records will be housed and stored, and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the Marijuana Control Board. If you will be using an offsite monitoring service and offsite storage of video surveillance records, your response must include how the offsite facility will meet these security requirements:

All surveillance recording equipment and footage will be stored in the secured office with backups on site. The office will be accessible only by Kalla and the company's general manager, and any authorized AMCO agents or law enforcement. The office will have an advanced, reinforced security door, locked at all times. The door will be equipped with an employee key code lock and a spring-loaded hinge. Kalla and the general manager will have remote access to surveillance recordings to monitor operations virtually. The security system will be password protected to prevent any data tampering, and recorded data will be stored for a minimum of forty (40) days as an official business record. All surveillance footage will be accessible for upload to a separate hard drive in the event that it must be stored longer for criminal, civil, or administrative investigations. All recordings will be time and date stamped, and archived in a format that prevents alteration of the recorded image. Recordings and surveillance data will be available to the AMCO, AMCO Enforcement and local law enforcement upon request.



Section 4 – Business Records

Review the requirements under 3 AAC 306.755. All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records:

- 4.1. I certify that the following business records will be maintained and kept on the licensed premises:
- a. all books and records necessary to fully account for each business transaction conducted under my license for the current year and three preceding calendar years (records for the last six months must be maintained on the licensed premises; older records may be archived on or off-premises);
 - b. a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment;
 - c. the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises;
 - d. records related to advertising and marketing;
 - e. a current diagram of the licensed premises, including each restricted access area;
 - f. a log recording the name, and date and time of entry of each visitor permitted into a restricted access area;
 - g. all records normally retained for tax purposes;
 - h. accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed;
 - i. transportation records for marijuana and marijuana product, as required by 3 AAC 306.750(f); and
 - j. registration and inspection reports of scales registered under the Weights and Measures Act, as required by 3 AAC 306.745.

4.2. A marijuana establishment is required to exercise due diligence in preserving and maintaining all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All facility records will all reside in the locked and secured storage room located in the office. Only authorized employees will be issued a key access code for access to the locked storage room, and there will be a secure database maintained with information including employee name and contact information, along with the time and date of each usage which could be matched to a surveillance tape to secure additional information. Business Records will be maintained for a minimum of 6 months.



Section 5 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730. All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with Metrc to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

- You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box:
- 5.1. My marijuana establishment will be using Metrc, and if any other tracking software is used, it will be capable of sharing information with Metrc.
 - 5.2. All marijuana delivered to a marijuana establishment will be weighed on a scale registered in compliance with 3 AAC 306.745.
 - 5.3. My marijuana establishment will use registered scales in compliance with AS 45.75.080 (Weights and Measures Act), as required by 3 AAC 306.745.

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. All licensees, and every employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

- You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box:
- 6.1. All licensees, and each employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment.
 - 6.2. Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the licensed premises) when on the licensed premises.
 - 6.3. Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired.

6.4. Describe any in-house training that will be provided to employees and agents (apart from a marijuana handler course):

Qualified candidates will be hired on a probationary period during which time they will receive training and evaluation specific to their position. Training will include marijuana industry topics: customer care, food handling, safety precautions and procedures; legal issues; and state, local, and federal regulations. Training will take place throughout the year, as well as when topics arise that need further explanation. Kaila and/or the general manager will personally present or arrange training and education to employees. Within the probationary period, all new employees will be required to meet with the general manager to learn the company's business approach and to adopt the standard of service. Educational packets will be provided to each retail employee to be read and reviewed. The educational packets will discuss relevant cannabinoids in the marijuana plant, strain ratios, marijuana benefits and risks, and general Alaska marijuana law. Packets will also include safety procedures that specifically address the facility's security measures and controls for the prevention of diversion, theft, and loss of marijuana such as emergency response procedures and state and federal statutes regarding confidentiality. Continued on Page 11



Form MJ-01: Marijuana Establishment Operating Plan

Section 7 – Health and Safety Standards

Review the requirements under 3 AAC 306.735.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

7.1.1 I understand that a marijuana establishment is subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that health or safety concerns are not present.

7.2. I have policies regarding health and safety standards (including: ensuring a person with an illness or infection does not come into contact with marijuana or marijuana product; good hygienic practices; cleaning and maintenance of equipment and the premises; pest deterrence; chemical storage; sanitation principles; and proper handling of marijuana and marijuana product) and will take all reasonable measures and precautions to ensure that they are met or exceeded.

7.3. I have policies to ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace.

7.4. I have policies to ensure that in the event information about the age or storage conditions of marijuana or marijuana product is unreliable, the marijuana or marijuana product will be handled in accordance with 3 AAC 306.735(d).

Answer "Yes" or "No" to each of the following questions: Yes No

7.5. Adequate and readily accessible toilet facilities that are maintained and in good repair and sanitary condition are clearly indicated on my Form MJ-02: Premises Diagram.

7.6. Convenient handwashing facilities with running water at a suitable temperature are clearly indicated on my Form MJ-02: Premises Diagram.

7.7. If you answered "No" to either 7.5 or 7.6 above, describe how toilet and/or handwashing facilities are made accessible, as required by 3 AAC 306.735(b)(2):

Section 8 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750.

8.1. Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment. Include a description of the type of locked, safe, and secure storage compartments to be used in vehicles transporting marijuana or marijuana product:

In the event that Alaskan Grown Cannabis transports any marijuana or marijuana product from the retail store, a trip manifest will be printed from Metrc to accompany the shipment. A copy of the trip manifest will also be maintained on the licensed premises as a business record. Any marijuana or marijuana product to be transported will be placed within a sealed package or container up to ten (10) pounds and then into a secure storage compartment within the transport vehicle or in the bed of a truck. Any individuals involved in the transport will have a valid, marijuana handler permit and be trained to travel directly to the destination without any unnecessary stops and without opening packages of marijuana or marijuana product. Continued on Page 11..



Form MJ-01: Marijuana Establishment Operating Plan

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

8.2. The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700.

8.3. The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle.

8.4. The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport.

8.5. During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport.

8.6. Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick-up marijuana or marijuana product at any other licensed marijuana establishment.

8.7. When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received.

8.8. The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.

Section 9 – Signage and Advertising

Review the requirements under 3 AAC 306.770.

9.1. Describe any signs that you intend to post on your establishment, including quantity, dimensions, graphics, and location on your establishment (photos or drawings may be attached):

Alaskan Grown Cannabis may post up to three (3) signs on the retail store premises with their business name and logo. Each sign will be no more than 4,800 square inches and will be attached to the building or in the store window and will comply with all regulatory requirements. A rendering of the design is below.





Form MJ-01: Marijuana Establishment Operating Plan

9.2. Describe any advertising you intend to distribute for your establishment. Include medium types and business logos (photos or drawings may be attached):

Alaskan Grown Cannabis Retail advertising and marketing is still in development; however, the company plans to utilize the following medium types when distributing advertisements:

- Newspaper ads
- radio ads
- social media to feature specific strains
- magazine ads
- Direct Messaging

Advertisements will include the following logo, the retail store hours and location, and will include each warning statement verbatim as they are listed in the regulations.



I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

[Signature]
Signature of licensee

Kalla Peacock
Printed name of licensee



Aimee Rocush
Notary Public in and for the State of Alaska
My commission expires: 9/20/2022
ETA day of March, 2020

Subscribed and sworn to before me this



Form MJ-01: Marijuana Establishment Operating Plan

(Additional Space as Needed):

2.1 Continued: employees in this position will be trained to spot the inconsistencies of forged identifications, and they will be given an ID guide to help them recognize IDs from other states and countries. Signage will be posted at the main entry door stating, "No one under years of age allowed". The sign will be twelve (12) inches long and twelve (12) inches wide, and the letters will be one half inch in height in high contrast to the background of the sign.

6.4 Continued: As proper safety and security procedures are of the utmost importance to Kalla, the most up-to-date reading materials will be available to employees at all times. Management will conduct quarterly staff meetings with the purpose of updating all employees on new state and local regulations, assuring that each employee is performing within company procedure, assessing any procedural changes that are needed, and addressing any comments or concerns from the staff. Prior to beginning work, employees will be expected to understand: (1) Alaska laws, regulations, and codes governing the marijuana industry and marijuana establishments; (2) all of the permitting requirements to act as a marijuana handler (including obtaining a Marijuana Handler Permit from AMCO Enforcement after completing a state approved course prior to commencing employment) and to work in a marijuana establishment; (3) Alaskan Grown Cannabis standards, operational protocol, and best practices with regard to retail and sale of marijuana; (4) general safety procedures and security protocol; (5) how to think defensively if threatening situations occur, and how to recognize the signs of impairment, drug abuse, and instability; (6) in-depth information about our particular strains and marijuana related products; (7) in-depth information on the requirements of each room, task, and system; (8) the general federal, state, and local employment regulations by which Alaskan Grown Cannabis is governed; and (9) retail-specific education.

8.1 Continued: Labels will be affixed to the packaging including all information originally provided by the cultivation or manufacturing facility such as: (1) testing facility and license number (2) testing date and results (3) name and license number of cultivation facility (4) name and license number of manufacturing facility if applicable (for concentrates and products) (5) harvest batch number or production lot number (6) date of packaging (7) net marijuana weight (8) expiration date if applicable.



Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Marijuana Control Board
Form MJ-02: Premises Diagram

What is this form?

A detailed diagram of the proposed licensed premises is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(8). All areas designated as the licensed premises of a single license must be contiguous. All diagrams must have the licensed premises area labeled, and outlined or shaded as appropriate.

What must be submitted with this form?

Applicants must attach multiple diagrams to this form, including (as applicable):

- Diagram 1:** a diagram showing only the licensed premises areas that will be ready to be operational at the time of your preliminary inspection and license issuance;
- Diagram 2:** if different than Diagram 1, a diagram outlining all areas for which the licensee has legal right of possession (a valid lease or deed), and clearly showing those areas' relationship to the current proposed licensed premises (details of any planned expansion areas do not need to be included; a complete copy of Form MJ-14: Licensed Premises Diagram Change must be submitted and approved before any planned expansion area may be added to the licensed premises);
- Diagram 3:** a site plan or as-built of the entire lot, showing all structures on the property and clearly indicating which area(s) will be part of the licensed premises;
- Diagram 4:** an aerial photo of the entire lot and surrounding lots, showing a view of the entire property and surrounding properties, and clearly indicating which area(s) will be part of the licensed premises (this can be obtained from sources like Google Earth); and
- Diagram 5:** a diagram of the entire building in which the licensed premises is located, clearly distinguishing the licensed premises from unlicensed areas and/or premises of other licenses within the building. If your proposed licensed premises is located within a building or building complex that contains multiple business and/or tenants, please provide the addresses and/or suite numbers of the other businesses and/or tenants (a separate diagram is not required for an establishment that is designating the entire building as a single licensed premises).

This form, and all necessary diagrams that meet the requirements on Page 2 of this form, must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaskan Grown Products, LLC	MJ License #:	22294
License Type:	Retail Marijuana Store		
Doing Business As:	Alaskan Grown Cannabis		
Premises Address:	14477 Sterling Highway		
City:	Ninilchik	State:	Alaska
		ZIP:	99639



Alaska Marijuana Control Board
Form MJ-02: Premises Diagram

Section 2 – Required Information

For your security, do not include locations of security cameras, motion detectors, panic buttons, and other security devices. Items marked with a double asterisks (**) are only required for those retail marijuana establishments that are also applying for an onsite consumption endorsement.

The following details must be included in all diagrams:

- License number and DBA
- Legend or key
- Color coding
- Licensed Premises Area Labeled and Shaded, or Outlined as appropriate
- Dimensions
- Labels
- True north arrow

The following additional details must be included in Diagram 1:

- Surveillance room
- Restricted access areas
- Storage areas
- Entrances, exits, and windows
- Walls, partitions, and counters
- Any other areas that must be labeled for specific license or endorsement types
- ** Serving area(s)
- ** Employee monitoring area(s)
- ** Ventilation exhaust points, if applicable

The following additional details must be included in Diagram 2:

- Areas of ingress and egress
- Entrances and exits
- Walls and partitions

The following additional details must be included in Diagrams 3 and 4:

- Areas of ingress and egress
- Cross streets and points of reference

The following additional details must be included in Diagram 5:

- Areas of ingress and egress
- Entrances and exits
- Walls and partitions
- Cross streets and points of reference

I declare under penalty of unsworn falsification that I have attached all necessary diagrams that meet the above requirements, and that this form, including all accompanying schedules, statements, and depictions is true, correct, and complete.

Signature of licensee
Kalla Peacock

Kalla Peacock

Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: 8/21/2023

Subscribed and sworn to before me this 5th day of March, 2020.





Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
 Phone: 907.269.0350

**Alaska Marijuana Control Board
 Operating Plan Supplemental
 Form MJ-03: Retail Marijuana Store**

What is this form?

This operating plan supplemental form is required for all applicants seeking a retail marijuana store license and must accompany Form MJ-01: Marijuana Establishment Operating Plan, per 3 AAC 306.020(b)(11). Applicants should review Chapter 306, Article 3 of the Alaska Administrative Code. This form will be used to document how an applicant intends to meet the requirements of the statutes and regulations.

If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020 and 3 AAC 306.315(2).

What additional information is required for retail stores?

Applicants must identify how the proposed establishment will comply with applicable regulations regarding the following:

- Prohibitions
- Signage and advertising
- Displays and sales
- Exit packaging and labeling
- Security
- Waste disposal

This form must be completed and submitted to AMCO's main office before any new or transfer application for a retail marijuana store license will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaskan Grow Products LLC	MJ License #:	22294
License Type:	Retail Marijuana Store		
Doing Business As:	ALASKAN GROWN CANNABIS		
Premises Address:	14477 Sterling Highway		
City:	Ninilchik	State:	Alaska
		ZIP:	99639



Section 2 – Overview of Operations

2.1. Provide an overview of your proposed facility's operations. Include information regarding the intake and flow of marijuana and marijuana product at your premises, and a description of what a standard customer visit to your establishment would entail:

Each shipment of marijuana and marijuana product that arrives at the Alaskan Grow Cannabis retail store will be inspected by a member of the management team before it is accepted and added to the store's inventory. The shipment will be reconciled with the transport manifest, shipment labels and packaging labels to ensure consistency. All product will be weighed by Alaskan Grow Cannabis and reconciled with the weight listed on the manifest and labels. Any shipments with discrepancies will be rejected. Shipments that pass initial inspection will be accepted into the facility, entered into METRC and the point of sale software and added to the store's inventory storage or display cases. At the end of each business day, the management team will reconcile the sale's transactions from the point of sale software with the inventory on hand and with METRC to ensure consistency and that any discrepancies are immediately addressed. Customers will be greeted at the store's entrance by an Alaskan Grow Cannabis employee who will check their identification and watch for signs of impairment. If cleared by ID check, customers will enter the sales floor where they will be greeted by the sales team. Customers will be able to ask questions, browse available products in the glass display cases and view a menu of available products. Sales transactions will take place at the point of sale station and once a sales transaction is complete, customers will be guided to the store exit. Alaskan Grow Cannabis will train all employees on the importance of the limits on quantity sold per transaction and the exit packaging requirements set forth in the regulations.

Section 3 – Prohibitions

Review the requirements under 3 AAC 306.310.

3.1. Describe how you will ensure that the retail marijuana store will not sell, give, distribute, or deliver marijuana or marijuana product to a person who is under the influence of an alcoholic beverage, inhalant, or controlled substance:

Alaskan Grow Cannabis will not sell, offer to sell, give, distribute, or deliver marijuana or marijuana products to any consumer who are: 1. not physically present on the licensed premises; 2. under the influence of alcohol, inhalant, or controlled substances; or 3. not at least twenty-one (21) years of age at the time of purchase as evidenced by valid government-issued photo ID. All customers will enter one main door into the retail establishment where they will be greeted by an employee who will then check their ID. During this time, employees will be watching for signs of impairment. Continued.

3.2. I certify that the retail marijuana store will not:

- a. sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product in a quantity exceeding the limit set out in 3 AAC 306.355;
- b. sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product over the internet;
- c. offer or deliver to a consumer, as a marketing promotion or for any other reason, free marijuana or marijuana product, including a sample;
- d. offer or deliver to a consumer, as a marketing promotion or for any other reason, alcoholic beverages, free or for compensation; or
- e. allow a person to consume marijuana or a marijuana product on the licensed premises.

Answer "Yes" or "No" to the following question:

3.3. Do you plan to request future approval of the Marijuana Control Board to permit consumption of marijuana or marijuana product in a designated area on the proposed premises? Yes No

[Form MJ-03] (rev.11/07/2017)

Page 2 of 6

License # 22294

AMCO Received 3/11/2020



Section 4 – Signage and Advertising

Review the requirements under 3 AAC 306.360 and 3 AAC 306.365. All licensed retail marijuana stores must meet minimum standards for signage and advertising.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

- 4.1. I understand and agree to follow the limitations regarding the number, placement, and size of signs on my proposed establishment, set forth in 3 AAC 306.360(a).
- 4.2. The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage the sale of marijuana or marijuana products.
- 4.3. All advertising for marijuana or marijuana product will contain the warnings required under 3 AAC 306.360(e).
- 4.4. I understand and agree to post, in a conspicuous location visible to customers, the notification signs required under 3 AAC 306.365.

- 4.5. I certify that no advertisement for marijuana or marijuana product will contain any statement or illustration that:
 - a. is false or misleading;
 - b. promotes excessive consumption;
 - c. represents that the use of marijuana has curative or therapeutic effects;
 - d. depicts a person under the age of 21 consuming marijuana; or
 - e. includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana.

- 4.6. I certify that no advertisement for marijuana or marijuana product will be placed:
 - a. within 1,000 feet of the perimeter of any child-centered facility, including a school, childcare facility, or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under the age of 21;
 - b. on or in a public transit vehicle or public transit shelter;
 - c. on or in a publicly owned or operated property;
 - d. within 1,000 feet of a substance abuse or treatment facility; or
 - e. on a campus for postsecondary education.

Section 5 – Displays and Sales

5.1. Describe how marijuana and marijuana products at the retail marijuana store will be displayed and sold:

All marijuana and marijuana products will be displayed and dispensed for sales within the designated restricted access area, unreachably to customers. Signage stating, "Restricted Access Area: Visitors Must Be Escorted" will be posted at the access points that lead behind the counter. Marijuana and marijuana products will be displayed in locked, glass display cases, on shelving along the wall behind the display case/point of sale counter and in a cooler behind the display case/point of sale counter. Product displays will be in full view of a working video surveillance camera at all times that marijuana or marijuana product is stored in the display. Marijuana and marijuana products will be secured in a locked case at all times. All employees will be trained and regularly monitored to ensure compliance with the display and closing policies, and that all product is secured and accounted for at all times. When customers have made their purchasing decisions, they will head to the point of sale counter. All edibles, concentrates, and flowers will be stored behind... Continued pg 6

[Form MJ-03] (rev.11/07/2017)

Page 3 of 6

License # 22294

AMCO Received 3/11/2020



Alaska Marijuana Control Board
Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

Section 6 – Exit Packaging and Labeling

Review the requirements under 3 AAC 306.345.

6.1. Describe how the retail marijuana store will ensure that marijuana and marijuana products sold on its licensed premises will meet the packaging and labeling requirements set forth in 3 AAC 306.345(a):

Kalla, and/or the general manager will inspect all shipments of marijuana and marijuana products that arrive at the retail store. Shipments will be inspected for quality and consistency with the transport manifest and shipment labels, and for regulatory compliance. Labels will be checked for: (1) name and license number of the manufacturing or cultivation facility; (2) production lot and/or batch number; (3) strain information; (4) net weight of the product (5) packaging date and expiration date; and (6) testing lab name and license number. The transport manifest will be checked for: (1) name and license number of the providing entity; (2) delivery date; (3) start time and estimated arrival time; (4) strain and batch information; (5) delivery driver name and handler's card verification; (6) the weight of the products transferred; and (7) testing information. Once a delivery is approved by either the general manager, the inventory will be accepted into the retail facility and entered into Metrc with all mandatory information designated by AMCO. The shipment information will be both recorded in Metrc and stored on-site as official business records. Both the transporting agent and the general manager will sign all paperwork and documents expressing that all information is deemed correct and the transfer took place. Shall any of the above be missing or inaccurate, the general manager will refuse the transfer.

6.2. Provide a sample label that the retail marijuana store will use to meet the labeling requirements set forth in 3 AAC 306.345(b):

	<p>*window to view product*</p> <p>Strain Name</p> <p>Indica-Dominant</p> <p>Net Weight: 3.5 g (0.124 oz.)</p>
<p>Front of Package</p>	<p>Back of Package</p> <p>Cultivator: License # HB#: _____ Strain: Retailer: Alaskan Grown Cannabis License #22294</p> <p>METRC #: 368875000036451115AB Testing Lab: ABC Lab License #: 12345 Testing Date: 02/05/2018</p> <p>Fungicides: None Herbicides: None Pesticides: None</p> <p>None</p> <p>Cannabinoid Profile: Total THC: XXXX% Total CBD: XXXX% THC: XXXX% CBD: XXXX% THC-A: XXXX% CBD-A: XXXX% CBN: XXXX%</p> <p>Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.</p>



Alaska Marijuana Control Board
Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

Section 7 – Security

Review the requirements under 3 AAC 306.350 and 3 AAC 306.720.

7.1. Describe the retail marijuana store's procedures for ensuring a form of valid photographic identification has been produced before selling marijuana or marijuana product to a person, as required by 3 AAC 306.350(a):

Alaskan Grown Cannabis will not sell, offer to sell, give, distribute, or deliver marijuana or marijuana products to any consumer who are: 1. not physically present on the licensed premises, 2. under the influence of alcohol, inhalant, or controlled substances, or 3. not at least twenty-one (21) years of age at the time of purchase as evidenced by valid government-issued photo ID. Employees of Alaskan Grown Cannabis will greet all customers and check each ID at the entry door. Continued pg 6.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right:

Initials AS

7.2. The video surveillance and camera recording system for the licensed premises covers each point-of-sale area.

Section 8 – Waste Disposal

Review the requirements under 3 AAC 306.740.

8.1. Describe how you will store, manage, and dispose of any marijuana waste, including expired marijuana or marijuana products, in compliance with any applicable laws. Include details about the material(s) you will mix with ground marijuana waste and the processes that you will use to make the marijuana waste unusable for any purpose for which it was grown or produced:

Alaskan Grown Cannabis will be disposing of: (1) marijuana that is identified as contaminated, infected or is otherwise rejected for quality; (2) marijuana and marijuana products that risk contamination (4) any other marijuana or materials or containers in contact with marijuana products that risk contamination (4) any other marijuana or marijuana product deemed as waste by Kalla, general manager, MCB, AMCO Enforcement or AMCO Director. Marijuana waste will be stored away from all other products in a locked container on the premises, and will be rendered unusable prior to leaving the store for disposal. A notice, via email, will be sent to AMCO enforcement not later than three days prior to rendering waste unusable. Marijuana waste will be rendered unusable by grinding the materials and mixing with other compost-able and non-compost-able, non-marijuana material such as, food waste, cardboard, paper, and yard waste; until the resulting mixture is no more than fifty percent (50%) marijuana waste. Management will maintain a log on the status of all marijuana waste, tracking the type, date of disposal, date it was rendered unusable, the reason it's being wasted, and the final destination.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right:

Initials AS

8.2. The retail marijuana store shall give the board at least three days written notice required under 3 AAC 306.740(c) before making marijuana waste unusable and disposing of it.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee
Kalla Peacock
Printed name of licensee



Notary Public in and for the State of Alaska
My commission expires: 8/17/2023
Subscribed and sworn to before me this 5th day of MARCH, 2020



Alaska Marijuana Control Board
Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

(Additional Space as Needed):

3.1 Continued: If an individual seems to be impaired in any way, a manager or designated employee will refuse service, ask them to leave and, if need be, escort them safely from the premises. Law enforcement will be contacted for back-up when necessary. Additionally, employees and management will exercise strict diligence and compliance with the sale limits embodied in 3 AAC 306.355. A manager will be on hand to help manage customer ingress and egress and ensure there is an adequate number of employees on the sales floor.

5.1 Continued: the retail sales counter. Cashiers will take the customer order and dispense for sales from behind the counter. Concentrates and edibles will all be pre-packaged and labeled. Flower will be sold either pre-packaged or "Dell" style. "Dell" style flower will be displayed in large glass jars (behind the point of sale counter) with batch labeled strains. For Dell Style flower sales, employees will take customer orders at the point of sale counter and weigh the flower using a certified scale. Once weighed to the desired amount, the employee will register the purchase in the POS system which integrates with METRC, seal the product into a child-resistant container, and print the packaging label. The prepackaged products will be displayed in the glass display cases located within the restricted access area. The store will also buy bulk marijuana and roll their own pre-roll marijuana joints and package them in accordance with the regulations and place into pre-labeled mylar bags. Any edibles that require refrigeration will be stored in a refrigerator behind the point of sale counter in the restricted access area. Employees will ensure that each marijuana product is in fully opaque and child-resistant packaging before a customer exits the store with it.

7.1 Continued: No individual will be allowed to pass the ID check station and enter the sales floor without their photo ID being verified regardless of how familiar the person is to the employee(s). Employees will be trained to identify forgeries and inconsistencies in ID's and will utilize an ID guide to help recognize ID's from other states and countries. A manager will be on hand to help manage customer ingress and egress on the sales floor. If an ID is not in compliance for any reason, the customer will be asked to leave, and law enforcement will be contacted if necessary.



Alaska Marijuana Control Board

Form MJ-07: Public Notice Posting Affidavit

What is this form?

A public notice posting affidavit is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(10). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by posting a true copy of the application for ten (10) days at the location of the proposed licensed premises and one other conspicuous location in the area of the proposed premises, per 3 AAC 306.025(b)(1).

This form must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaskan Grown Products, LLC	License Number:	22294
License Type:	Retail Marijuana Store		
Doing Business As:	Alaskan Grown Cannabis		
Premises Address:	14477 Sterling Highway		
City:	Ninilchik	State:	Alaska ZIP: 99639

Section 2 – Certification

I certify that I have met the public notice requirement set forth under 3 AAC 306.025(b)(1) by posting a copy of my application for the following 10-day period at the location of the proposed licensed premises and at the following conspicuous location in the area of the proposed premises:

Start Date: February 17, 2020 End Date: February 27, 2020

Other conspicuous location: Post Office, 15700 Kingsley Road, Ninilchik, AK 99639

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.



Signature of licensee: [Signature]
 Kalla Peacock
 Printed name of licensee

Notary Public in and for the State of Alaska
 My commission expires: 09/10/2023
 Subscribed and sworn to before me this 5th day of March, 2020



Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Marijuana Control Board
Form MJ-08: Local Government Notice Affidavit

What is this form?

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application to each local government and any community council in the area of the proposed licensed premises. For an establishment located inside the boundaries of city that is within a borough, both the city and the borough must be notified.

This form must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaskan Grown Products, LLC	License Number:	22294
License Type:	Retail Marijuana Store		
Doing Business As:	Alaskan Grown Cananbis		
Premises Address:	14477 Sterling Highway		
City:	Ninilchik	State:	Alaska
		ZIP:	99639

Section 2 – Certification

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government (LG) official(s) and community council (if applicable):

Local Government(s): Kenai Peninsula Borough Date Submitted: 03/23/2020

Name/Title of LG Official 1: Johni Blankenship/Borough Clerk Name/Title of LG Official 2: _____

Community Council: _____ Date Submitted: _____

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.



Aimee Rocush
Notary Public in and for the State of Alaska
My commission expires: 8/26/2024

Signature of licensee
Kalla Peacock
Printed name of licensee

Subscribed and sworn to before me this 7th day of April, 2020.

AMCO Received 4/30/2020



Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Marijuana Control Board
Form MJ-09: Statement of Financial Interest

What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each proposed licensee before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaskan Grown Products, LLC	License Number:	22294
License Type:	Retail Marijuana Store		
Doing Business As:	Alaskan Grown Cannabis		
Premises Address:	14477 Sterling Highway		
City:	Ninilchik	State:	Alaska
		ZIP:	99639

Section 2 – Individual Information

Enter information for the individual licensee.

Name:	Kalla Peacock		
Title:	Member, Manager		
SSN:		Date of Birth:	

AMCO Received 3/11/2020



Alaska Marijuana Control Board
Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.
 I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.
 I understand that my fingerprints will be used to check the criminal history records of the Federal Bureau of Investigation (FBI), and that I have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record.
 The procedures for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.


 Signature of licensee
Kalla Peacock
 Printed name of licensee




 Notary Public in and for the State of Alaska
 My commission expires: 8/29/2023
 5th day of MARCH, 2020

Subscribed and sworn to before me this _____ day of _____, 2020.

Licensee #1

Type: Entity
 Alaska Entity Number: 10079221
 Alaska Entity Name: Alaskan Grown Products LLC
 Phone Number: 907-312-8521
 Email Address: alaskangrownproducts@gmail.com
 Mailing Address: HC89 Box 255
 Willow, AK 99688
 UNITED STATES

Entity Official #1

Type: Individual
 Name: Kalla Peacock
 Phone Number: 907-312-8521
 Email Address: alaskangrownproducts@gmail.com
 Mailing Address: HC89 Box 255
 Willow, AK 99688
 UNITED STATES

Note: No affiliates entered for this license.

AMCO Received 3/11/2020

REAL ESTATE
SUBLEASE

This Sublease Agreement (this "Sublease") is dated March 10th, 2020 by and between One Denali, LLC ("Sublessor"), and Alaskan Grown Products, LLC. ("Subtenant"). The parties agree as follows:

PREMISES. Sublessor in consideration of the lease payments provided in this Sublease, leases to Alaskan Grown Products, LLC DBA Alaskan Grown Cannabis, (the "Premises") located at 14477 Sterling Highway, Ninilchik, Alaska 99639.

TERM. The sublease term will begin March, 10th, 2020 and will terminate on June 30, 2024.

LEASE PAYMENTS. Subtenant shall pay to Sublessor monthly installments of \$1000.00 payable on the first day of each month. Payments shall be abated until Subtenant commences business operations.

POSSESSION. Subtenant shall be entitled to possession on the first day of the term of this Sublease and shall yield possession to Sublessor on the last day of the term of this Sublease, unless otherwise agreed by both parties in writing. At the expiration of the term, Subtenant shall remove its goods and effects and peaceably yield up the Premises to Sublessor in as good a condition as when delivered to Subtenant, ordinary wear and tear excepted.

USE OF PREMISES. Subtenant may use the Premises for the retail sales of marijuana and related packaging and processing. The Premises may be used for any other purpose only with the prior written consent of Sublessor, which shall not be unreasonably withheld. Subtenant shall notify Sublessor of any anticipated extended absence from the Premises not later than the first day of the extended absence.

LATE PAYMENTS. For any payment that is not paid within 15 days after its due date, Subtenant shall pay a late fee of \$250.00.

UTILITIES: Utilities are to be paid by the Subtenant.

HOLDOVER. If Subtenant maintains possession of the Premises for any period after the termination of this Sublease ("Holdover Period"), Subtenant shall pay to Sublessor lease payment(s) during the Holdover Period at a rate equal to the most recent rate preceding the Holdover Period. Such holdover shall constitute a month-to-month extension of this Sublease.

CUMULATIVE RIGHTS. The rights of the parties under this Sublease are cumulative and shall not be construed as exclusive unless otherwise required by law.

NON-SUFFICIENT FUNDS. Subtenant shall be charged \$100.00 for each check that is

returned to Sublessor for lack of sufficient funds.

REMODELING OR STRUCTURAL IMPROVEMENTS. Subtenant shall have the obligation to conduct any construction or remodeling (at Subtenant's expense) that may be required to use the Premises as specified above. Subtenant may also construct such fixtures on the Premises (at Subtenant's expense) that appropriately facilitate its use for such purposes. Such construction shall be undertaken and such fixtures may be erected only with the prior written consent of the Sublessor which shall not be unreasonably withheld. Subtenant shall not install awnings or advertisements on any part of the Premises without Sublessor's prior written consent. At the end of the lease term, Subtenant shall be entitled to remove (or at the request of Sublessor shall remove) such fixtures and shall restore the Premises to substantially the same condition of the Premises at the commencement of this Sublease.

ACCESS BY SUBLESSOR TO PREMISES. Subject to Subtenant's consent (which shall not be unreasonably withheld), Sublessor shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants or workers. However, Sublessor does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Sublessor may enter the Premises without Subtenant's consent. During the last three months of this Sublease, or any extension of this Sublease, Sublessor shall be allowed to display the usual "To Let" signs and show the Premises to prospective tenants. During any entry by Landlord or its agents on the premises, Landlord's agents or employees shall be over the age of 21 and shall comply with Subtenant's visitor policy, show government issued ID, wear a visitor badge, remain in eye sight of a designated Tenant agent, comply with and sign into the log in sheet and sign out when leaving the premises, as is required by the Alaska Marijuana Control Board Regulations. At no time shall Landlord have more than five persons enter the premises.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Subtenant agrees to indemnify, hold harmless, and defend Sublessor from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, which Sublessor may suffer or incur in connection with Subtenant's possession, use or misuse of the Premises, except Sublessors act or negligence.

COMPLIANCE WITH REGULATIONS. Subtenant shall promptly comply with all laws, ordinances, requirements and regulations of the federal, state, county, municipal and other authorities, and the fire insurance underwriters. However, Subtenant shall not by this provision be required to make alterations to the exterior of the building or alterations of a structural nature.

MECHANICS LIENS. Neither the Subtenant nor anyone claiming through the Subtenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Sublease constitutes notice that such liens are invalid. Further, Subtenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Subtenant.

ARBITRATION. Any controversy or claim relating to this contract, including the construction or application of this contract, will be settled by binding arbitration under the rules of the American

Arbitration Association, and any judgment granted by the arbitrator(s) may be enforced in any court of proper jurisdiction.

DEFAULT. In the event of a default, Landlord shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska AMCO prior to any access to the license premises if Tenant cannot be reached, abandons the property, or similar event.

NOTICE. Notices under this Sublease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

SUBLESSOR:
One Denali, Inc
500 W. International Airport Road, #F, Anchorage, Alaska 99518

SUBTENANT:
Alaskan Grown Products, LLC.
HC89 Box 255, Willow, Alaska 99688

Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Sublease shall be construed in accordance with the laws of the State of Alaska.

ENTIRE AGREEMENT/AMENDMENT. This Sublease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Sublease. This Sublease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Sublease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Sublease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Sublease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Sublease.

BINDING EFFECT. The provisions of this Sublease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

Except to the extent that the terms and conditions of this Lease Amendment are to the contrary, all other terms and conditions of the original Lease Agreement and any amendments thereto remain in full force and effect.

SUBLESSOR:

One Denali, INC
BY: 
Jason Evans

SUBTENANT:

Alaskan Grown Products, LLC
BY: 
Kalla Peacock

NINILCHIK BANTA BUILDING LEASE – July 2019

THIS LEASE, hereinafter referred to as the "Lease," is entered into effective the 1st day of July, 2019 by and between **THE NINILCHIK NATIVES ASSOCIATION, INC of PO Box 39130 | 15730 Sterling Hwy, Ninilchik, AK, 99639**; phone (907) 567-3866; email: nnai@nnai.net, hereinafter referred to as "Owner," and **Jason Evans of ONE DENALI, LLC of 500 W International Airport Road, #F | Anchorage AK 99518**; phone (907) 230-9099; email: j.evans@financialalaska.com, hereinafter referred to as "Tenant."

For and in consideration of the rents reserved hereunder, the terms, conditions and conditions set forth herein, Owner hereby rents, demises and leases to Tenant, and Tenant takes and leases from Owner, the hereinafter described Premises all upon the following terms and conditions:

Premises

The building, situated at 14477 ~~Banta Drive~~, **Sterling Hwy, Banta Drive**, Ninilchik, Alaska 99639 and known as the "BANTA BUILDING." See Appendix A.

The premises being leased hereby consists of a frame building at T1S R 14W SEC 26 SEWARD MERIDIAN HM 0780021 BANTA SUB ADDN NO 1 & RESUB LOT 4 BLK 1 LOT 1 BLK 3. Leased premises include the lot around the building. Throughout this Lease the area of building space and land area leased by the Tenant shall be referred to as the "Premises".

Tenant shall provide equipment, furniture and furnishings for the Premises. Should any current shelving and furniture belonging to the Owner no longer be needed it will be the Tenants responsibility to relocate them to the owner's storage space.

Term

The initial term of this Lease shall be for a period of FIVE (5) YEARS, commencing July 1, 2019 and continuing until June 30, 2024.

Tenant right to renew may be exercised no earlier than 6 months (180 days) or less than 2 months (60 days) prior to the end of the Lease. Renewal terms include, but may not be limited to, first right of refusal for continued lease to Tenant. Renewal will be for up to an additional FIVE YEAR (5 year) Lease term. No renewal or any other agreement of the Lease shall extend beyond ten (10) years from the initial commencement date, or July 1, 2029. Any renewal agreement shall be subject to Tenant being compliant with all terms of this Lease and not being in default at the time of renewal.

There will be a default option during the initial 5 year Lease in which Tenant has the option to pay a fine of SIX MONTHS (6 months) rent based on rent of years three through five (years 3 – 5) of EIGHT THOUSAND ONE HUNDRED DOLLARS (\$8,100.00) plus any applicable KPB Sales Tax, as a termination fee. This fine will be due at the time of vacation of the property and may not be credited to any past or future rent. The default option shall be reduced to THREE MONTHS (3 months) rent based on rent of years three through five (years 3 – 5) of FOUR THOUSAND FIFTY DOLLARS (\$4,050.00) plus any applicable KPB Sales Tax, as a termination fee, if termination is a result of loss of retail government licensing or other regulatory license or permit needed for retail distribution of product.

At the time of signing, a deposit of ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500.00) shall be payable. This deposit will be refunded or applied to the final month's rent, at the discretion of Tenant, should the entirety of this contract be fulfilled by both parties.

Default of the Lease in any way other than the renewal clause option listed above, by Tenant will result in forfeiture of this deposit. Default by Owner will result in a full refund of this deposit.

Rent

Tenant covenants and agrees to pay Owner the following rent during the initial term of this Lease:

YEAR ONE (months 1 through 6):

Tenant shall pay to Owner rent of FIVE HUNDRED DOLLARS (\$500.00) per month, payable in advance on the first day of each month. There shall be a 5-day grace period, after which a late fee of \$5.00 per day will accrue.

Tenant shall also include Kenai Peninsula Borough Sales tax currently 3% of the monthly rent payment capped at FIFTEEN DOLLARS (\$15.00) with each monthly rent payment for a total of FIVE HUNDRED AND FIFTEEN DOLLARS (\$515.00).

YEAR ONE (months 7 through 12) and YEAR TWO (months 13 through 24):

Tenant shall pay to Owner rent of ONE THOUSAND DOLLARS (\$1,000.00) per month, payable in advance on the first day of each month. There shall be a 5-day grace period, after which a late fee of \$5.00 per day will accrue.

Tenant shall also include Kenai Peninsula Borough Sales tax currently 3% of the monthly rent payment capped at FIFTEEN DOLLARS (\$15.00) with each monthly rent payment for a total of ONE THOUSAND AND FIFTEEN DOLLARS (\$1,015.00).

YEARS THREE through FIVE:

Tenant shall pay to Owner rent of ONE THOUSAND THREE HUNDRED AND FIFTY DOLLARS (\$1,350.00) per month, payable in advance on the first day of each month. There shall be a 5-day grace period, after which a late fee of \$5.00 per day will accrue.

Tenant shall also include Kenai Peninsula Borough Sales tax currently 3% of the monthly rent payment capped at FIFTEEN DOLLARS (\$15.00) with each monthly rent payment for a total of ONE THOUSAND THREE HUNDRED AND SIXTY-FIVE DOLLARS (\$1,365.00).

Prepayment may be made however taxes must be paid on each month of which payment is made.

Use of Premises

The Premises shall be used as a licensed retail cannabis facility compliant with all applicable regulations, and office and storage space as required for Tenant's business. Tenants may not use the premises for any other purpose or purposes without the express written consent of Owner, which consent may not be unreasonably withheld.

No hazardous materials may be stored on premises without written consent from Owner as well as proper storage and safety guidelines. Exceptions will be fuels necessary for heating, such as heating oil and propane.

Lot and area surrounding the building may not become encumbered with items without written consent from Owner.

Taxes: Utilities

Owner shall pay the real property taxes on the Premises, effective upon the date of this agreement.

If Tenant refuses or otherwise neglects to effect maintenance, make repairs, maintain the Premises, or if in the Owner's business judgment repairs or maintenance have been inadequately performed, or if Owner shall be required to make exterior or structural repairs by reason of the negligent acts or omissions of Tenant or its customers, guests or invitees, then in any of such events Owner shall have the right, but not the obligation, to effect such repairs or maintenance on behalf of and for the account of Tenant. In such event the costs so expended by Owner shall be reimbursed by Tenant as additional rent and will be paid on the first of the month following a completion of such repairs and itemization of such costs being provided to Tenant.

Compliance with Laws

Tenant shall, at its own cost and expense, execute and comply with all federal, state and local laws and all governmental or quasi-governmental laws, regulations and guidelines presently in effect and all additional and other laws, regulations and guidelines which may hereafter be enacted or go into effect relating to the Premises and Tenant's use thereof. Tenant agrees to any reasonable modifications of access, signage, stairs and area as may be necessary to comply with any applicable law or regulation. Tenant will not cause or permit to be caused any act or practice by negligence, omission or otherwise that would adversely affect the environment, contaminate the soil or permit anything to be done that would violate any environmental laws, regulations or guidelines. Any violation of this covenant shall be a material breach and event of default hereunder.

Assignment or Subletting

Tenant may not assign, hypothecate, mortgage or encumber this Lease or any interest therein or sublease or permit the Premises or any part thereof to be used by other persons or firms without the Owner's written consent, which consent may not be unreasonably withheld. In the event the Owner were to provide written consent and the Tenant assigned or sublet its interest in this lease, notwithstanding any such assignment of this Lease, or subletting of the Premises, it is agreed and understood that Tenant shall remain primarily liable for and shall not be released from the performance of all of the terms and conditions of the Lease which the Tenant is required to observe and perform.

Improvements and Alterations

Tenant may only make alterations or improvements to the Premises that are at the sole cost and expense of Tenant and only if:

- (1) such alteration or improvement does not reduce the value of the premises or result in any lien or encumbrance upon the premises and
 - (2) Tenant obtains Owner's written consent prior to the commencement of any such work.
- All consented to alterations and improvements shall be done and performed in a good and workmanlike manner using only quality furnishings, fixtures and equipment and materials.

When this Lease is terminated Tenant shall repair any damage to the premises resulting from the installation or removal of any equipment installed by Tenant or Tenant's behalf.

If Tenant wishes to remove any: fixtures, additions or improvements attaching to the realty at the termination of the lease, Tenant shall obtain Owner's consent to such removal prior to Tenant's construction the fixture, improvement or addition and Tenant shall repair any damage caused by such installation and removal. If such consent is not obtained the addition or improvement shall stay with the premises upon termination of the lease.

Tenant agrees to protect, indemnify, save and hold Owner harmless on account of any injury to third persons or property by reason of Tenant's construction of any changes, additions or alterations, and to protect, indemnify and save Owner harmless from the payment of any claim of any kind or character on account of bills for labor, materials or utility service furnished or claimed to have been furnished in connection therewith. It is agreed between Owner and Tenant that Owner shall not be required to

Tenant shall timely pay all of Tenant's income, trade and business, employee withholding and property taxes including, without limitation, any taxes on any and all furniture, fixtures, equipment and effects located in the Premises.

Tenant shall also timely pay for the following utilities: electricity, snow removal, janitorial, telephone, security, grounds-keeping and heat.

Snow removal shall be at the discretion of Tenant with all fire exits kept clear.

Janitorial services on the portion of the building used by Tenant are the responsibility of Tenant.

Telephone/Internet, grounds-keeping and security services are the responsibility of and at the discretion of the Tenant.

Heat will be the responsibility of the Tenant. Premises Heat includes: one propane heater in the "shop", baseboards around the front lower offices and a small Toyo stove with 300-gal tank in the front offices. Any changes, modifications or additions to the current heat methods must be pre-approved through written request to the Owner.

Condition of Premises

Before assuming occupancy, Tenant shall carefully inspect the Premises. By taking possession of the Premises, Tenant shall have accepted the Premises in its current condition and state of repair and shall be deemed to have acknowledged that the Premises are suitable for Tenant's own purposes.

Repairs and Maintenance

Throughout the term of this Lease, Owner shall be responsible for, and shall keep in good repair, the structural portion of the Premises, including the foundation and supporting walls, the structural ceiling and all utility systems up to the point of entrance to the Premises, unless such repairs are necessitated by reason of the negligence of Tenant or any customer, guest or invitee of Tenant, in which event Tenant shall be responsible for all costs of completing such repairs. Owner reserves the right, without relieving Tenant of its obligations hereunder, to stop heating, ventilating, electric or plumbing services to the Premises when necessary by reason of accident or emergency, or for repairs, alterations, replacements or improvements of such services.

Throughout the term of this Lease, Tenant shall maintain in good repair the interior of the leased premises, all equipment located therein and all interior nonstructural portions of the Premises including, without limitation, all partitions, fixtures and all utility lines from the point of entrance into the Premises to the point of actual use. Tenant's repair obligations shall include the repair, maintenance, adjustment, replacement and inspection costs of all tenant's rental equipment in the Premises and all windows and doors (or hardware associated therewith) that may become defaced, cracked or broken during the term of this Lease.

Tenant covenants and agrees that he shall give prompt written notice to Owner of any damage that may occur to or in the Premises, which notice, in the event of an emergency may initially be orally communicated to Owner, provided there is a subsequent written confirmation of the same by Tenant to Owner. It is understood that Owner shall not be required to commence any necessary repairs for which Owner shall be responsible until after receipt of such notice from Tenant. In no event shall Owner be liable to Tenant for any losses or damages sustained by Tenant for loss of use of premises or damage to Tenant's property so long as Owner, after notice, is diligently pursuing any repairs Owner is obligated to perform under this Lease.

execute an acknowledgment of right to lien pursuant to AS 34.35.010, et seq., as now enacted or hereafter amended. Tenant shall not permit any mechanics' or similar liens to be lodged against or remain upon the Premises for labor performed or materials furnished to Tenant, or claimed to have been performed or furnished, on behalf of, or otherwise at the direction of or with the consent of Tenant, whether such work was performed or materials were furnished before or after the commencement of this Lease. Owner may require Tenant to furnish evidence satisfactory to Owner that Tenant and any contractor or firm hired by Tenant carry satisfactory insurance insuring against all risks normally insured against in such situations, which policies will name Owner as an additional insured where appropriate.

Indemnity; Liability

Tenant shall indemnify Owner and save Owner harmless from all claims, suits, actions, damages, liability and expense (including actual attorney fees) in connection with loss of life, bodily or personal injury or property damage arising from or out of an occurrence on, upon or at the Premises, or the occupancy or use by Tenant of the Premises or any part thereof, or occasioned solely or in part by act or omission of Tenant, its agents, contractors, employees, servants, invitees, licensees or concessionaires, either within the Premises or without.

In the event that Owner shall be made a party to any litigation commenced by any persons against Tenant, then Tenant shall indemnify, defend, protect and hold Owner harmless from any liability arising therefrom and shall pay all costs and expenses of Owner, including actual attorney fees.

Owner shall not be responsible or liable at any time for any loss or damage to merchandise, stock in trade, equipment, fixtures or other personal property of Tenant or to Tenant's business. Owner shall not be responsible or liable for any defect, latent or otherwise, in the building, or for any defect, latent or otherwise, in any of the equipment, machinery, utilities, appliances or apparatus within the Premises. Owner and Owner's agents and employees shall not be liable for, and Tenant waives all claims for, loss or damage to the business of Tenant or damage to any person or property sustained by Tenant or any person claiming through Tenant resulting in any accident or occurrence in or upon the Premises. Owner indemnifies Tenant from any claims, suit action, damages arising out of any occurrence outside of the premises and caused solely by Owner's negligence.

Insurance

Tenant, at its own cost and expense, shall obtain and maintain in full force and effect during the entire term of this Lease a policy or policies of insurance covering the following risks:

- A. Fire and extended coverage, vandalism and malicious mischief insurance covering Tenant's personal property, equipment and other improvements within the Premises to the extent determined appropriate by Tenant. Risk of loss of all such Tenant's property is on Tenant. In no event shall Owner be liable for any loss to Tenant.
- B. Comprehensive general public Liability Insurance on an occurrence basis with minimum limits of liability in an amount of not less than \$1,000,000.00 for bodily, personal injury or death to any one person and to the limit not less than \$1,000,000.00 for bodily injury, personal injury or death to more than one person and in the amount of not less than \$2,000,000.00 general aggregate and in an amount not less than \$500,000.00 with respect to damage to property, including water damage legal liability which insurance shall contain an endorsement naming Owner as an additional insured.
- C. Worker's Compensation Insurance and Unemployment which shall contain an express waiver of any right of subrogation against Owner.

All policies of insurance to be obtained and furnished by Tenant hereunder shall be issued and carried in the name of Tenant and Owner, as their respective interests may appear. Owner shall be named as an

additional insured on the policy or policies. All such policies of insurance shall be issued by a financially responsible company or companies authorized to issue the policy or policies and licensed to conduct insurance business within the State of Alaska and shall contain the following endorsements: (a) that any such insurance shall not be subject to cancellation, termination or material changes except after thirty (30) days prior written notice by registered mail to Owner by the insurance company; and (b) that Owner shall not be liable for any damage by fire or other casualty covered by such insurance, no matter how caused, it being understood that Tenant shall look solely to insurer or insurers for reimbursement.

Owner and Tenant waive their right to recover damages against each other for any reason whatsoever to the extent the damaged party recovers indemnity from its insurance carrier. Any insurance policy obtained by Tenant which does not name Owner as an additional insured shall contain an express waiver of any right of subrogation by the insurance company against Owner. Minimum limits of any insurance coverage required to be carried by Tenant shall not limit the liability of Tenant to Owner as provided in this Lease.

Tenant shall not do, suffer to be done or keep or permit to be kept anything in, upon or about the Premises which will contravene the insurance policy or policies of Owner that insure Owner against loss or damage by fire or other hazards or which will cause an increase in the cost of such insurance to Owner. If anything is done, omitted to be done or permitted to be done by Tenant or kept or permitted by Tenant to be kept in, upon or about the Premises that shall cause the rate of fire or other insurance pertaining to the Premises to be increased beyond the otherwise applicable or minimum rate, Tenant will pay the amount of such increase promptly upon demand from Owner.

Fire Loss or Damage

In the event that the Premises shall be partially damaged by any casualty insurable under a policy of fire or extended insurance coverage issued to Owner and Tenant, then Tenant shall, upon receipt of the proceeds from such insurance, undertake the repair and restoration, as applicable, of the Premises and the building to substantially the same condition as existed prior to the casualty, with such changes as Tenant may reasonably desire to make and as approved by Owner.

Owner will carry landlord's fire insurance on the building. Tenant shall be responsible for fire insurance on contents.

Inspection and Access

Owner and its agents, employees and contractors including, but not limited to, its lenders and insurance company inspectors shall have the right to enter the Premises to examine or to make such inspections as may be deemed necessary. However, the foregoing shall not be deemed or construed as an obligation on the part of Owner to undertake or effect any inspection not expressly required in this Lease.

Relationship of Parties

At all times and for all purposes under or material to this Lease, Tenant and Owner shall have only the relationship of landlord and tenant. Neither Owner nor Tenant are the partner, agent or employee of the other except as may be specifically stated in writing.

Default

The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:

- A. The failure by Tenant to pay the rent as and when due and such failure shall continue for a period of ten (10) days after written notice of such failure to Tenant by Owner.
- B. The failure by Tenant to observe or perform any of the terms, conditions, agreements, obligations,

covenants or provisions of this Lease to be observed and performed by the Tenant, other than the failure to pay the monthly rent, where such failure shall continue for a period of twenty (20) days after written notice thereof by Owner to Tenant. Provided, however, that if the nature of the default by Tenant is such that more than twenty (20) days are reasonably required for its cure, Tenant shall not be deemed to be in default if Tenant commences such cure within such twenty (20) day period and thereafter diligently prosecutes such cure to completion.

Remedies Upon Default

In the event of any default or breach by Tenant, Owner may at any time thereafter, with or without notice or demand, and without limiting Owner in the exercise of a right or remedy which Owner may have by reason of such default or breach:

- A. Declare the lease to be terminated and terminate the right of Tenant to possession of the Premises and in such event this Lease shall terminate, and Tenant shall immediately surrender possession of the Premises to Owner. In such event Owner shall be entitled to recover from the Tenant all past due rent and other charges due under this Lease, the expenses of reletting the Premises, including the cost to renovate and alter the Premises for a replacement tenant, rent for the period of time between termination and reletting, actual attorney fees and costs, the difference, if any, between amount of rent paid by a replacement tenant and the amount of rent required to be paid by Tenant under this Lease and any other damages awarded by a court of competent jurisdiction.
- B. Recover possession of the Premises without intervention of any court and without result to any legal process or proceeding.
- C. Seek and obtain an injunction to enjoin any breach or threatened breach by Tenant and invoke any right or remedy allowed at law or in equity or by statute or otherwise as though re-entry, summary termination and other remedies were not provided for in this Lease.
- D. Pursue any other remedy now or hereafter available to Owner under the laws or judicial decisions of the State of Alaska.

Damages

If this Lease is terminated because of a default by Tenant or if Owner re-enters the Premises by summary dispossession proceedings, ejectment or by any suitable action or proceeding at law, or in equity, or by agreement, or by force or otherwise, Tenant shall pay to Owner as damages, at the election of Owner:

- A. Any amount due as rent through and including the time Owner obtains a replacement tenant for the Premises. Tenant shall not be entitled to any credit or offset of this damage item, except as such rent may have actually been collected from Tenant, a replacement tenant or from anyone else. Nor shall Tenant be entitled to assert as a defense the failure of Owner to use good faith efforts to secure a replacement tenant for the Premises.
- B. The difference, if any, between the amount of rent required to be paid by Tenant under this Lease and the amount of rent paid or to be paid by a replacement tenant.
- C. All reasonable costs to repair, renovate or modify the Premises for a replacement tenant.
- D. Actual costs and attorney fees incurred by Owner because of the breach by Tenant.

Eminent Domain

If all of the Premises are taken by the power of eminent domain exercised by any governmental or quasi-

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AMCO Received 4/30/2020

governmental authority, this Lease shall terminate as of the date Tenant is required to vacate the Premises and the rent, and other charges due hereunder shall be paid to that date. The term "eminent domain" shall include the taking or damaging of property by, through or under any government or quasi-governmental authority and any purchase or acquisition in lieu thereof, whether or not the damaging or taking is by the government or any other person. If more than 25% of the floor area of the Premises shall be taken or appropriated this Lease may, at the option of either party, be terminated by written notice given to the other party not more than thirty (30) days after Owner and Tenant receive notice of the taking or appropriation, and such termination shall be effective as of the date the Tenant is required to vacate the portion of the Premises so taken. If this Lease is so terminated all rent and other charges due hereunder shall be paid to the date of termination. Whenever any portion of the Premises is taken by eminent domain and this Lease is not terminated, Owner shall, at its expense, proceed with all reasonable dispatch to restore, to the extent that it is reasonably prudent to do so, the remainder of the Premises to the condition it was in immediately prior to such taking. Tenant shall, at its expense, proceed with all reasonable dispatch to restore all fixtures, furniture, furnishings, leasehold improvements, floor coverings and equipment to the same condition they were in immediately prior to such taking. From the date Tenant is required to vacate that portion of the Premises taken, the rent shall be reduced in proportion to the amount of floor space taken as compared to the total floor space.

Remedies Cumulative – Waiver

It is understood and agreed that the remedies of Owner hereunder are cumulative and the exercise of any right or remedy by Owner due to a default or breach by Tenant shall not be deemed a waiver and shall not alter, affect or prejudice any right or remedy which Owner may have under this Lease, or by law or equity. Neither the acceptance of rent nor any other acts or omissions of Owner at any time or times after the happening of any event authorizing the cancellation or forfeiture of this Lease shall operate as a waiver of any past or future violation, breach or failure to keep or perform any covenant, agreement, term or condition hereof or to deprive Owner of its right to cancel or forfeit this Lease, upon the notice provided for herein, at any time that cause for cancellation or forfeiture may exist, or be construed so as to have any time to preclude Owner from promptly exercising any other option, right or remedy that it might have under any term or provision of this Lease, or at law or in equity. The failure of either party to insist in any one or more instances upon the strict performance of any covenant, agreement, term or condition hereof shall not be construed as a waiver or relinquishment of the future performance of such one or more obligations of this Lease or the right to exercise any such right, remedy or election.

Acceptance of Payments

It is specifically understood and agreed that acceptance of any sum by Owner which is less than the amount claimed is due by the Owner, shall not act as, nor be deemed to be, a waiver of such claimed amount or a compromise or accord and satisfaction of the amount claimed as due.

Modifications

No agreement hereafter made between Owner and Tenant shall be effective to change, modify, waive, release, discharge, terminate or effect an abandonment of this Lease in whole or in part unless such agreement is in writing, expressly refers to this Lease and is signed by both parties.

Title and Quiet Enjoyment

Owner represents that it has full right and authority to execute and perform the obligations to be performed by it under this Lease and to grant the leasehold estate herein created. Owner covenants that Tenant, upon paying the rents reserved herein and performing the obligations, terms, provisions, conditions, covenants and agreements hereof, shall peaceably and quietly have, hold and enjoy the Premises for the uses and purposes set forth herein.

Attorney Fees

If either of the parties are required to bring or maintain any action, including assertion of any

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AMCO Received 4/30/2020

counterclaim or cross-claim in a proceeding, including a bankruptcy proceeding or receivership, or any other proceeding instituted by a party hereto or by others or otherwise refers this Lease to an attorney for the enforcement of any of the obligations, terms, provisions, conditions, covenants and agreements of this Lease, the prevailing party in such action shall, in addition to all other payments required herein, receive from the other all costs incurred by the prevailing party including attorney fees and such costs and attorney fees which prevailing party incurs on any appeal.

Partial Invalidity

If any term, provision, condition, covenant or agreement of this Lease, or the application thereof to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of the Lease or the application of such term, provision covenant or agreement to any person or circumstance other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term provision condition covenant and agreement of this Lease shall be valid and enforced to the fullest extent permitted by law.

Notices

Except as may be otherwise expressly provided in this Lease, all notices and statements required or permitted under this Lease shall be in writing and shall be deemed to be given and received when delivered in person or sent by United States registered or certified mail, return receipt requested, with postage prepaid and directed to the party at the address set forth in the first paragraph of this lease. Either party may designate a different post office or mail delivery address as may from time to time be appropriate for the purpose of receiving notice by giving appropriate notice to the other of such new designation.

Complete Integrated Agreement.

This Lease and the documents it references contains all the agreements of the parties with respect to any matter covered or mentioned in this Lease and no prior agreements or understandings pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. This Lease shall not be effective nor binding on any party until fully executed by both parties. This is an integrated agreement.

Holdover

In the event that Tenant occupies and remains in possession of the Premises after the expiration of this Lease without having executed a new lease or an extension or renewal of this Lease, Tenant shall be deemed in occupancy and possession of the Premises as a tenant for month to month only. If Tenant occupies and remains in possession of the Premises after the expiration of this Lease, and if either party thereafter desires to terminate said occupancy at the end of any month, then the party that desires to so terminate the same shall give the other party at least thirty (30) days written notice to that effect. Failure on the part of Tenant to give such notice shall obligate Tenant to pay the full rent and other charges reserved under this Lease.

Removal of Tenant's Property and Improvements upon Termination

After expiration or sooner termination of this Lease, Tenant shall remove all furniture, equipment, inventory and other Tenant property. Any property not removed shall be deemed abandoned and Owner shall have the option of either removing and disposing of such item(s) at Tenant's expense and without any Owner liability, or retaining such item(s) which shall become solely the property of Owner without any further claim thereto by Tenant. In the event the removal of any property by Tenant causes any damage to the premises, Tenant shall promptly repair such damage at Tenant's own cost and expense.

In the case of marijuana inventory, Owner shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska Alcohol and Marijuana Control Office (AMCO) prior to

any access to the licensed premises if Tenant cannot be reached, abandons the property, or similar event.

Governing Law

This Lease shall be governed by and construed according to the laws of the State of Alaska. Both parties hereto have had the opportunity to consult counsel in entering into this agreement and the rule of construction that ambiguities are to be interpreted more strictly against the draftsman shall not apply.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the day and year first herein written.

OWNER

Loren Prosser _____
CEO
Ninilchik Natives Association, Inc. _____
Date

TENANT

Jason Evans _____
Managing Member
One Denali, LLC _____
Date

Appendix A

14477 Sterling HWY Parcel View (KPB# 15720013) and improvements (6/20/19)



This map is user generated data output from an internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise in place of any official information from an authoritative agency. All the data displayed herein were mapped at a scale describing a much larger area than most parcels and therefore land cover boundaries may not match exactly with your property lines. Furthermore, land cover can change over time and the characteristics of a type may vary seasonally. The data displayed herein is for informational purposes only and should not be used for measurement. Kenai Peninsula Borough assumes no liability as to the accuracy of any data displayed herein. Original source documents should be consulted for accuracy verification.

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IN WITNESS WHEREOF, the parties hereto have executed this Lease on the day and year first herein written.

OWNER


Loren Prosser
CSIG
Ninichik Natives Association, Inc.

7-1-19
Date

TENANT


Jason Evans
Managing Member
One Denali, LLC

7/1/19
Date

PUBLISHER'S AFFIDAVIT

UNITED STATES OF AMERICA, }
 STATE OF ALASKA } ss:

Jeff Hayden being first duly sworn, on oath deposes and says:

That I am and was at all times here in this affidavit mentions, Supervisor of Legals of the Sound Publishing / Peninsula Clarion, a newspaper of general circulation and published at Kenai, Alaska, that the advertisement, a printed copy of which is hereto annexed was published in said paper on the dates listed below:

Marijuana License
 February 7, 2020
 February 14, 2020
 February 21, 2020

Jeff Hayden
 x

SUBSCRIBED AND SWORN before me on this

18 day of March, 2020.

Mary Coppel
 NOTARY PUBLIC in favor for the State of Alaska.

My commission expires 2-8-22



Retail Marijuana Store License Application

Alaskan Grow Products, LLC is applying under 3 AAC 306.300 for a new Retail Marijuana Store license, license #22284, doing business as ALASKAN GROWN CANNABIS, located at 14477 Sterling Highway, Ninilchik, AK, 99639, UNITED STATES.

Interested persons may object to the application by filing a written statement of objections for the objection to the application, the applicant, and the Alaska Marijuana Control Office (AMCO) not later than 30 days after the director has determined the application to be complete and has given written notice to the local government. Once an application is determined to be complete, the objection deadline and a copy of the application will be posted on AMCO's website at <https://www.commerce.alaska.gov/avsb/amco>. Objections should be sent to AMCO at amco@alaska.gov or 10550 W. 7th Ave, Suite 1800, Anchorage, AK 99501.

Pub: February 7, 14 & 21, 2020 890073





Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johmi Blankenship, MMC
Borough Clerk

MARIJUANA LICENSE LOCAL REVIEW STANDARDS ACKNOWLEDGEMENT FORM

Please review the statements below and acknowledge your understanding of the conditions and intent to comply by your signature below.

There shall be no parking in borough rights-of-way generated by the marijuana establishment.

If I have a retail marijuana license, I will not conduct any business on, or allow any consumer to access, the premises, between the hours of 2:00 a.m. and 8:00 a.m. each day.

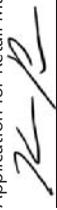
I must stay current in obligations owed to the Kenai Peninsula Borough or my license may be subject to a protest by the KPB Assembly.

It is my responsibility to abide by all federal, state, and local laws applicable to my marijuana establishment.

I understand Kenai Peninsula Borough staff will enter my property for purposes of evaluating ongoing compliance with KPB 7.30 and any conditions placed on the license by the State of Alaska Marijuana Control Board.

I have received, read and understand the additional review standards and conditions set out in KPB 7.30.

Alaskan Grown Cannabis
14477 Barbara Drive, Ninilchik, AK 99639; T 1S R 14W SEC 26 SEWARD MERIDIAN HM
0780021 BANTA SUB ADDN NO 1 & RESUB LOT 4 BLK 1 LOT 1 BLK 3
Application for Retail Marijuana Store (License Number: 22294)



Signature

3/23/2020

Date

Please return completed form along with site development plan to the KPB Clerk's



Kenai Peninsula Borough Planning Department
Recommendation on State Application for Retail Marijuana Store

Applicant: Alaskan Grown Cannabis

KPB Parcel ID: 15720013

Adjacent Land Use Map



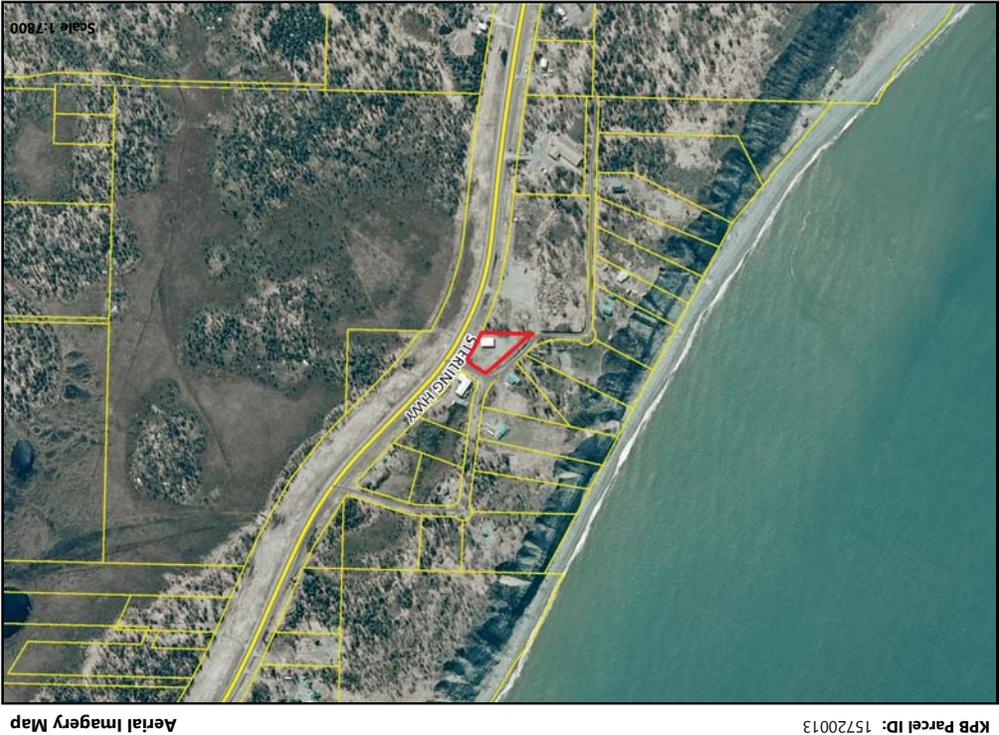
Radii shown depict the distance from the parcel boundaries. KPB 7.30 states that the distance measured by the shortest pedestrian route. If there were relevant facilities within the 500-foot or 1,000-foot radius, the shortest pedestrian path would be measured and depicted here.

The data displayed herein is neither a legally recorded map nor survey and should only be used for general reference purposes. It is not intended to be used for measurement. Kenai Peninsula Borough assumes no liability as to the accuracy of any data displayed herein. Original source documents should be consulted for accuracy verification.



Applicant: Alaskan Grown Cannabis

KPB Parcel ID: 15720013



Parcel Boundary
 All Other Parcels

Vicinity



The data displayed herein is neither a legally recorded map nor survey and should only be used for general reference purposes. It is not intended to be used for measurement. Kenai Peninsula Borough assumes no liability as to the accuracy of any data displayed herein. Original source documents should be consulted for accuracy verification.
 5/13/2020 1:32



May 4, 2020

Kenai Peninsula Borough
Attn: Johni Blankenship
VIA Email: jblankenship@kpb.us
CC: micheleturner@kpb.us
tshassetz@kpb.us
sness@kpb.us
dhenry@kpb.us

License Number:	24097
License Type:	Retail Marijuana Store
Licensee:	Alaska Harvest Company LLC
Doing Business As:	ALASKA HARVEST COMPANY LLC
Physical Address:	43837 Kalifornsky Beach RD Soldotna, AK 99669
Designated Licensee:	Dean Bush
Phone Number:	907-252-3230
Email Address:	info@alaskaharvestcompany.com

New Application **New Onsite Consumption Endorsement Application (Retail Only)**

AMCO has received a complete application for a marijuana establishment within your jurisdiction. This notice is required under 3 AAC 306.025(d)(2). Application documents will be sent to you separately via ZendTo.

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant. If the protest is a “conditional protest” as defined in 3 AAC 306.060(d)(2) and the application otherwise meets all the criteria set forth by the regulations, the Marijuana Control Board may approve the license, but require the applicant to show to the board’s satisfaction that the requirements of the local government have been met before the director issues the license.

3 AAC 306.010, 3 AAC 306.080, and 3 AAC 306.250 provide that the board will deny an application for a new license if the board finds that the license is prohibited under AS 17.38 as a result of an ordinance or election conducted under AS 17.38 and 3 AAC 306.200, or when a local government protests an application on the grounds that the proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

This application will be in front of the Marijuana Control Board at our June 10-11, 2020 meeting.

Department of Commerce, Community, and Economic Development
CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

State of Alaska / Commerce / Corporations, Business, and Professional Licensing / Search & Database Download / Corporations / Entity Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Alaska Harvest Company LLC

Entity Type: Limited Liability Company

Entity #: 10042305

Status: Good Standing

AK Formed Date: 10/11/2016

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2022

Entity Mailing Address: PO BOX 1129, KASILOF, AK 99610-0974

Entity Physical Address: 24900 ORION ST UNIT B, KASILOF, AK 99610

Registered Agent

Agent Name: Dean Bush

Registered Mailing Address: PO BOX 1129, KASILOF, AK 99610-0974

Registered Physical Address: 24900 ORION ST, KASILOF, AK 99610-0974

Officials

Show Former

AK Entity #	Name	Titles	Owned
	Dean Bush	Member	51.00
	Touchchai Sanutiangkul	Member	49.00

Filed Documents

Date Filed	Type	Filing	Certificate
10/11/2016	Creation Filing	Click to View	Click to View
12/13/2016	Initial Report	Click to View	
12/18/2017	Biennial Report	Click to View	
11/30/2019	Biennial Report	Click to View	

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OPERATING AGREEMENT
of
Alaska Harvest Company LLC

This Operating Agreement (the "Agreement") made and entered into this 1 day of January , 2020 (the "Execution Date"),

BETWEEN:

DEAN BUSH of PO Box 1129, Kasilof, AK 99610, and
Touchchai Sarutiangkul of PO Box 974, Kasilof, AK, 99610
(individually the "Member" and collectively the "Members").

BACKGROUND:

- A. The Members wish to associate themselves as members of a limited liability company.
- B. The terms and conditions of this Agreement will govern the Members within the limited liability company.

IN CONSIDERATION OF and as a condition of the Members entering into this Agreement and other valuable consideration, the receipt and sufficiency of which is acknowledged, the Members agree as follows:

Formation

- 1. By this Agreement, the Members form a Limited Liability Company (the "Company") in accordance with the laws of the State of Alaska. The rights and obligations of the Members will be as stated in the Alaska Revised Limited Liability Company Act (the "Act") except as otherwise provided in this agreement.

Name

- 2. The name of the Company will be Alaska Harvest Company LLC.

Purpose

- 3. The purpose of this company is lawful agriculture cultivation and resale of products.

Term

- 4. The Company will continue until terminated as provided in this Agreement or may dissolve under conditions provided in the Act.

Place of Business

- 5. The Principal Office of the Company will be located at 24900 Orion St. Unit B. Kasilof, AK 99610 or such other place as the Members may from time to time designate.

Capital Contributions

- 6. The following is a list of all Members and their Initial Contributions to the Company. Each of the Members agree to make their Initial Contributions to the Company in full, according to the following terms:

Member	Contribution Description	Value of Contribution
DEAN BUSH		\$0.00
Touchchai Sarutiangkul		\$0.00

Allocation of Profits/Losses

- 7. Subject to the other provisions of this Agreement, the Net Profits or Losses, for both accounting and tax purposes, will accrue to and be borne by the Members in equal proportions.
- 8. Each Member will receive an equal share of any Distribution.
- 9. No Member will have priority over any other Member for the distribution of Net Profits or Losses.

Nature of Interest

10. A Member's Interest in the Company will be considered personal property.

Withdrawal of Contribution

11. No Member will withdraw any portion of their Capital Contribution without the unanimous consent of the other Members.

Liability for Contribution

12. A Member's obligation to make their required Capital Contribution can only be compromised or released with the consent of all remaining Members or as otherwise provided in this Agreement. If a Member does not make the Capital Contribution when it is due, he is obligated at the option of any remaining Members to contribute cash equal to the agreed value of the Capital Contribution. This option is in addition to and not in lieu of any other rights, including the right to specific performance that the Company may have against the Member.

Additional Contributions

13. No Member will be required to make Additional Contributions. Any changes to Capital Contributions will not affect any Member's Interests except with the unanimous consent of the Members.

14. Any advance of money to the Company by any Member in excess of the amounts provided for in this Agreement or subsequently agreed to, will be deemed a debt due from the Company rather than an increase in the Capital Contribution of the Member. This liability will be repaid with interest at such rates and times to be determined by a majority of the Members. This liability will not entitle the lending Member to any increased share of the Company's profits nor to a greater voting power. Repayment of such debts will have priority over any other payments to Members.

Capital Accounts

15. An individual capital account (the "Capital Account") will be maintained for each Member and their Initial Contributions will be credited to this account. Any Additional Contributions made by any Member will be credited to that Member's individual Capital Account.

Interest on Capital

16. No borrowing charge or loan interest will be due or payable to any Member on their agreed Capital Contribution inclusive of any agreed Additional Contributions.

Management

17. Management of this Company is vested in the Members.

Authority to Bind Company

18. Any Member has the authority to bind the Company in contract.

Duty of Loyalty

19. While a person is a Member of the Company, that person will not carry on, or participate in, a similar business to the business of the Company within any market regions that were established or contemplated by the Company before or during that person's tenure as Member.

Duty to Devote Time

20. Each Member will devote such time and attention to the business of the Company as the majority of the Members will from time to time reasonably determine for the conduct of the Company's business.

Member Meetings

21. A meeting may be called by any Member providing that reasonable notice has been given to the other Members.

22. Regular meetings of the Members will be held only as required.

Voting

23. Each Member will be entitled to cast votes on any matter based upon the proportion of that Member's Capital Contributions in the Company.

Admission of New Members

24. No new Members may be admitted into the Company.

Voluntary Withdrawal of a Member

25. A Member may not withdraw from the Company without the unanimous consent of the remaining Members. Any such unauthorized withdrawal will be considered a wrongful dissociation and a breach of this Agreement. In the event of any such wrongful dissociation, the withdrawing Member will be liable to the remaining Members for any damages incurred by the remaining Members including but not limited to the loss of future earnings.

26. The voluntary withdrawal of a Member will have no effect upon the continuance of the Company.

27. It remains incumbent on the withdrawing Member to exercise this dissociation in good faith and to minimize any present or future harm done to the remaining Members as a result of the withdrawal.

Involuntary Withdrawal of a Member

28. Events leading to the involuntary withdrawal of a Member from the Company will include but not be limited to: death of a Member; Member mental incapacity; Member disability preventing reasonable participation in the Company; Member incompetence; breach of fiduciary duties by a Member; criminal conviction of a Member; Operation of Law against a Member or a legal judgment against a Member that can reasonably be expected to bring the business or societal reputation of the Company into disrepute. Expulsion of a Member can also occur on application by the Company or another Member, where it has been judicially determined that the Member: has engaged in wrongful conduct that adversely and materially affected the Company's business; has willfully or persistently committed a material breach of this Agreement or of a duty owed to the Company or to the other Members; or has engaged in conduct relating to the Company's business that makes it not reasonably practicable to carry on the business with the Member.

29. The involuntary withdrawal of a Member will have no effect upon the continuance of the Company.

Dissociation of a Member

30. In the event of either a voluntary or involuntary withdrawal of a Member, if the remaining Members elect to purchase the interest of the withdrawing Member, the remaining Members will serve written notice of such election, including the purchase price and method and schedule of payment for the withdrawing Member's interests, upon the withdrawing Member, their executor,

administrator, trustee, committee or analogous fiduciary within a reasonable period after acquiring knowledge of the change in circumstance to the affected Member. The purchase amount of any buyout of a Member's Interests will be determined as set out in the Valuation of Interest section of this Agreement.

31. Valuation and distribution will be determined as described in the Valuation of Interest section of this Agreement.

32. The remaining Members retain the right to seek damages from a dissociated Member where the dissociation resulted from a malicious or criminal act by the dissociated Member or where the dissociated Member had breached their fiduciary duty to the Company or was in breach of this Agreement or had acted in a way that could reasonably be foreseen to bring harm or damage to the Company or to the reputation of the Company.

33. A dissociated Member will only have liability for Company obligations that were incurred during their time as a Member. On dissociation of a Member, the Company will prepare, file, serve, and publish all notices required by law to protect the dissociated Member from liability for future Company obligations.

34. Where the remaining Members have purchased the interest of a dissociated Member, the purchase amount will be paid in full, but without interest, within 90 days of the date of withdrawal. The Company will retain exclusive rights to use of the trade name and firm name and all related brand and model names of the Company.

Right of First Purchase

35. In the event that a Member's Interest in the Company is or will be sold, due to any reason, the remaining Members will have a right of first purchase of that Member's Interest. The value of that interest in the Company will be the lower of the value set out in the Valuation of Interest section of this Agreement and any third party offer that the Member wishes to accept.

Assignment of Interest

36. In the event that a Member's interest in the company is transferred or assigned as the result of a court order or Operation of Law, the trustee in bankruptcy or other person acquiring that Member's Interests in the Company will only acquire that Member's economic rights and interests and will not acquire any other rights of that Member or be admitted as a Member of the

Company or have the right to exercise any management or voting interests.

Valuation of Interest

- 37. A Member's financial interest in the Company will be in proportion to their Capital Contributions, inclusive of any Additional Capital Contributions.
- 38. In the absence of a written agreement setting a value, the value of the Company will be based on the fair market value appraisal of all Company assets (less liabilities) determined in accordance with generally accepted accounting principles (GAAP). This appraisal will be conducted by an independent accounting firm agreed to by all Members. An appraiser will be appointed within a reasonable period of the date of withdrawal or dissolution. The results of the appraisal will be binding on all Members. The intent of this section is to ensure the survival of the Company despite the withdrawal of any individual Member.

39. No allowance will be made for goodwill, trade name, patents or other intangible assets, except where those assets have been reflected on the Company books immediately prior to valuation.

Dissolution

- 40. The Company may be dissolved by a unanimous vote of the Members. The Company will also be dissolved on the occurrence of events specified in the Act.
- 41. Upon Dissolution of the Company and liquidation of Company property, and after payment of all selling costs and expenses, the liquidator will distribute the Company assets to the following groups according to the following order of priority:
 - a. in satisfaction of liabilities to creditors except Company obligations to current Members;
 - b. in satisfaction of Company debt obligations to current Members; and then
 - c. to the Members based on Member financial interest, as set out in the Valuation of Interest section of this Agreement.

42. The Company will at all times maintain accurate records of the following:

Records

- a. Information regarding the status of the business and the financial condition of the Company.
 - b. A copy of the Company federal, state, and local income taxes for each year, promptly after becoming available.
 - c. Name and last known business, residential, or mailing address of each Member, as well as the date that person became a Member.
 - d. A copy of this Agreement and any articles or certificate of formation, as well as all amendments, together with any executed copies of any written powers of attorney pursuant to which this Agreement, articles or certificate, and any amendments have been executed.
 - e. The cash, property, and services contributed to the Company by each Member, along with a description and value, and any contributions that have been agreed to be made in the future.
43. Each Member has the right to demand, within a reasonable period of time, a copy of any of the above documents for any purpose reasonably related to their interest as a Member of the Company, at their expense.

Books of Account

- 44. Accurate and complete books of account of the transactions of the Company will be kept in accordance with generally accepted accounting principles (GAAP) and at all reasonable times will be available and open to inspection and examination by any Member. The books and records of the Company will reflect all the Company's transactions and will be appropriate and adequate for the business conducted by the Company.

Banking and Company Funds

45. The funds of the Company will be placed in such investments and banking accounts as will be designated by the Members. All withdrawals from these accounts will be made by the duly authorized agent or agents of the Company as appointed by unanimous consent of the Members. Company funds will be held in the name of the Company and will not be commingled with those of any other person or entity.

Audit

46. Any of the Members will have the right to request an audit of the Company books. The cost of the audit will be borne by the Company. The audit will be performed by an accounting firm acceptable to all the Members. Not more than one (1) audit will be required by any or all of the Members for any fiscal year.

Tax Treatment

47. This Company is intended to be treated as a partnership, for the purposes of Federal and State Income Tax.

Partnership Representative

48. DEAN BUSH will be the partnership representative ("the Partnership Representative") with the sole authority to act on behalf of the Company in relation to IRS tax audits pursuant to Chapter 63 Subchapter C of the Internal Revenue Code of 1986 ("the Tax Rules").

49. The Partnership Representative is appointed for the current tax year and subsequent tax years until otherwise designated by the Members.

50. The Members will indemnify the Partnership Representative from and against all claims, actions, suits, demands, damages, obligations, losses, settlements, judgments, costs and expenses brought by the Members or any of them in relation to any acts or omissions in the conduct of the role of Partnership Representative provided that the Partnership Representative is a Member, except to the extent that such losses result from, in whole or in part, the negligence, wilful misconduct or unlawful action of the Partnership Representative.

51. The Partnership Representative will promptly advise the Members of any audit of the Company initiated by the IRS and provide regular updates to the Members on the progress of such audits and any resulting settlement negotiations. The Partnership Representative will be generally

accountable to the Members and will obtain the majority approval of the Members for (i) any decisions affecting the tax liability of the Company or the Members; and (ii) any decision finalizing tax settlement with the IRS.

52. The Partnership Representative may resign from the position by serving notice in writing on both the Company and the IRS. The Company, acting by majority vote, may revoke the designation of the Partnership Representative by serving notice on the Partnership Representative and the IRS and simultaneously appointing a new Partnership Representative for that taxable year.

53. Whether serving in an active capacity or not, any person who has served as Partnership Representative in respect of any given taxable year or portion thereof will remain accountable to the Company, throughout the period of limitation relating to that taxable year, in respect of any notification received from the IRS and will promptly advise the Company of any and all such correspondence.

54. In the event that a tax settlement reached between the IRS and the Partnership Representative is not satisfactory to one or more of the Members and the matter cannot be resolved through negotiation in good faith at a meeting of the Members, then, two weeks, or such longer period as the Members may agree, following such meeting the Members agree to submit the dispute to mediation.

Tax Elections

55. In the event of an imputed underpayment by the Company assessed at audit, the Partnership Representative will elect the application of Section 6226 of Subchapter C (Alternative to Payment of Imputed Underpayment by Partnership) and duly furnish to each Member, and to the Secretary of the Treasury or his delegate, a statement of that Member's share of any adjustments within 45 days of the notice of final partnership adjustment.

Annual Report

56. As soon as practicable after the close of each fiscal year, the Company will furnish to each Member an annual report showing a full and complete account of the condition of the Company including all information as will be necessary for the preparation of each Member's income or other tax returns. This report will consist of at least:

- a. A copy of the Company's federal income tax returns for that fiscal year.
- b. Income statement.
- c. Balance sheet.
- d. Cash flow statement.
- e. A breakdown of the profit and loss attributable to each Member.

Goodwill

57. The goodwill of the Company will be assessed at an amount to be determined by appraisal using generally accepted accounting principles (GAAP).

Governing Law

58. The Members submit to the jurisdiction of the courts of the State of Alaska for the enforcement of this Agreement or any arbitration award or decision arising from this Agreement.

Force Majeure

59. A Member will be free of liability to the Company where the Member is prevented from executing their obligations under this Agreement in whole or in part due to force majeure, such as earthquake, typhoon, flood, fire, and war or any other unforeseen and uncontrollable event where the Member has communicated the circumstance of the event to any and all other Members and where the Member has taken any and all appropriate action to satisfy his duties and obligations to the Company and to mitigate the effects of the event.

Forbidden Acts

- 60. No Member may do any act in contravention of this Agreement.
- 61. No Member may permit, intentionally or unintentionally, the assignment of express, implied or apparent authority to a third party that is not a Member of the Company.
- 62. No Member may do any act that would make it impossible to carry on the ordinary business of the Company.

- 63. No Member will have the right or authority to bind or obligate the Company to any extent with regard to any matter outside the intended purpose of the Company.
- 64. No Member may confess a judgment against the Company.
- 65. Any violation of the above forbidden acts will be deemed an Involuntary Withdrawal and may be treated accordingly by the remaining Members.

Indemnification

66. All Members will be indemnified and held harmless by the Company from and against any and all claims of any nature, whatsoever, arising out of a Member's participation in Company affairs. A Member will not be entitled to indemnification under this section for liability arising out of gross negligence or willful misconduct of the Member or the breach by the Member of any provisions of this Agreement.

Liability

67. A Member or any employee will not be liable to the Company or to any other Member for any mistake or error in judgment or for any act or omission believed in good faith to be within the scope of authority conferred or implied by this Agreement or the Company. The Member or employee will be liable only for any and all acts and omissions involving intentional wrongdoing.

Liability Insurance

68. The Company may acquire insurance on behalf of any Member, employee, agent or other person engaged in the business interest of the Company against any liability asserted against them or incurred by them while acting in good faith on behalf of the Company.

Life Insurance

69. The Company will have the right to acquire life insurance on the lives of any or all of the Members, whenever it is deemed necessary by the Company. Each Member will cooperate fully with the Company in obtaining any such policies of life insurance.

Actions Requiring Unanimous Consent

70. The following actions will require the unanimous consent of all Members:

- a. Endangering the ownership or possession of Company property including selling, transferring or loaning any Company property or using any Company property as collateral for a loan.

Amendment of this Agreement

71. No amendment or modification of this Agreement will be valid or effective unless in writing and signed by all Members.

Title to Company Property

72. Title to all Company property will remain in the name of the Company. No Member or group of Members will have any ownership interest in Company property in whole or in part.

Miscellaneous

73. Time is of the essence in this Agreement.

74. This Agreement may be executed in counterparts.

75. Headings are inserted for the convenience of the Members only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in a neutral gender include the masculine gender and the feminine gender and vice versa.

76. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the Members' intent that such provision be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.

77. This Agreement contains the entire agreement between the Members. All negotiations and understandings have been included in this Agreement. Statements or representations that may have been made by any Member during the negotiation stages of this Agreement, may in some way be inconsistent with this final written Agreement. All such statements have no force or

effect in respect to this Agreement. Only the written terms of this Agreement will bind the Members.

78. This Agreement and the terms and conditions contained in this Agreement apply to and are binding upon each Member's successors, assigns, executors, administrators, beneficiaries, and representatives.

79. Any notices or delivery required here will be deemed completed when hand-delivered, delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the Members at the addresses contained in this Agreement or as the Members may later designate in writing.

80. All of the rights, remedies and benefits provided by this Agreement will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law.

Definitions

81. For the purpose of this Agreement, the following terms are defined as follows:

- a. "Additional Contribution" means Capital Contributions, other than Initial Contributions, made by Members to the Company.
- b. "Capital Contribution" means the total amount of cash, property, or services contributed to the Company by any one Member.
- c. "Distributions" means a payment of Company profits to the Members.
- d. "Initial Contribution" means the initial Capital Contributions made by any Member to acquire an interest in the Company.
- e. "Member's Interests" means the Member's collective rights, including but not limited to, the Member's right to share in profits, Member's right to a share of Company assets on dissolution of the Company, Member's voting rights, and Member's rights to participate in the management of the Company.
- f. "Net Profits or Losses" means the net profits or losses of the Company as determined by generally accepted accounting principles (GAAP).

- g. "Operation of Law" means rights or duties that are cast upon a party by the law, without any act or agreement on the part of the individual, including, but not limited to, an assignment for the benefit of creditors, a divorce, or a bankruptcy.
- h. "Principal Office" means the office whether inside or outside the State of Alaska where the executive or management of the Company maintain their primary office.
- i. "Voting Members" means the Members who belong to a membership class that has voting power. Where there is only one class of Members, then those Members constitute the Voting Members.

IN WITNESS WHEREOF the Members have duly affixed their signatures under hand and seal on this 2 day of December, 2019.

Subscribed and sworn before me
this 2 day of December, 2019 at Touchchal Sarutiangkul
by Joyce Kanakis
My Commission expires October 31, 2022




DEAN BUSH (Member)

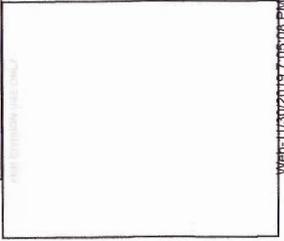

Touchchal Sarutiangkul (Member)



THE STATE
of ALASKA

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: corporations.alaska.gov

AK Entity #: 10042305
Date Filed: 11/30/2019
State of Alaska, DCCED



Domestic Limited Liability Company

2020 Biennial Report
For the period ending December 31, 2019

Due Date: This report along with its fees are due by January 2, 2020
Fees: If postmarked before February 2, 2020, the fee is \$100.00.
If postmarked on or after February 2, 2020 then this report is delinquent and the fee is \$137.50.

Entity Name: Alaska Harvest Company LLC
Entity Number: 10042305
Home Country: UNITED STATES
Home State/Prov.: ALASKA
Physical Address: 24900 ORION ST UNIT B, KASIOLOF, AK 99810
Mailing Address: PO BOX 1129, KASIOLOF, AK 99610-0974
Registered Agent information cannot be changed on this form. Per Alaska Statutes, to update or change the Registered Agent information this entity must submit the Statement of Change form for this entity type along with its filing fee.
Name: Dean Bush
Physical Address: 24900 ORION ST, KASIOLOF, AK 99610-0974
Mailing Address: PO BOX 1129, KASIOLOF, AK 99610-0974

Officials: The following is a complete list of officials who will be on record as a result of this filing.

- Provide all officials and required information. Use only the titles provided.
- Mandatory Members: this entity must have at least one (1) Member. A Member must own a % in addition, this entity must provide all Members who own 5% or more of the entity. A Member may be an individual or another entity.
- Manager: if the entity is manager managed (per its articles or amendment) then there must be at least (1) Manager provided. A Manager may be a Member if the Manager also owns a % of the entity.

Full Legal Name	Complete Mailing Address	% Owned	Member
Dean Bush	PO BOX 1129, KASIOLOF, AK 99610-1129	51	X
Touchchal Sarutiangkul	PO Box 974, Kasilofof, AK 99610-0974	49	X

If necessary, attach a list of additional officers on a separate 8.5 X 11 sheet of paper.

Purpose: Plant cultivation and processing of any lawful agriculture products for resale.

NAICS Code: 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you

Entity #: 10042305

Page 1 of 2

AMCO Received 4/15/2020

AMCO Received 4/15/2020

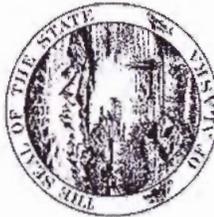
State of Alaska
Department of Commerce, Community, and Economic Development
Corporations, Business, and Professional Licensing

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Alaska Harvest Company LLC



IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective October 11, 2016.

Chris Hladick
Commissioner

Alaska Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110866, Juneau, AK 99811-0866

This is to certify that

ALASKA HARVEST COMPANY LLC

PO BOX 1129, KASLOF, AK 99610-0974

owned by

ALASKA HARVEST COMPANY LLC

is licensed by the department to conduct business for the period
November 30, 2016 to December 31, 2021
for the following line(s) of business:

11 - Agriculture, Forestry, Fishing and Hunting; 42 - Trade



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or the United States.
This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Julie Anderson
Commissioner



Application for Food Establishment Permit
 Alaska Department of Environmental Conservation
 Division of Environmental Health
 Food Safety and Sanitation Program



Permit ID: _____

Section 1 - GENERAL INFORMATION (All applicants complete entire section - please print).

Purpose (check one) New Information Change Extensive Remodel Change of owner/operator Reactivate

Name of Entity or Responsible Party for Food Service: **ALASKA HARVEST COMPANY LLC**
 Business/Corporate Mailing Address: **P.O. Box 1129** City: **Kaslof** State: **AK** Zip: **99610**
 Business/Corporate Phone: **907-352-3230** Email: **info@alaskaharvestcompany.com**
 Owner(s) or Corporate Officer(s) (A Title(s) or Responsible Party): **Dean Bush - Owner** Fax: **N/A**
 Type of Entity: Partnership Corporation Other:

Establishment Name: **Alaska Harvest Company LLC** Physical Location: **43937 K-DEATH Rd** Nearest Community: **SOLDOTNA, AK**
 Establishment Mailing Address: **P.O. Box 1129** City: **Kaslof,** State: **AK** Zip: **99610**
 Establishment Phone: **907-352-3230** Contact Person: **Dean Bush**
 Establishment Physical Address: **43937 Kalifornisky Rd.** City: **SOLDOTNA** State: **AK** Zip: **99669**

SEATING: (Food Service Only) N/A 25 or less 26-100 > 101

TYPE OF OPERATION Please describe the type of facility you plan to open below (i.e. restaurant, bar, grocery store, etc.)
Marijuana Retail Store - Re-Sale Licenced Products from other Licenced (Amco) Vendors

SECTION 2 - NEW OR EXTENSIVELY REMODELED FACILITIES
 A plan review will be required if your facility has never been permitted by the Alaska's Food Safety and Sanitation Program; has not had an active permit in the last five years; will be extensively remodeled; or is a new construction. If any of these apply, a Plan Review Application is required to process your application. Have you attached the Plan Review Application? Yes No

SECTION 3 - COMPLETE FOR ALL FOOD ESTABLISHMENTS (Check all that apply)

FOOD SERVICE ESTABLISHMENTS

a. A copy of your menu will be required. Have you attached a copy of the proposed menu? Yes No

b. Attach appropriate label, placard, or menu notation for the consumer advisories if you serve:
 Wild Mushrooms Unpasteurized juices
 Raw/undercooked animal foods such as beef, shell eggs, lamb, pork, poultry, seafood, and shellfish.
 Farmed halibut, salmon, or sablefish

c. Methods of food preparation (check the one that most closely describes the establishment):
 Assembly of Ready to Eat Foods Cook and Serve
 Hot or cold Service for 2 hours or more is done
 Complex (Preparation 1 day or more in advance, cooling and reheating is done).

d. Style of Service:
 Counter Service Self Service (i.e. buffet line, salad bar)
 Other: _____ Table Service

e. Do you plan to operate as a caterer? Yes No
 If yes, list all the equipment used to protect food from contamination and maintain product temperature during Transportation:
 Hot or Cold Holding: _____

AMCO Received 4/15/2020

Permit ID(s): _____ Establishment Name(s): _____

f. Will your food establishment be a kiosk or mobile unit? Yes No
 Are employee toilets available within 200 feet? Yes No
 If you have an agreement with another business to use their restrooms, please attach written verification.
 Portable water tanks, plumbing, and hoses are NSF or FDA approved components? Yes N/A No
 If you have a kiosk, is it located outside of a building? Yes N/A No
 Will you have a service provide water or remove wastewater? Yes N/A No
 If yes, provide a letter of agreement from water hauler or wastewater hauler outlining services provided and frequency.
 Will another permitted food establishment (commissary) provide support to your facility? If yes, attach a copy of the Commissary Agreement. Yes No

g. **FOOD PROCESSORS**
 a. A copy of a label for each type of product you will produce is required. Have you attached food labels of each product to be produced? Yes No
 Describe who you will be distributing your product to (i.e. grocery stores, etc): **General Public over the**
CGE 2 2 1

c. Will you be doing any of the following processes? Check all that apply.
 Reduced Oxygen Packaging Smoking Other:
 Low Acid Canned Foods Curing
 Shelf Stable Acidified Foods Dehydrating
 Be sure to check with your local Environmental Health Officer for any applicable forms and FDA requirements.
 Do you have a HACCP Plan? Yes No N/A
 Required for high hazard food processors such as smoking, curing, acidifying, dehydrating, thermally processing low acid foods, reduced oxygen packaging, etc.

e. You are required to have a product coding system and a recall plan. Have you attached a copy of the coding system and recall procedures? Yes No

a. A list of products that you will be selling is required. Have you attached a copy of the list of products? Yes No
 Provide names of suppliers where you will be purchasing your product
MOBILE RETAIL VENDOR SELLING SEAFOOD

b. Will all of your product be prepackaged? Yes No
 Will another permitted food establishment (commissary) provide support to your facility? If yes, attach a copy of the Commissary Agreement. Yes No

MACHINES VENDING POTENTIALLY HAZARDOUS FOODS
 Have you attached the label that will be affixed to the front of each machine with name, physical address, and phone number of the permitted food establishment servicing the machine? Yes No

SECTION 4 - Food Managers Certification/Alaska Safe Food Worker Card
 a. Have you attached a copy of a Food Manager's Certification? Yes N/A
 The operator of a food establishment that serves and prepares unwrapped or unpackaged food, except for a bar, tavern, or limited food service, must have at least one Certified Food Protection Manager who is involved in the daily operations of the establishment.
 b. Does everyone who works or will work at the food establishment have a Food Worker Card? Yes No N/A
 An operator of a food establishment shall keep on file a copy of the Food Worker Card issued by the department for each employed food worker and make the copy available to the Department upon request.

I declare, under penalty of unsworn falsification, that this application (including any accompanying statements) has been examined by me and to the best of my knowledge and belief is true, correct, and complete. I agree to pay all fees before operating.

Applicant's Signature: **Dean Bush** Date: **4-8-2020**
 Applicant's Printed Name: **Dean Bush** Title: **Co-Owner**

AMCO Received 4/15/2020

Alaska Harvest Company LLC
Proposed Menu List

This list is not meant to be all inclusive and may change periodically. We will have prepackaged product that will require refrigeration.

1. Cannabis Flower and trim Bulk, Packaged, and pre rolls.
2. Cannabis Vape Concentrates from Licensed Vendors
3. Cannabis edibles such as cookies, chocolates, caramels, tincture, sodas Gummies, Cana Caps etc... from licensed vendors

AMCO Received 4/15/2020

was just informed by someone in our program that, currently, AMCO is exceptng a copy of your foodservice application without the DEC stamp on it, due to the fact that many of us are not actually in the office at this time. So you should be fine with just the application that you had sent me.
'm hoping to get started on your plan review later this week, but if not, for sure next week. I have just one ahead of you at this point, that I'm hoping to start today.

Heidi

From: info@alaskaharvestcompany.com [mailto:info@alaskaharvestcompany.com]
Sent: Monday, April 13, 2020 5:51 PM
To: isernhagen, Heidi L (DEC) <heidi.iserhagen@alaska.gov>
Subject: Re: Alaska Harvest Company LLC

Heidi, If you get in a time crunch AMCO will accept a stamped recieved copy of the application? I am working water and sewer now. Looks like that will be pretty eas process?? Stay safe!

Thanks Dean,

I imagine I'll get to your plans next week. I have a couple of plan reviews ahead of yours. I'll email if I have any questions.

Thanks again!

AMCO Received 4/15/2020



THE STATE
of ALASKA
GOVERNOR MICHAEL J. DUNLEAVY

Department of Environmental
Conservation
DIVISION OF ENVIRONMENTAL HEALTH
FOOD SAFETY & SANITATION PROGRAM

43335 Kallifornsky Beach Rd
Soldotna, Alaska, 99669
Main: 907.262.3408
Fax: 907.262.2294
www.dhec.alaska.gov/eh/fss
heidi.isernhagen@alaska.gov

April 21, 2020

Alaska Harvest Company, LLC
Attn: Dean Bush
PO Box 1129,
Kasilof, AK 99610

Re: Plan Review Approval for Alaska Harvest Company

Facility: 8411 Permit ID: 11027

Dear Mr. Bush:

Thank you for submitting your Food Establishment Application and Plan Review Application for Alaska Harvest Company located at 43837 Kallifornsky Beach Rd. in Soldotna, Alaska.

This letter serves as approval of your plan review application. You should expect to receive a copy of your Food Establishment Permit in the mail shortly, but until then, this letter serves as your approval to operate. An opening inspection from our Department will not be required in order for you to start operating.

Here is a link that has resources that may be helpful for you and your facility, which address common food safety risk factors: <https://dhec.alaska.gov/cb/fss/risk-factor-resources/>.

Please notify our office if there are any significant changes to the facility, style of service, location of service, ownership, or menu changes.

If you have any questions please do not hesitate to contact one of our Environmental Health Officers in our Soldotna office: EHO Melanie Hollon at (907) 262-3413 / melanie.hollon@alaska.gov or EHO Heidi Isernhagen at (907) 262-3416 / heidi.isernhagen@alaska.gov.

Sincerely,

Heidi Isernhagen
Environmental Health Officer

43335 Kallifornsky Beach Rd, Suite 11
Soldotna, AK 99669
(907) 262-3416 phone
(907) 262-2294 fax
heidi.isernhagen@alaska.gov

AMCO Received 4/15/2020

AMCO Received 4/21/2020



Alaska Marijuana Control Board
Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaska Harvest Company LLC	License Number:	24097
License Type:	Retail Marijuana Store		
Doing Business As:	Alaska Harvest Company LLC		
Premises Address:	43837 Kailfornsky Beach RD		
City:	Soldotna	State:	AK
		ZIP:	99669

Section 2 – Individual Information

Enter information for the individual licensee.

Name:	Dean Bush
Title:	Owner

Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license? Yes No

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

Licenses # 11214. Standard Marijuana Cultivation



Alaska Marijuana Control Board
Form MJ-00: Application Certifications

What is this form?

Read each line below, and then sign your initials in the box to the right of each statement:

Section 4 – Certifications

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

I certify that I am not currently on felony probation or felony parole.

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

I certify that my proposed premises is not located in a liquor licensed premises.

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.



Alaska Marijuana Control Board
Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaska Harvest Company LLC	License Number:	24097
License Type:	Retail Marijuana Store		
Doing Business As:	Alaska Harvest Company LLC		
Premises Address:	43837 Kailfornsky Beach RD		
City:	Soldotna	State:	AK ZIP: 99669

Section 2 – Individual Information

Enter information for the individual licensee.

Name:	Touchchai Sarutiangkul
Title:	Owner

Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

Licenses # 11214 Standard Marijuana Cultivation

AMCO Received 4/15/2020



Alaska Marijuana Control Board
Form MJ-00: Application Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees. DB

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located. DB

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license: DB

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

Dean Bush
 Signature of licensee

Dean Bush
 Printed name of licensee

SHAUNTEALA ORAHAM
 Notary Public in and for the State of Alaska
 My Commission Expires April 10, 2022

My commission expires: April 10, 2022

Subscribed and sworn to before me this 10th day of April, 2020

AMCO Received 4/15/2020



Alaska Marijuana Control Board
Form MJ-00: Application Certifications

Section 4 – Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

Initials

I certify that I am not currently on felony probation or felony parole.

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

Initials

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

Initials

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

Initials

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

Initials

I certify that my proposed premises is not located in a liquor licensed premises.

Initials

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

Initials

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

Initials

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.

Initials



Alaska Marijuana Control Board
Form MJ-00: Application Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

Initials

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Initials

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

Initials

All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Notary Public
 SHAUNTEALA GRHAM
 State of Alaska
 My Commission Expires April 10, 2022

Printed name of licensee

My commission expires: April 10, 2022

Subscribed and sworn to before me this 10th day of April, 2020.

Signature of Notary Public



Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Marijuana Control Board
Form MJ-01: Marijuana Establishment Operating Plan

What is this form?

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38 of Alaska Statutes and Chapter 306 of the Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Control plan for persons under the age of 21
- Security
- Business records
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Health and safety standards
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising

Applicants must also complete the corresponding operating plan supplemental forms: **Form MJ-03, Form MJ-04, Form MJ-05, or Form MJ-06** to meet the additional operating plan requirements for each license type.

Section 1 – Establishment & Contact Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaska Harvest Company LLC	MJ License #:	24097
License Type:	Retail Marijuana Store		
Doing Business As:	Alaska Harvest Company LLC		
Premises Address:	43837 Kalifornsky Beach Rd		
City:	Soldotna	State:	Alaska
		ZIP:	99669
Mailing Address:	PO Box 1129		
City:	Kasilof	State:	Alaska
		ZIP:	99610
Designated Licensee:	Dean Bush		
Main Phone:	907-252-3230	Cell Phone:	907-252-3230
Email:	info@alaskaharvestcompany.com		



Alaska Marijuana Control Board
Form MJ-01: Marijuana Establishment Operating Plan

Section 2 – Control Plan for Persons Under the Age of 21

2.1. Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

The marijuana retail store will have a sign by the entrance or door stating "No One Under The Age Of 21 Allowed". The sign will not be less than 12 inches long and 12 inches wide. Customers will be asked to show a valid government issued id which will be checked by a buttender or employee when they enter the retail store. Video surveillance will record entries and exits.

Section 3 – Security

Restricted Access Areas (3 AAC 306.710):

3.1. Describe how you will prevent unescorted members of the public from entering restricted access areas:

To ensure that no unescorted members of the public access restricted areas, all restricted areas will be clearly marked with a sign that states "Restricted Access Area. Visitors Must be escorted". Also, an employee will not allow any visitor to go beyond the restricted area. Before visitors can enter the restricted area, they need to sign in and complete the visitor's log. Then an employee will give them a visitor's badge and escort them inside the restricted area.

3.2. Describe your recordkeeping and processes for admitting visitors into and escorting them through restricted access areas:

Before visitors can enter the restricted area, they need to sign in and complete the visitor's log. The visitor's log includes date of visit, time in, time out, name, phone number or email, and purpose of visit. An employee will then give them a visitor's badge to wear and escort them while they are in the restricted area. There will be no more than five visitors per escort. Visitors will sign out of the visitor's log and give a visitor's badge back when they leave.



Alaska Marijuana Control Board
Form MJ-01: Marijuana Establishment Operating Plan

3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:

SEE Attachment 1



VISITOR



Employee Name

Employee Picture

Retail Marijuana Store
 LICENSE # 24097
 EMPLOYEE

Attachment 1

Security Alarm Systems and Lock Standards (3 AAC 306.715):

3.4. Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:
 The exterior lights will be installed at all sides of the building especially within 20 feet of each entrance and exit to the building to enhance the surveillance. The exterior lights will provide good brightness that ensure image quality captured by security cameras over entrances, exits, and windows.



Alaska Marijuana Control Board
Form MJ-01: Marijuana Establishment Operating Plan

3.5. An alarm system is required for all license types that must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe the security alarm system for the proposed premises, explain how it will meet all regulatory requirements, and outline your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when the alarm system alerts of an unauthorized breach:

A designated employee will be responsible for unlocking the licensed premises at the beginning of shifts and disarming the alarm system. At end of shift, a designated employee will secure, re-lock the licensed premises and arm the security system.

There will be a third party security/alarm monitoring company that will be contracted with to monitor all security alarms. Alarms are to include such as door and window contact alarms, motion sensory alarms, glass breakage alarms, and fire and smoke alarms. All exterior doors and windows will have door/window contacts to monitor door and window open/closed status. If a door or window is opened when the security system is armed, it will activate the alarms which the security system will auto dial the security monitoring company. Then, the security monitoring company will notify owner, owner representative, and the local law enforcement. A designated employee or owner will come to the licensed premises and if there is an evidence of unauthorized access to the licensed premises, A designated employee or owner will cooperate with members of law enforcement and notify AMCO enforcement within 24 hours.

3.6. Describe your policies and procedures for preventing diversion of marijuana or marijuana product, including by employees:

Only employees with current bud handler certifications that have passed background checks will be hired. Diversion of product procedures/training will be discussed with all employees and manager including learning how to prevent/detect diversions from employees and customers, reporting all diversions to a manager or licensed owner, reviewing of continuous camera recordings of suspected diversions, and prosecuting employees if involved in product diversions. All marijuana product will be stored in a locked storage room and tracked in METRC system.

3.7. Describe your policies and procedures for preventing loitering:

Signage stating "No Loitering" or "No Trespassing" will be posted around the licensed premises. Exterior video surveillance will be available to employees inside the premises. Employees will notify law enforcement if anyone found to be loitering refuses to leave the premises.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

3.8. I certify that if any additional security devices are used, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm, to enhance security of the licensed premises, I will have written policies and procedures describing their use.

DB



Alaska Marijuana Control Board
Form MJ-01: Marijuana Establishment Operating Plan

Video Surveillance (3 AAC 306.720):

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

DB

3.9. The video surveillance and camera recording system for the licensed premises covers each restricted access area, and both the interior and exterior of each entrance to the facility.

DB

3.10. Each video surveillance recording is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing (consistent with the Alcohol & Marijuana Control Office's approved format list); clearly and accurately displays the time and date; and is archived in a format that does not permit alteration of the recorded image.

DB

3.11. The surveillance room or area is clearly defined on the Form MJ-02: Premises Diagram that is submitted with this application.

DB

3.12. Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area where access is limited to the licensee(s), an authorized employee, and law enforcement personnel (including an agent of the Marijuana Control Board).

3.13. Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

All entrances to the premises will have cameras placed above the doors to provide a clear 20' view of the perimeter to identify any individuals within 20' of the entrance. Cameras inside the doors will monitor and identify any individuals entering and exiting the premise. The entire premises will have full video surveillance in all restricted and non-restricted areas excluding the bathroom.

3.14. Describe the locked and secure area where video surveillance recording equipment and original copies of surveillance records will be housed and stored, and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the Marijuana Control Board. If you will be using an offsite monitoring service and offsite storage of video surveillance records, your response must include how the offsite facility will meet these security requirements:

All video recording and security equipment will be housed and stored in a locked security room. Video surveillance storage will be maintained at a minimum 40 days of recording. Only employees of responsible charge and owner will have access to the security room and access to remote video surveillance. Any law enforcement, agents/officials of the local government or AMCO needing access to the security room will be escorted by an individual of responsible charge employee or owner.



Alaska Marijuana Control Board
Form MJ-01: Marijuana Establishment Operating Plan

Section 4 – Business Records

Review the requirements under 3 AAC 306.755. All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records.

4.1. I certify that the following business records will be maintained and kept on the licensed premises:

Initials

- a. all books and records necessary to fully account for each business transaction conducted under my license for the current year and three preceding calendar years (records for the last six months must be maintained on the licensed premises; older records may be archived on or off-premises); DB
- b. a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment; DB
- c. the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises; DB
- d. records related to advertising and marketing; DB
- e. a current diagram of the licensed premises, including each restricted access area; DB
- f. a log recording the name, and date and time of entry of each visitor permitted into a restricted access area; DB
- g. all records normally retained for tax purposes; DB
- h. accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed; DB
- i. transportation records for marijuana and marijuana product, as required by 3 AAC 306.750(f); and DB
- j. registration and inspection reports of scales registered under the Weights and Measures Act, as required by 3 AAC 306.745. DB

4.2. A marijuana establishment is required to exercise due diligence in preserving and maintaining all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All business records such as bookkeeping for each business transaction, employee list and handler card information, contact information of vendors that maintain surveillance and alarm systems, advertising/marketing, diagram of the licensed premises, visitor logs, records that retains for tax purposes, inventory tracking, manifests, scales inspection will be stored for six months in a locked cabinet on the premises and can be accessed only by owner and authorized personnel. Older records may be archived on or off-premises.



Alaska Marijuana Control Board
Form MJ-01: Marijuana Establishment Operating Plan

Section 5 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730. All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with Metrc to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

- 5.1. My marijuana establishment will be using Metrc, and if any other tracking software is used, it will be capable of sharing information with Metrc. DB
- 5.2. All marijuana delivered to a marijuana establishment will be weighed on a scale registered in compliance with 3 AAC 306.745. DB
- 5.3. My marijuana establishment will use registered scales in compliance with AS 45.75.080 (Weights and Measures Act), as required by 3 AAC 306.745. DB

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. All licensees, and every employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

- 6.1. All licensees, and each employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment. DB
- 6.2. Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the licensed premises) when on the licensed premises. DB
- 6.3. Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired. DB

6.4. Describe any in-house training that will be provided to employees and agents (apart from a marijuana handler course):

All employees will receive in-house training. The training will include such as product handling, customer service, health and safety, sanitation, theft, legal issues, proper equipment use, cash register operations, and POS system. Training will be an on-going process. Employees will also be kept up to date to any change in regulation from AMCO, law enforcement, and any industry change.



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

9.2. Describe any advertising you intend to distribute for your establishment. Include medium types and business logos (photos or drawings may be attached):

SEE ATTACHMENT 2

Alaska Harvest Company plans to utilize the following advertising mediums.

- Magazines and Newspapers
- Social Media and Websites
- Radio and Television
- Text messages
- Events and Sponsorship

Advertisements will include the Alaska Harvest Company logo, the retail store hours and location, company website and will include each warning statement verbatim as they are listed in the regulations. Samples of logos are as follows:



I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Dean Bush
Signature of licensee

Dean Bush
Printed name of licensee

Notary Public
SHAUNTELA GRAHAM
State of Alaska
My Commission Expires April 10, 2022

Shauntele Graham
Notary Public in and for the State of Alaska

My commission expires: April 10, 2022

Subscribed and sworn to before me this 30th day of April, 2020

Attachment # 2



Alaska Marijuana Control Board
Form MJ-01: Marijuana Establishment Operating Plan

(Additional Space as Needed):



Alaska Marijuana Control Board
Form MJ-02: Premises Diagram

Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
 Phone: 907.269.0350

What is this form?

A detailed diagram of the proposed licensed premises is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(8). All areas designated as the licensed premises of a single license must be contiguous. All diagrams must have the licensed premises area labeled, and outlined or shaded as appropriate.

What must be submitted with this form?

Applicants must attach multiple diagrams to this form, including (as applicable):

- ✓ **Diagram 1:** a diagram showing only the licensed premises areas that will be ready to be operational at the time of your preliminary inspection and license issuance;
- **Diagram 2:** if different than Diagram 1, a diagram outlining all areas for which the licensee has legal right of possession (a valid lease or deed), and clearly showing those areas' relationship to the current proposed licensed premises (details of any planned expansion areas do not need to be included; a complete copy of Form MJ-14: Licensed Premises Diagram Change must be submitted and approved before any planned expansion area may be added to the licensed premises);
- ✓ **Diagram 3:** a site plan or as-built of the entire lot, showing all structures on the property and clearly indicating which area(s) will be part of the licensed premises;
- ✓ **Diagram 4:** an aerial photo of the entire lot and surrounding lots, showing a view of the entire property and surrounding properties, and clearly indicating which area(s) will be part of the licensed premises (this can be obtained from sources like Google Earth); and
- **Diagram 5:** a diagram of the entire building in which the licensed premises is located, clearly distinguishing the licensed premises from unlicensed areas and/or premises of other licenses within the building. If your proposed licensed premises is located within a building or building complex that contains multiple business and/or tenants, please provide the addresses and/or suite numbers of the other businesses and/or tenants (a separate diagram is not required for an establishment that is designating the entire building as a single licensed premises).

This form, and all necessary diagrams that meet the requirements on Page 2 of this form, must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaska Harvest Company LLC	MJ License #:	24097
License Type:	Retail Marijuana Store		
Doing Business As:	Alaska Harvest Company LLC		
Premises Address:	43837 Kailifornsky Beach RD		
City:	Soldotna	State:	Alaska
		ZIP:	99669



Alaska Marijuana Control Board
Form MJ-02: Premises Diagram

Section 2 - Required Information

For your security, do not include locations of security cameras, motion detectors, panic buttons, and other security devices. Items marked with a double asterisk (**) are only required for those retail marijuana establishments that are also applying for an onsite consumption endorsement.

The following details must be included in all diagrams:

- License number and DBA
 - Legend or key
 - Color coding
 - Labeled Premises Area Labeled and Shaded, or Outlined as appropriate
 - Dimensions
 - Labels
 - True north arrow
- The following additional details must be included in Diagram 1:
- Surveillance room
 - Restricted access areas
 - Storage areas
 - Entrances, exits, and windows
 - Walls, partitions, and counters
 - Any other areas that must be labeled for specific license or endorsement types
 - **Employee monitoring area(s)
 - **Ventilation exhaust points, if applicable

The following additional details must be included in Diagram 2:

- Areas of ingress and egress
 - Entrances and exits
 - Walls and partitions
- The following additional details must be included in Diagrams 3 and 4:
- Areas of ingress and egress
 - Cross streets and points of reference

The following additional details must be included in Diagram 5:

- Areas of ingress and egress
- Entrances and exits
- Walls and partitions
- Cross streets and points of reference

I declare under penalty of unsworn falsification that I have attached all necessary diagrams that meet the above requirements and that this form, including all accompanying schedules, statements, and depictions is true, correct, and complete.

Signature of licensee: *Dean Bush*
 Notary Public: *Shauntea Graham*
 State of Alaska
 My Commission Expires April 10, 2022
 My commission expires: April 10th 2022
 Subscribed and sworn to before me this 10th day of April, 2020.
 License # 24097
 Page 2 of 2

AMCO Received 4/30/2020

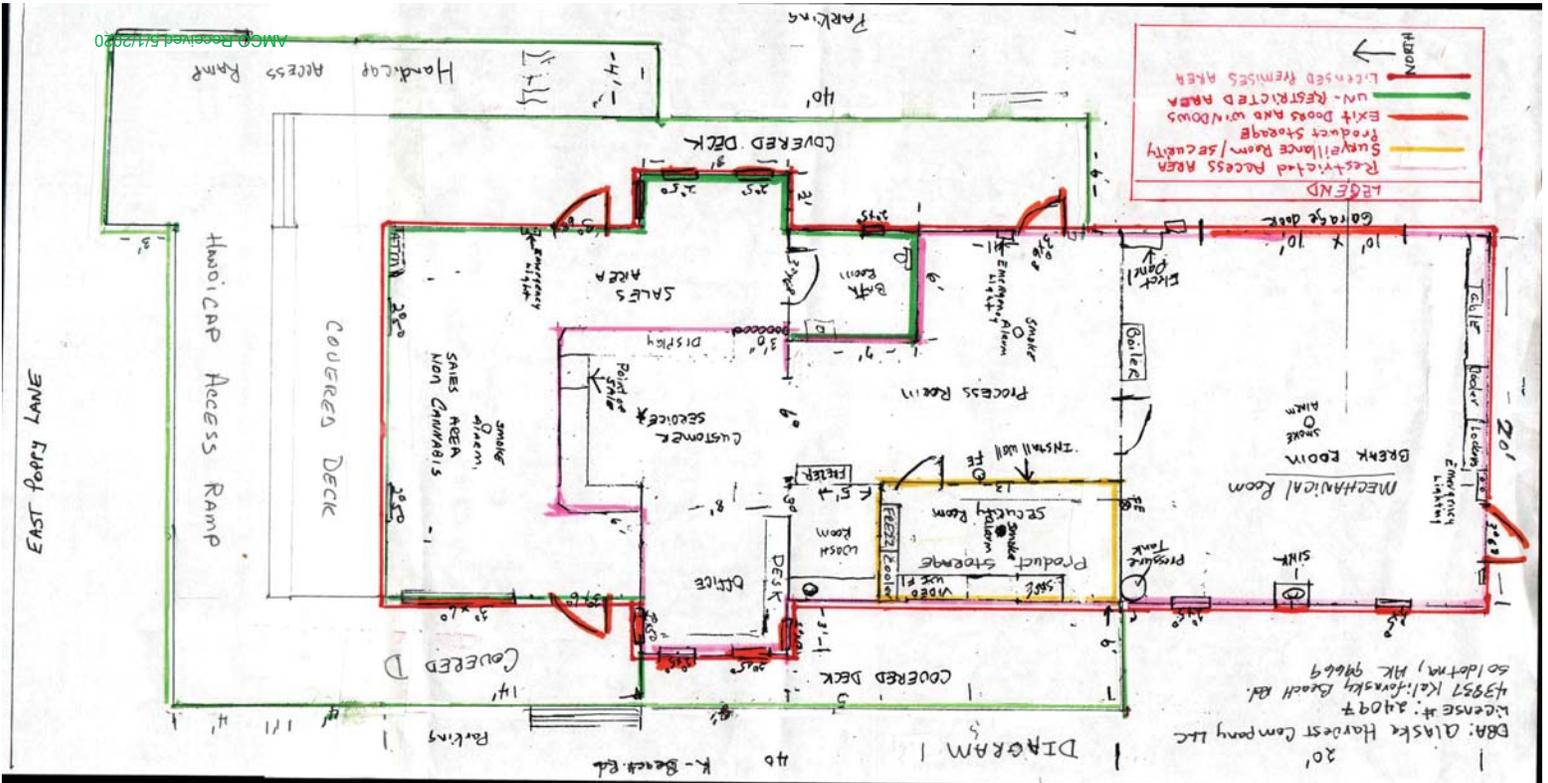


DIAGRAM 4



LEGEND
 LICENSED PREMISE

DBA: ALASKA HARVEST COMPANY LLC
 LICENSE#: 24097
 43837 Kalifornsky Beach Rd
 Soldotna, AK 99669

Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
 Phone: 907.269.0350



Alaska Marijuana Control Board
 Operating Plan Supplemental
 Form MJ-03: Retail Marijuana Store

What is this form?

This operating plan supplemental form is required for all applicants seeking a retail marijuana store license and must accompany Form MJ-01: Marijuana Establishment Operating Plan, per 3 AAC 306.020(b)(11). Applicants should review Chapter 306: Article 3 of the Alaska Administrative Code. This form will be used to document how an applicant intends to meet the requirements of the statutes and regulations.

If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020 and 3 AAC 306.315(2).

What additional information is required for retail stores?

Applicants must identify how the proposed establishment will comply with applicable regulations regarding the following:

- Prohibitions
- Signage and advertising
- Displays and sales
- Exit packaging and labeling
- Security
- Waste disposal

This form must be completed and submitted to AMCO's main office before any new or transfer application for a retail marijuana store license will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaska Harvest Company LLC	MJ License #:	24097
License Type:	Retail Marijuana Store		
Doing Business As:	Alaska Harvest Company LLC		
Premises Address:	43837 Kalifornsky Beach Rd		
City:	Soldotna	State:	Alaska
		ZIP:	99669



Section 2 – Overview of Operations

2.1. Provide an overview of your proposed facility's operations. Include information regarding the intake and flow of marijuana and marijuana product at your premises, and a description of what a standard customer visit to your establishment would entail:

A day starts out with unlocking the premises and getting ready for daily operations including checking inventory and putting product to sales floor. When customers enter the premises, they will be greeted by employees and be asked to show their valid government issued ID to verify they are 21 years old or older. Once ID has been verified, customers can then start browsing products and store selections. Sales transactions will be processed at the point of sale station. After customers complete their transaction, they will exit the premises. At the end of each day, a manager or employee will reconcile the sale's transactions from the point of sale software with the inventory on hand and with the METRC to ensure consistency. The premises will be locked at the end of each business day.

In the case of product transfer, when marijuana product arrives at the premises, the product will be inspected to ensure the product type and weight and the transport manifest will be verified before accepting the shipment. After accepting the shipment, information such as product type, amount, and weight will be entered into the METRC system and point of sale software. Product will be kept in the locked product storage room or added to sales floor when they are ready to be sold.

Section 3 – Prohibitions

Review the requirements under 3 AAC 306.310.

3.1. Describe how you will ensure that the retail marijuana store will not sell, give, distribute, or deliver marijuana or marijuana product to a person who is under the influence of an alcoholic beverage, inhalant, or controlled substance: Employees will be trained to recognize the signs of impairment or persons under the influence of an alcoholic beverage, inhalant, or controlled substance. If an employee suspects a customer is under the influence of an alcoholic beverage, inhalant, or controlled substance, the person will not be sold any marijuana product and will be asked to leave the premises. If the person refuses to leave, law enforcement will be contacted.

3.2. I certify that the retail marijuana store will not:

- a. sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product in a quantity exceeding the limit set out in 3 AAC 306.355;
b. sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product over the internet;
c. offer or deliver to a consumer, as a marketing promotion or for any other reason, free marijuana or marijuana product, including a sample;
d. offer or deliver to a consumer, as a marketing promotion or for any other reason, alcoholic beverages, free or for compensation; or
e. allow a person to consume marijuana or a marijuana product on the licensed premises.

Answer "Yes" or "No" to the following question:

3.3. Do you plan to request future approval of the Marijuana Control Board to permit consumption of marijuana or marijuana product in a designated area on the proposed premises? Yes No

[Form MJ-03] (rev 11/07/2017) License # 24097 Page 2 of 6



Section 4 – Signage and Advertising

Review the requirements under 3 AAC 306.360 and 3 AAC 306.365. All licensed retail marijuana stores must meet minimum standards for signage and advertising.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box:

- 4.1. I understand and agree to follow the limitations regarding the number, placement, and size of signs on my proposed establishment, set forth in 3 AAC 306.360(a).
4.2. The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage the sale of marijuana or marijuana products.
4.3. All advertising for marijuana or marijuana product will contain the warnings required under 3 AAC 306.360(e).
4.4. I understand and agree to post, in a conspicuous location visible to customers, the notification signs required under 3 AAC 306.365.
4.5. I certify that no advertisement for marijuana or marijuana product will contain any statement or illustration that:
a. is false or misleading;
b. promotes excessive consumption;
c. represents that the use of marijuana has curative or therapeutic effects;
d. depicts a person under the age of 21 consuming marijuana; or
e. includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana.
4.6. I certify that no advertisement for marijuana or marijuana product will be placed:
a. within 1,000 feet of the perimeter of any child-centered facility, including a school, childcare facility, or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under the age of 21;
b. on or in a public transit vehicle or public transit shelter;
c. on or in a publicly owned or operated property;
d. within 1,000 feet of a substance abuse or treatment facility; or
e. on a campus for postsecondary education.

Section 5 – Displays and Sales

5.1. Describe how marijuana and marijuana products at the retail marijuana store will be displayed and sold:

There will be glass cases, cabinets or counters with cash register or point of sale system on one end. Any area behind the counters is restricted access area. All marijuana product will be displayed on shelving along the wall or on displayed carts behind the counters, or in secured glass cases which only employees can access. A refrigerator, freezer, and cooler with marijuana product will also be behind the counters which are unreachable to customers. Flower will be sold either pre-packaged or "Deli Style". Other marijuana product will be pre-packaged and labeled. There will be small jars (covered with a plastic, metal, or other type of mesh tamper-evident cover) which are used to display sample flower. Upon request, an employee can pull them from glass cases for customers to inspect. There will be menu on the counters or on the wall behind them. An employee will take customer orders and complete sales at the point of sale station.

[Form MJ-03] (rev 11/07/2017) License # 24097 Page 3 of 6



Alaska Marijuana Control Board
Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

Section 6 – Exit Packaging and Labeling

Review the requirements under 3 AAC 306.345.

6.1. Describe how the retail marijuana store will ensure that marijuana and marijuana products sold on its licensed premises will meet the packaging and labeling requirements set forth in 3 AAC 306.345(p):

All marijuana and marijuana products will be packaged and labeled in compliance with 3 AAC 306.470, 3 AAC 306.475, 3 AAC 306.565, and 3 AAC 306.570. All products will be packaged in opaque, resealable, child-resistant packaging. A label should contain retailer's name, logo, license number, test results, and warning statements of 3 AAC 306.345(b)(3). All marijuana and marijuana products prepackaged and labeled by a cultivation or manufacturing facility will be checked that their packages and labels are in compliance with the state regulations stated above.

6.2. Provide a sample label that the retail marijuana store will use to meet the labeling requirements set forth in 3 AAC 306.345(b):

SEE ATTACHMENT 3

SAMPLE LABEL

Retailer: Alaska Harvest Company
 License # 24097

Barcode: (Printed Here)

Cultivator:

License #

Harvest Batch #

Strain:

Weight:

THC:

THCA:

CBN:

CBD:

CBDA:

TERPS:

Pesticides, Fungicides, Herbicides: None

Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Attachment 3



Alaska Marijuana Control Board
Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

Section 7 - Security

Review the requirements under 3 AAC 306.350 and 3 AAC 306.720.

7.1. Describe the retail marijuana store's procedures for ensuring a form of valid photographic identification has been produced before selling marijuana or marijuana product to a person, as required by 3 AAC 306.350(a):

When customers enter the premises, they will be asked to show their identification to be checked by an employee. A customer will be refused to sell marijuana or marijuana products to a customer does not produce a form of valid photographic identification showing that person is 21 years of age or older, and the identification card is not valid in the State of Alaska, the District of Columbia, or a province or territory of Canada, or an identification card issued by a federal or state agency authorized to issue a driver's license or identification card.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials **DB**

7.2. The video surveillance and camera recording system for the licensed premises covers each point-of-sale area.

Section 8 - Waste Disposal

Review the requirements under 3 AAC 306.740.

8.1. Describe how you will store, manage, and dispose of any marijuana waste, including expired marijuana or marijuana products, in compliance with any applicable laws. Include details about the material(s) you will mix with ground marijuana waste and the processes that you will use to make the marijuana waste unusable for any purpose for which it was grown or produced:

Marijuana waste including any product deemed unfit for sale or consumption or expired products will be stored in a bucket, bin, or container in the restricted access area, and then will be disposed in compliance with applicable federal, state, and local statutes, ordinances, regulations, and other law. Prior to disposing marijuana waste, we will notify AMCO no later than three days before making the waste unusable. Marijuana waste will be rendered unusable by grinding or mixing the waste with at least an equal amount of other compostable or non-compostable materials such as, food waste, yard waste, dirt, vegetable based grease or oils, paper waste, cardboard waste, plastic waste, or oil. After waste has been rendered unusable and the 3 day notification has expired the waste will be transported to the landfill or transported to Alaska Harvest Company 2490 Orion St, Unit B, Kasilof, AK. 99610 and composted at our Cultivation facility. **DB**

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials **DB**

8.2. The retail marijuana store shall give the board at least three days written notice required under 3 AAC 306.740(c) before making marijuana waste unusable and disposing of it.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Dean Bush
 Signature of licensee
 Notary Public
 SHAUNTEALA GRAHAM
 State of Alaska
 My Commission Expires April 10, 2022

Notary Public in and for the State of Alaska
 My commission expires: April 10th 2022

Subscribed and sworn to before me this 10th day of April 2020
 License # 24097



Alaska Marijuana Control Board
Form MJ-07: Public Notice Posting Affidavit

What is this form?

A public notice posting affidavit is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(10). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by posting a true copy of the application for ten (10) days at the location of the proposed licensed premises and one other conspicuous location in the area of the proposed premises, per 3 AAC 306.025(b)(1).

This form must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

Section 1 - Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaska Harvest Company LLC	License Number:	24097
License Type:	Retail Marijuana Store		
Doing Business As:	Alaska Harvest Company LLC		
Premises Address:	43837 Kailforsky Beach RD		
City:	Soldotna	State:	AK
		ZIP:	99669

Section 2 - Certification

I certify that I have met the public notice requirement set forth under 3 AAC 306.025(b)(1) by posting a copy of my application for the following 10-day period at the location of the proposed licensed premises and at the following conspicuous location in the area of the proposed premises:

Start Date: 1/3/2020 End Date: 1/15/2020

Other conspicuous location: Big John's Chevron, 43750 K-Beach Rd, Soldotna, AK

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Dean Bush
 Signature of licensee
 Notary Public
 SHAUNTEALA GRAHAM
 State of Alaska
 My Commission Expires April 10, 2022

Notary Public in and for the State of Alaska
 My commission expires: April 10th 2022

Subscribed and sworn to before me this 10th day of April 2020



Alaska Marijuana Control Board

Form MJ-08: Local Government Notice Affidavit

What is this form?

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application to each local government and any community council in the area of the proposed licensed premises. For an establishment located inside the boundaries of city that is within a borough, both the city and the borough must be notified.

This form must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

Section 1 - Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaska Harvest Company LLC	License Number:	24097
License Type:	Retail Marijuana Store		
Doing Business As:	Alaska Harvest Company LLC		
Premises Address:	43837 Kalifornsky Beach RD		
City:	Soldotna	State:	AK ZIP: 99669

Section 2 - Certification

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government (LG) official(s) and community council (if applicable):

Local Government(s): Kenai Peninsula Borough Date Submitted: 3/11/2020
 Name/Title of LG Official 2: Tatyanah Shassetz
Borough Clerk Secretary Date Submitted:

Name/Title of LG Official 1: Johani Blankenship
Borough Clerk Date Submitted:

Community Council: _____
 (Municipality of Anchorage and Matanuska-Susitna Borough only)

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee: Dean Bush Notary Public in and for the State of Alaska
 Notary Public: SHALUNTELLA GEEHAM
 State of Alaska My Commission Expires: April 10, 2022

Printed name of licensee: Dean Bush
 Subscribed and sworn to before me this 10th day of April, 2020

AMCO Received 4/15/2020



Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(e).

This form must be completed and submitted to AMCO's main office by each proposed licensee before any license application will be considered complete.

Section 1 - Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaska Harvest Company LLC	License Number:	24097
License Type:	Retail Marijuana Store		
Doing Business As:	Alaska Harvest Company LLC		
Premises Address:	43837 Kalifornsky Beach RD		
City:	Soldotna	State:	AK ZIP: 99669

Section 2 - Individual Information

Enter information for the individual licensee.

Name:	Dean Bush
Title:	Owner
SSN:	[Redacted]
Date of Birth:	[Redacted]

AMCO Received 4/15/2020



Alaska Marijuana Control Board
Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

I understand that my fingerprints will be used to check the criminal history records of the Federal Bureau of Investigation (FBI), and that I have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record. The procedures for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.


 Signature of licensee

Dean Bush

Printed name of licensee


 Notary Public in and for the State of Alaska
 SHAUNTELLA GRAHAM
 State of Alaska
 My Commission Expires April 10, 2022

Subscribed and sworn to before me this 10th day of April, 2020.



Alaska Marijuana Control Board
Form MJ-09: Statement of Financial Interest

What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(e).

This form must be completed and submitted to AMCO's main office by each proposed licensee before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Alaska Harvest Company LLC	License Number:	24097
License Type:	Retail Marijuana Store		
Doing Business As:	Alaska Harvest Company LLC		
Premises Address:	43837 Kailiformsky Beach RD	State:	AK
City:	Soldotna	ZIP:	99669

Section 2 – Individual Information

Enter information for the individual licensee.

Name:	Touchchai Sarutiangkul		
Title:	Owner	Date of Birth:	[REDACTED]
SSN:	[REDACTED]		

License Number: 24097

License Status: New

License Type: Retail Marijuana Store

Doing Business As: ALASKA HARVEST COMPANY LLC

Business License Number: 1043289

Designated Licensee: Dean Bush

Email Address: info@alaskaharvestcompany.com

Local Government: Kenai Peninsula Borough

Community Council:

Latitude, Longitude: 60.487000, -151.153000

Physical Address: 43837 Kalifornsky Beach RD
 Soldotna AK 99689
 UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10042305

Alaska Entity Name: Alaska Harvest Company LLC

Phone Number: 907-252-3230

Email Address: info@alaskaharvestcompany.com

Mailing Address: PO Box 1129
 Kaslof, AK 99610
 UNITED STATES

Entity Official #2

Type: Individual

Name: Touchchai Sarutiangkul

Phone Number: 907-252-3807

Email Address: info@alaskaharvestcompany.com

Mailing Address: PO BOX 974
 Kaslof, AK 99610
 UNITED STATES

Entity Official #1

Type: Individual

Name: Dean Bush

Phone Number: 907-252-3230

Email Address: info@alaskaharvestcompany.com

Mailing Address: PO Box 1129
 Kaslof, AK 99610
 UNITED STATES

Note: No affiliates entered for this license.

Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
 Phone: 907.269.0350



Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

I understand that my fingerprints will be used to check the criminal history records of the Federal Bureau of Investigation (FBI), and that I have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record. The procedures for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, C.F.R. 16.34.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

[Signature]
 Notary Public
 SHALANTELA GRAHAM
 State of Alaska
 My Commission Expires April 10, 2022

My commission expires: April 10, 2022

[Signature]
 Signature of licensee

Touchchai Sarutiangkul

Printed name of licensee

Subscribed and sworn to before me this 20th day of April, 2020

COMMERCIAL LEASE AGREEMENT

THIS LEASE (this "Lease") dated this 6th day of January, 2020

BETWEEN:

Shiron Properties LLC of 44196 K Beach Rd., Soldotna, AK 99669
Telephone: (907) 262-4771 Fax: (907) 262-2419
(the "Landlord")

OF THE FIRST PART

- AND -

Alaska Harvest Company LLC of PO Box 1129, Kaslof, AK 99610
Telephone: (907) 232-3230
(the "Tenant")

OF THE SECOND PART

IN CONSIDERATION OF the Landlord leasing certain premises to the Tenant, the Tenant leasing those premises from the Landlord and the mutual benefits and obligations set forth in this Lease, the receipt and sufficiency of which consideration is hereby acknowledged, the Parties to this Lease (the "Parties") agree as follows:

Definitions

1. When used in this Lease, the following expressions will have the meanings indicated:
 - a. "Additional Rent" means all amounts payable by the Tenant under this Lease except Base Rent, whether or not specifically designated as Additional Rent elsewhere in this Lease;
 - b. "Building" means the Lands together with all buildings, improvements, equipment, fixtures, property and facilities from time to time thereon, as from time to time altered, expanded or reduced by the Landlord in its sole discretion;
 - c. "Common Areas and Facilities" mean:
 - i. those portions of the Building areas, buildings, improvements, facilities, utilities, equipment and installations in or forming part of the Building which from time to time are

- not designated or intended by the Landlord to be leased to tenants of the Building including, without limitation, exterior weather walls, roofs, entrances and exits, parking areas, driveways, loading docks and area, storage, mechanical and electrical rooms, areas above and below leasable premises and not included within leasable premises, security and alarm equipment, grassed and landscaped areas, retaining walls and maintenance, cleaning and operating equipment serving the Building; and
- ii. those lands, areas, buildings, improvements, facilities, utilities, equipment and installations which serve or are for the useful benefit of the Building, the tenants of the Building or the Landlord and those having business with them, whether or not located within, adjacent to or near the Building and which are designated from time to time by the Landlord as part of the Common Areas and Facilities;

d. "Lands" means the land legally described as:

- i. College Village Subdivision, Lot 9c Parcel # 5516035;

e. "Leasable Area" means with respect to any rentable premises, the area expressed in square feet of all floor space including floor space of mezzanines, if any, determined, calculated and certified by the Landlord and measured from the exterior face of all exterior walls, doors and windows, including walls, doors and windows separating the rentable premises from enclosed Common Areas and Facilities, if any, and from the center line of all interior walls separating the rentable premises from adjoining rentable premises. There will be no deduction or exclusion for any space occupied by or used for columns, ducts or other structural elements;

f. "Premises" means the building at 43837 Kalifornisky Beach Road, Soldotna, AK 99669 which is located approximately as shown in red on Schedule 'A' attached to and incorporated in the Lease.

g. "Proportionate Share" means a fraction, the numerator of which is the Leasable Area of the Premises and the denominator of which is the aggregate of the Leasable Area of all rentable premises in the Building.

h. "Rent" means the total of Base Rent and Additional Rent.

Leased Premises

2. The Landlord agrees to rent to the Tenant the building municipally described as 43837 Kalifornisky Beach Road, Soldotna, AK 99669, (the "Premises") which is located approximately as shown in red on Schedule "A" attached to and incorporated in the Lease. The Premises are more particularly described as follows:

Alaska Harvest Company will have access to the West 1/2 of College Village Subdivision Lot 9C which will consist of approximately 150' X 150' land; the existing building identified as 83837 K Beach Rd. 99669. Property will be granted ingress / egress access to all established entrances/exits from K Beach Road and E. Poppy Lane that are shared with Lot 9A parcel College Village Subdivision.

The Premises will be used for only the following permitted use (the "Permitted Use"):
 Landlord / Lessor acknowledges the premise will be used as a marijuana retail establishment for the lawful-licensed retail use for marijuana as submitted to the State of Alaska AMCO division.

3. While the Tenant, or an assignee or subtenant approved by the Landlord, is using and occupying the Premises for the Permitted Use and is not in default under the Lease, the Landlord agrees not to Lease space in the Building to any tenant who will be conducting in such premises as its principal business, the services of: Landlord / Lessor acknowledges the premise will be used as a marijuana retail establishment for the lawful-licensed retail use for marijuana as submitted to the State of Alaska AMCO division.

4. No pets or animals are allowed to be kept in or about the Premises or in any common areas in the Building containing the Premises.

5. Subject to the provisions of this Lease, the Tenant is entitled to the exclusive use of the following parking on or about the Premises: Alaska Harvest Company will have access to all existing gravel/paved parking associated with 43837 K Beach Rd. Soldotna, AK 99669 Lot 9c. (the "Parking"). Only properly insured motor vehicles may be parked in the Tenant's space.

6. The Premises are provided to the Tenant without any fixtures, chattels or leasehold improvements.

Term

7. The term of the Lease commences at 12:00 noon on January 1, 2020 and ends at 12:00 noon on January 1, 2025 (the "Term").

8. Should the Tenant remain in possession of the Premises with the consent of the Landlord after the natural expiration of this Lease, a new tenancy from month to month will be created between the Landlord and the Tenant which will be subject to all the terms and conditions of this Lease but will be terminable upon either party giving one month's notice to the other party.

Rent

9. Subject to the provisions of this Lease, the Tenant will pay a base rent of \$1,600.00, payable per month, for the Premises (the "Base Rent"), without setoff, abatement or deduction. In addition to the

10. The Tenant will pay the Base Rent on or before the first of each and every month of the Term to the Landlord.

11. The Base Rent for the Premises will increase over the Term of the Lease as follows: End of Second Year rent to increase to 1800.00 Per Month.

12. The Tenant will be charged an additional amount of \$25.00 for any late payment of Rent.

13. No acceptance by the Landlord of any amount less than the full amount owed will be taken to operate as a waiver by the Landlord for the full amount or in any way to defeat or affect the rights and remedies of the Landlord to pursue the full amount.

Operating Costs

14. In addition to the Base Rent, the Tenant is responsible for directly paying to the appropriate suppliers the following operating costs:

- a. cleaning and janitorial services;
- b. security;
- c. window cleaning;
- d. supplies used in relation to operating and maintaining the Building;
- e. all outdoor maintenance including landscaping and snow removal; and
- f. operation and maintenance of parking areas.

15. The Landlord will be responsible for paying the following operating costs:

- a. property or building taxes and sales or use taxes related to the Building or this Lease;
- b. all insurance relating to the Building as placed by the Landlord from time to time, acting prudently;
- c. repairs and replacements to the Building and any component of the Building;
- d. accounting and auditing;
- e. provision, repair, replacement and maintenance of heating, cooling, ventilation and air conditioning equipment throughout the Building; and
- f. preventive maintenance and inspection.

Use and Occupation

16. The Tenant will carry on business under the name of Alaska Harvest Company and will not change such name without the prior written consent of the Landlord, such consent not to be unreasonably withheld. The Tenant will open the whole of the Premises for business to the public fully fixtured, stocked and staffed on the date of commencement of the Term and throughout the Term, and will continuously occupy and utilize the entire Premises in the active conduct of its business in a reputable manner on such days and during such hours of business as may be determined from time to time by the Landlord.
17. The Tenant covenants that the Tenant will carry on and conduct its business from time to time carried on upon the Premises in such manner as to comply with all statutes, bylaws, rules and regulations of any federal, state, municipal or other competent authority and will not do anything on or in the Premises in contravention of any of them.

Security Deposit

18. On execution of this Lease, the Tenant will pay the Landlord a security deposit equal to the amount of \$1,600.00 (the "Security Deposit") to be held by the Landlord without interest. The Landlord will return the Security Deposit to the Tenant at the end of this tenancy, less such deductions as provided in this Lease but no deduction will be made for damage due to reasonable wear and tear.
19. The Tenant may not use the Security Deposit as payment for the Rent.
20. Within 60 days after the termination of this tenancy, the Landlord will deliver or mail the Security Deposit less any proper deductions or with further demand for payment to: PO Box 1129, Kasilof, AK 99610, or at such other place as the Tenant may advise.

Quiet Enjoyment

21. The Landlord covenants that on paying the Rent and performing the covenants contained in this Lease, the Tenant will peacefully and quietly have, hold, and enjoy the Premises for the agreed term.

Distress

22. If and whenever the Tenant is in default in payment of any money, whether hereby expressly reserved or deemed as rent, or any part of the rent, the Landlord may, without notice or any form of legal process, enter upon the Premises and seize, remove and sell the Tenant's goods, chattels and equipment from the Premises or seize, remove and sell any goods, chattels and equipment at any place to which the Tenant or any other person may have removed them, in the same manner as if they had

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remained and been distrained upon the Premises, all notwithstanding any rule of law or equity to the contrary, and the Tenant hereby waives and renounces the benefit of any present or future statute or law limiting or eliminating the Landlord's right of distress.

Overholding

23. If the Tenant continues to occupy the Premises without the written consent of the Landlord after the expiration or other termination of the Term, then, without any further written agreement, the Tenant will be a month-to-month tenant at a minimum monthly rental equal to twice the Base Rent and subject always to all of the other provisions of this Lease insofar as the same are applicable to a month-to-month tenancy and a tenancy from year to year will not be created by implication of law.

Additional Rights on Reentry

24. If the Landlord reenters the Premises or terminates this Lease, then:
 - a. notwithstanding any such termination or the Term thereby becoming forfeited and void, the provisions of this Lease relating to the consequences of termination will survive;
 - b. the Landlord may use such reasonable force as it may deem necessary for the purpose of gaining admittance to and retaking possession of the Premises and the Tenant hereby releases the Landlord from all actions, proceedings, claims and demands whatsoever for and in respect of any such forcible entry or any loss or damage in connection therewith or consequential thereupon;
 - c. the Landlord may expel and remove, forcibly, if necessary, the Tenant, those claiming under the Tenant and their effects, as allowed by law, without being taken or deemed to be guilty of any manner of trespass;
 - d. in the event that the Landlord has removed the property of the Tenant, the Landlord may store such property in a public warehouse or at a place selected by the Landlord, at the expense of the Tenant. If the Landlord feels that it is not worth storing such property given its value and the cost to store it, then the Landlord may dispose of such property in its sole discretion and use such funds, if any, towards any indebtedness of the Tenant to the Landlord. The Landlord will not be responsible to the Tenant for the disposal of such property other than to provide any balance of the proceeds to the Tenant after paying any storage costs and any amounts owed by the Tenant to the Landlord;
 - e. the Landlord may relet the Premises or any part of the Premises for a term or terms which may be less or greater than the balance of the Term remaining and may grant reasonable concessions

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- in connection with such reletting including any alterations and improvements to the Premises;
- f. after reentry, the Landlord may procure the appointment of a receiver to take possession and collect rents and profits of the business of the Tenant, and, if necessary to collect the rents and profits the receiver may carry on the business of the Tenant and take possession of the personal property used in the business of the Tenant, including inventory, trade fixtures, and furnishings, and use them in the business without compensating the Tenant;
 - g. after reentry, the Landlord may terminate the Lease on giving 5 days' written notice of termination to the Tenant. Without this notice, reentry of the Premises by the Landlord or its agents will not terminate this Lease;
 - h. the Tenant will pay to the Landlord on demand:
 - i. all rent, Additional Rent and other amounts payable under this Lease up to the time of reentry or termination, whichever is later;
 - ii. reasonable expenses as the Landlord incurs or has incurred in connection with the recentering, terminating, reletting, collecting sums due or payable by the Tenant, realizing upon assets seized; including without limitation, brokerage, fees and expenses and legal fees and disbursements and the expenses of keeping the Premises in good order, repairing the same and preparing them for reletting; and
 - iii. as liquidated damages for the loss of rent and other income of the Landlord expected to be derived from this Lease during the period which would have constituted the unexpired portion of the Term had it not been terminated, at the option of the Landlord, either:
 - i. an amount determined by reducing to present worth at an assumed interest rate of twelve percent (12%) per annum all Base Rent and estimated Additional Rent to become payable during the period which would have constituted the unexpired portion of the Term, such determination to be made by the Landlord, who may make reasonable estimates of when any such other amounts would have become payable and may make such other assumptions of the facts as may be reasonable in the circumstances; or
 - ii. an amount equal to the Base Rent and estimated Additional Rent for a period of six (6) months.

Inspections

25. The Landlord and the Tenant will complete, sign and date an inspection report at the beginning and at the end of this tenancy.

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AMCO Received 4/15/2020

Landlord Chattels

26. The Landlord will not supply any chattels.

Signing Incentives

27. The Landlord will give, make or perform the following signing incentives: Tenant will receive a 600.00 per month price reduction on rent for 6 months maximum or full rent will start when tenant has license approval for a marijuana retail establishment from AMCO to operate as Alaska Harvest Company. Which ever comes 1st.

Tenant Improvements

28. The Tenant will obtain written permission from the Landlord before doing any of the following:
 - a. painting, wallpapering, redecorating or in any way significantly altering the appearance of the Premises;
 - b. removing or adding walls, or performing any structural alterations;
 - c. changing the amount of heat or power normally used on the Premises as well as installing additional electrical wiring or heating units;
 - d. subject to this Lease, placing or exposing or allowing to be placed or exposed anywhere inside or outside the Premises any placard, notice or sign for advertising or any other purpose;
 - e. affixing to or erecting upon or near the Premises any radio or TV antenna or tower, or satellite dish; or
 - f. installing or affixing upon or near the Premises any plant, equipment, machinery or apparatus without the Landlord's prior consent.

Tenant Chattels

29. The Tenant agrees to supply the following chattels:
 - a. Security System, Cameras, Lighting, display cabinets, Commercial doors. Tenant will restore any upgrades to original design at termination/end of lease as negotiated with Landlord.

Utilities and Other Costs

30. The Tenant is responsible for the direct payment of the following utilities and other charges in relation to the Premises: electricity, natural gas, water, sewer, telephone, internet and cable.

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AMCO Received 4/15/2020

Insurance

31. The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss. The Tenant is advised that, if insurance coverage is desired by the Tenant, the Tenant should inquire of Tenant's insurance agent regarding a Tenant's policy of insurance.
32. The Tenant is not responsible for insuring the Landlord's contents and furnishings in or about the Premises for either damage and loss, and the Tenant assumes no liability for any such loss.
33. The Tenant is not responsible for insuring the Premises for either damage and loss to the structure, mechanical or improvements to the Building on the Premises, and the Tenant assumes no liability for any such loss.
34. The Tenant is responsible for insuring the Premises for liability insurance for the benefit of the Tenant and the Landlord.
35. The Tenant will provide proof of such insurance to the Landlord upon the issuance or renewal of such insurance.

Abandonment

36. If at any time during the Term, the Tenant abandons the Premises or any part of the Premises, the Landlord may, at its option, enter the Premises by any means without being liable for any prosecution for such entering, and without becoming liable to the Tenant for damages or for any payment of any kind whatever, and may, at the Landlord's discretion, as agent for the Tenant, relet the Premises, or any part of the Premises, for the whole or any part of the then unexpired Term, and may receive and collect all rent payable by virtue of such reletting, and, at the Landlord's option, hold the Tenant liable for any difference between the Rent that would have been payable under this Lease during the balance of the unexpired Term, if this Lease had continued in force, and the net rent for such period realized by the Landlord by means of the reletting. If the Landlord's right of reentry is exercised following abandonment of the premises by the Tenant, then the Landlord may consider any personal property belonging to the Tenant and left on the Premises to also have been abandoned, in which case the Landlord may dispose of all such personal property in any manner the Landlord will deem proper and is relieved of all liability for doing so.

Governing Law

37. It is the intention of the Parties to this Lease that the tenancy created by this Lease and the performance under this Lease, and all suits and special proceedings under this Lease, be construed in

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AMCO Received 4/15/2020

accordance with and governed, to the exclusion of the law of any other forum, by the laws of the State of Alaska, without regard to the jurisdiction in which any action or special proceeding may be instituted.

Severability

38. If there is a conflict between any provision of this Lease and the applicable legislation of the State of Alaska (the 'Act'), the Act will prevail and such provisions of the Lease will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Lease.

Assignment and Subletting

39. The Tenant will not assign this Lease, or sublet or grant any concession or license to use the Premises or any part of the Premises. An assignment, subletting, concession, or license, whether by operation of law or otherwise, will be void and will, at Landlord's option, terminate this Lease.

Bulk Sale

40. No bulk sale of goods and assets of the Tenant may take place without first obtaining the written consent of the Landlord, which consent will not be unreasonably withheld so long as the Tenant and the Purchaser are able to provide the Landlord with assurances, in a form satisfactory to the Landlord, that the Tenant's obligations in this Lease will continue to be performed and respected, in the manner satisfactory to the Landlord, after completion of the said bulk sale.

Additional Provisions

41. In the event that Alaska Harvest Company LLC deems that pursuing a Marijuana Retail License and /or renewal License a futile endeavor, the tenant will be able to terminate the lease agreement with 30 days written notice to Landlord.
42. Landlord agrees that due to the stringent laws governing Marijuana industry: Landlord may only enter the establishment when escorted by licensed Alaska Harvest Company employees. Landlord will not take possession of or remove any Marijuana product from the Lease/Premise. Landlord will notify AMCO of any breach of contract for plan forward for removal of marijuana product in the event this becomes necessary.
43. Tenant agrees to not sell any coffee or deli style food or sandwiches.

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AMCO Received 4/15/2020

- 44. Tenant is to keep current and provide Landlord proof of Business Liability insurance with minimum 1,000,000.00 coverage to include medical expenses (any one person) and damage to premise rented by tenant. Landlord is to be listed as additional insured on tenants business liability insurance.
- 45. Landlord is to be held harmless from any activities of the tenant (Alaska Harvest Company LLC).

Care and Use of Premises

- 46. The Tenant will promptly notify the Landlord of any damage, or of any situation that may significantly interfere with the normal use of the Premises.
- 47. Vehicles which the Landlord reasonably considers unsightly, noisy, dangerous, improperly insured, inoperable or unlicensed are not permitted in the Tenant's parking stall(s), and such vehicles may be towed away at the Tenant's expense. Parking facilities are provided at the Tenant's own risk. The Tenant is required to park in only the space allotted to them.
- 48. The Tenant will not make (or allow to be made) any noise or nuisance which, in the reasonable opinion of the Landlord, disturbs the comfort or convenience of other tenants.
- 49. The Tenant will not engage in any illegal trade or activity on or about the Premises.
- 50. The Landlord and Tenant will comply with standards of health, sanitation, fire, housing and safety as required by law.

Surrender of Premises

- 51. At the expiration of the lease term, the Tenant will quit and surrender the Premises in as good a state and condition as they were at the commencement of this Lease, reasonable use and wear and damages by the elements excepted.

Hazardous Materials

- 52. The Tenant will not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might unreasonably increase the danger of fire on the Premises or that might be considered hazardous by any responsible insurance company.

Rules and Regulations

- 53. The Tenant will obey all rules and regulations posted by the Landlord regarding the use and care of the Building, parking lot and other common facilities that are provided for the use of the Tenant in and around the Building on the Premises.

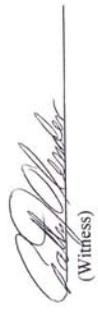
General Provisions

- 54. Any waiver by the Landlord of any failure by the Tenant to perform or observe the provisions of this Lease will not operate as a waiver of the Landlord's rights under this Lease in respect of any subsequent defaults, breaches or nonperformance and will not defeat or affect in any way the Landlord's rights in respect of any subsequent default or breach.
- 55. This Lease will extend to and be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors and assigns, as the case may be, of each party to this Lease. All covenants are to be construed as conditions of this Lease.
- 56. All sums payable by the Tenant to the Landlord pursuant to any provision of this Lease will be deemed to be Additional Rent and will be recoverable by the Landlord as rental arrears.
- 57. Where there is more than one Tenant executing this Lease, all Tenants are jointly and severally liable for each other's acts, omissions and liabilities pursuant to this Lease.
- 58. Time is of the essence in this Lease.
- 59. This Lease will constitute the entire agreement between the Landlord and the Tenant. Any prior understanding or representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent incorporated in this Lease. In particular, no warranties of the Landlord not expressed in this Lease are to be implied.

IN WITNESS WHEREOF the Parties to this Lease have duly affixed their signatures under hand and seal, or by a duly authorized officer under seal, on this 6th day of January, 2020.


(Witness)

Shiron Properties LLC (Landlord)
Per:  (SEAL)


(Witness)

Alaska Harvest Company LLC (Tenant)
Per:  (SEAL)



Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

MARIJUANA LICENSE LOCAL REVIEW STANDARDS ACKNOWLEDGEMENT FORM

Please review the statements below and acknowledge your understanding of the conditions and intent to comply by your signature below.

There shall be no parking in borough rights-of-way generated by the marijuana establishment.

If I have a retail marijuana license, I will not conduct any business on, or allow any consumer to access, the premises, between the hours of 2:00 a.m. and 8:00 a.m. each day.

I must stay current in obligations owed to the Kenai Peninsula Borough or my license may be subject to a protest by the KPB Assembly.

It is my responsibility to abide by all federal, state, and local laws applicable to my marijuana establishment.

I understand Kenai Peninsula Borough staff will enter my property for purposes of evaluating ongoing compliance with KPB 7.30 and any conditions placed on the license by the State of Alaska Marijuana Control Board.

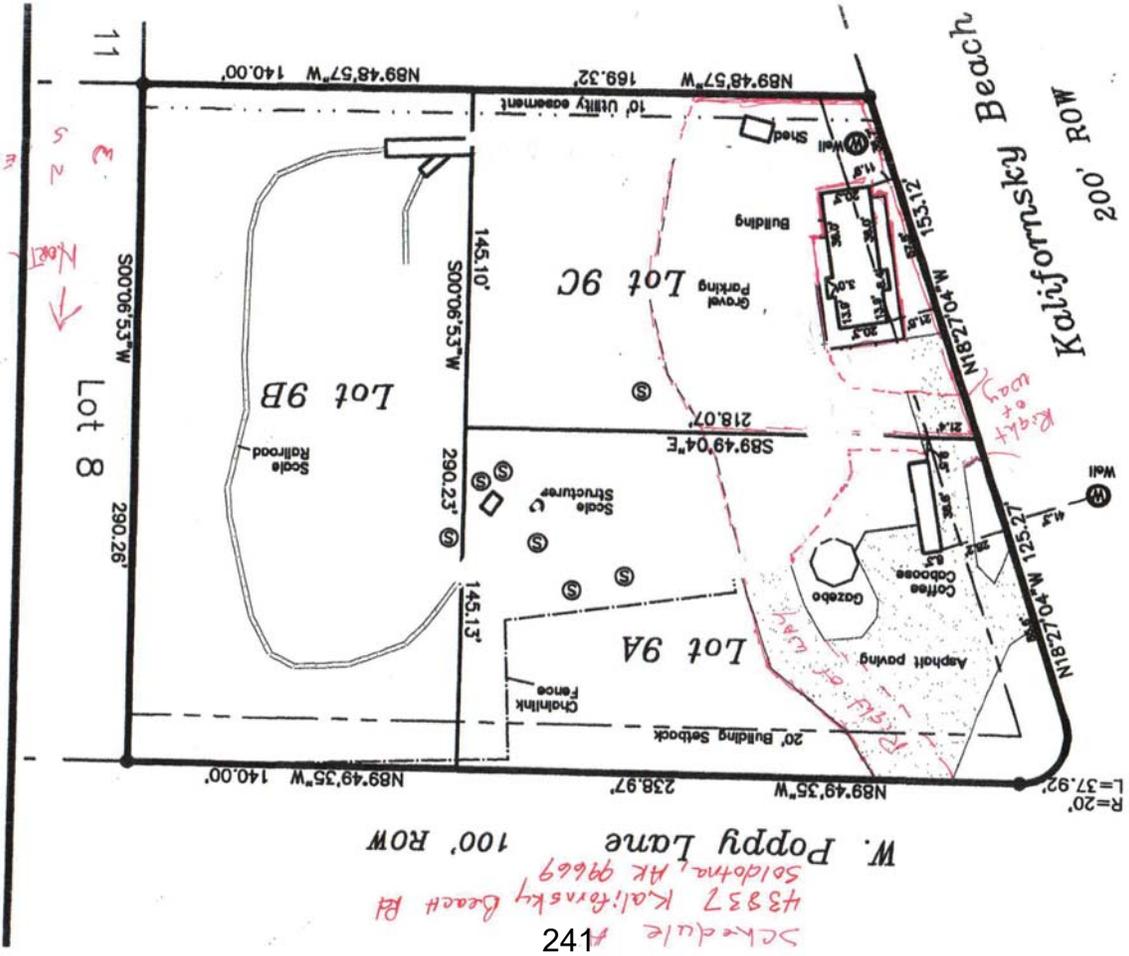
I have received, read and understand the additional review standards and conditions set out in KPB 7.30.

Alaska Harvest Company LLC
43837 Kalifornsky Beach Road, Soldotna, AK 99669; T 5N R 11W SEC 35 Seward Meridian KN 0770122 COLLEGE VILLAGE SUB RESUB LOTS 9 & 10 BLK 1 LOT 9C Application for Retail Marijuana Store (License Number: 24097)

Deed Book _____ Date 3-1-2020

Signature

Please return completed form along with site development plan to the KPB Clerk's

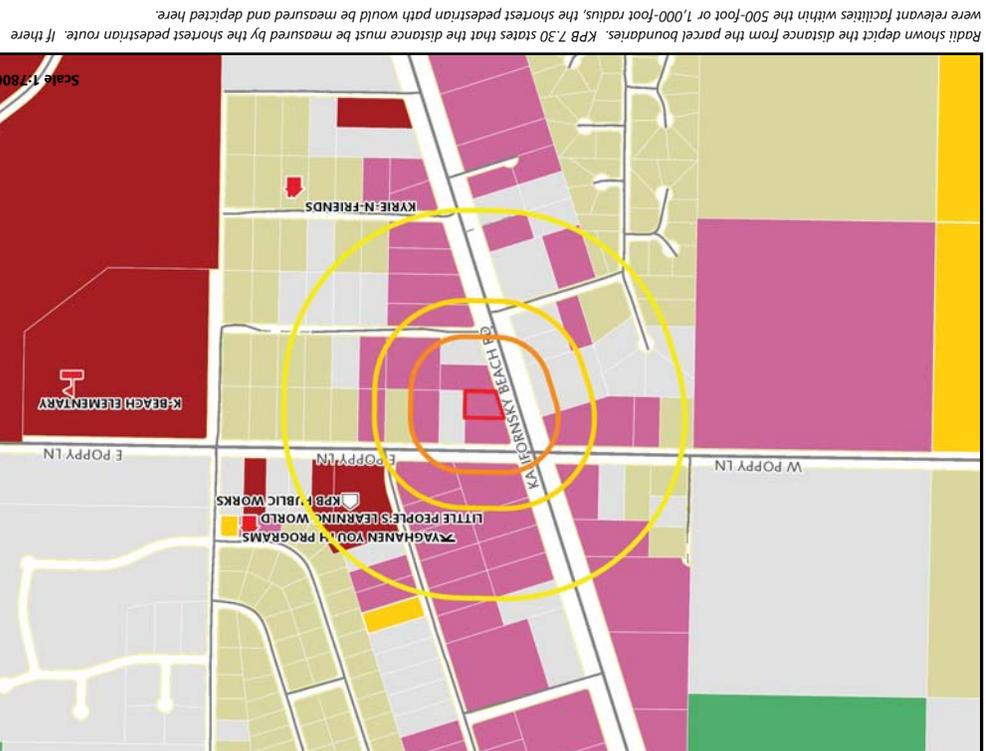
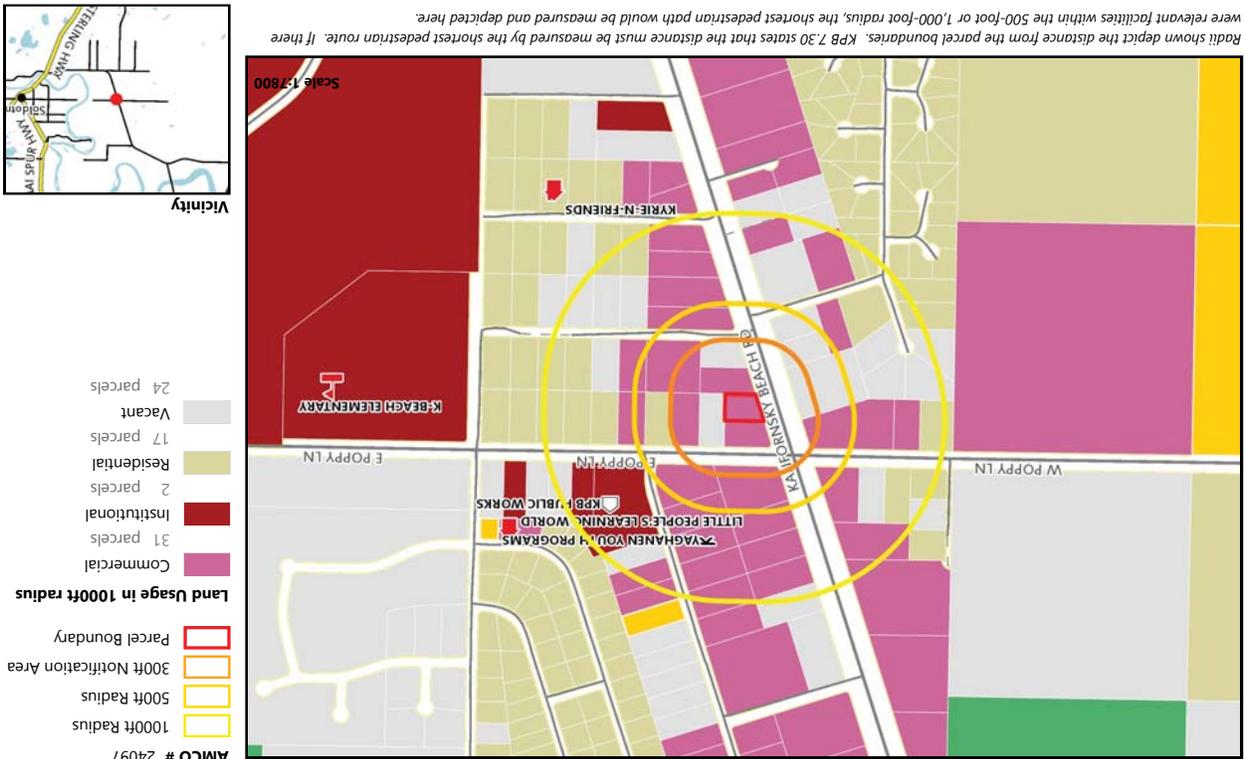




Applicant: Alaska Harvest Company LLC

KPB Parcel ID: 05516035

Adjacent Land Use Map



The data displayed herein is neither a legally recorded map nor survey and should only be used for general reference purposes. It is not intended to be used for measurement. Kenai Peninsula Borough assumes no liability as to the accuracy of any data displayed herein. Original source documents should be consulted for accuracy verification.

5/13/2020 3:46



Applicant: Alaska Harvest Company LLC

KPB Parcel ID: 05516035

Aerial Imagery Map



Parcel Boundary
 All Other Parcels



5/13/2020 3:46

The data displayed herein is neither a legally recorded map nor survey and should only be used for general reference purposes. It is not intended to be used for measurement. Kenai Peninsula Borough assumes no liability as to the accuracy of any data displayed herein. Original source documents should be consulted for accuracy verification.

MAYOR'S REPORT TO THE ASSEMBLY

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Charlie Pierce, Kenai Peninsula Borough Mayor

DATE: June 16, 2020



Assembly Request / Response

None

Agreements and Contracts

- a. Homer High School Digital Control Retrofit to Siemens, Under the Government General Services Administration (GSA) Contract

Other

- a. Certification of the 2020 Main Roll Assessment
- b. Revenue – Expenditure Report – May 2020
- c. Budget Revisions – May 2020

Kenai Peninsula Borough

Purchasing and Contracting Department

MEMORANDUM

TO: Charlie Pierce, Mayor

THRU: John Hedges, Purchasing & Contracting Director JH

FROM: Carmen Vick, Project Manager CV

DATE: June 4, 2020

RE: Homer High School Digital Control Retrofit to Siemens, Under the Government General Services Administration (GSA) Contract

There exists a strong need to replace the existing pneumatic controls at the Homer High School facility. Much of the existing system is obsolete and no longer maintainable. The lack of control causes large temperature variations together with inefficiencies in heating. A conversion from pneumatic to digital control and monitoring will allow communication with PC based remote monitoring.

It is our preference to align the proposed system with the other systems in place within the Borough where Siemens technology has been applied. It would be in the best interest of the Borough to standardize the building automation system at this facility. This would greatly streamline the demand on maintained parts inventory, service technician training and server maintenance costs. Purchasing and Contracting has received a proposal from Siemens Industries that includes group purchasing organization (GPO) involvement, specifically GSA. The Siemens Industries proposal matches our system compatibility and building automation needs.

Utilizing the established GSA pricing structure, Siemens Industries has provided a quotation for the sum of \$737,912.00, to provide parts and services for the conversion of the Homer High School system. For reasons stated above, Purchasing & Contracting would like to award Siemens Industries with the contract to convert the existing HHS pneumatic systems to digital control. The main qualifiers restated: Increased system control and performance, local system alignment, parts, training and system requirement savings as well as the satisfaction of procurement code through GPO/GSA involvement.

Your approval is hereby requested. Funding for this project is in account number 400.72010.20CON.48311.

Charlie Pierce
Charlie Pierce, Mayor

6/5/2020
Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct No.:	<u>400.72010.20CON.48311</u>
Amount:	<u>\$737,912.00</u>
By: <u>BH</u>	Date: <u>6/5/2020</u>
NOTES: n/a	

SIEMENS

Ingenuity for life

PROPOSAL

HOMER HIGH SCHOOL DDC SYSTEM REPLACEMENT

PREPARED BY

Siemens Industry, Inc.

PREPARED FOR

Kenai Peninsula Borough

DELIVERED ON

May 21, 2020





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Contact Information

Proposal #:	4822605 REV1
Date:	May 21, 2020

Siemens Contact:	Jim McDonough
Office Address:	5333 Fairbanks Street Suite B Alaska, 99518
TelephCone:	(907) 227-2199
Email Address:	jim.mcdonough@siemens.com

Customer Contact:	Carmen Vick - Project Manager
Customer:	Kenai Peninsula Borough
Address:	47140 E Poppy Lane Soldotna AK 99669-9743
Services shall be provided at:	Homer High School 600 E Fairview Avenue, Homer AK 99603



Homer High School DDC System Replacement - Scope of Work

Siemens Industry, Inc., having examined the physical conditions at the Homer High School, and having reviewed the as-built documentation provided, hereby proposes to provide labor, material, equipment, transportation, supervision and other facilities to execute the work described in this document. The clarifications and exclusions listed below are intended to clarify the scope of work and compensation agreed upon between Siemens and the Kenai Peninsula Borough (KPB).

Scope of Work - Base Bid (New Digital Control System for Primary HVAC Systems)

1. Siemens will provide fully-engineered shop drawings, wiring diagrams, sequences of operation, DDC panel layouts and product data to KPB for review and comment prior to construction. The completed submittal package will be provided in both electronic and printed format (3 copies).
2. Siemens will provide a "turnkey" project delivery based upon the clarifications and exclusion listed below.
3. Siemens will provide demolition and on-site disposal of the existing control system field panels and devices as required to accommodate the new control system installation.
4. Siemens will provide replacement of the existing Andover temperature sensors to assure compatibility with the new digital control system.
5. Siemens will provide replacement of the existing control damper actuators with new actuators.
6. Siemens will provide replacement of the existing valve actuators with new actuators. Existing valve bodies were observed to be in working order, so the existing valve bodies will be reused. This project will not require any modifications to the existing piping/plumbing system.
7. Siemens will provide replacement of the existing smoke isolation damper actuators on AHU-1 and AHU-2 with new damper actuators. Existing power and signal wiring will be reused.
8. Siemens will replace the existing Andover control panels (typical of 4 locations) with new Siemens PXC Modular controllers. Existing wiring and conduit raceways will be reused wherever possible.
9. Siemens will connect the new boilers and pumps to the new DDC system. Siemens will provide a recommended sequence of operation for the boilers as part of our submittal package.
10. Siemens will convert the existing pneumatic controls on the hot water generators to DDC controls. The existing control valves (2) are in good working order, so only the actuators will be replaced. Siemens will remove the existing controls air compressor and deliver it to KPB.
11. Siemens will provide new temperature sensors to monitor the existing walk-in freezer and walk-in cooler.
12. Siemens will provide CAT6 Ethernet data cable connections to the new DDC panels. Siemens will coordinate with the KPB IT department to make final terminations and to assign IP addressed to each of the four panels and the new DESIGO client workstation.
13. Siemens will provide system programming, check-out and start-up at the completion of the installation.
14. Siemens will provide a complete set of as-built documentation (O & M Manuals) at the completion of the project in both electronic and printed format (3 copies). Siemens will also provide printed panel termination layouts inside each of the new DDC panels.



15. Siemens will provide one new DESIGO client workstation at the facility for local control and monitoring. Siemens will provide system graphics for all mechanical equipment that is connected to the new DDC system. The entire system database will reside on the existing DESIGO server located at KPBFacilities.
16. Siemens will provide five (5) additional DESIGO client licenses at the existing server.
17. Siemens will provide 8 hours of on site demonstration and training at the completion of the project. Additional formal classroom training can be purchased separately through our Anchorage office.
18. Quoted price includes all travel, lodging and subsistence costs associated with this installation.
19. We consider this project to be a collaboration between Siemens and the KPBF. We will work closely with KPBF staff to determine proper DDC system setpoints, sequences, temperature setpoints, occupancy schedules, alarm thresholds, etc.

Scope of Work - Bid Option 1 (New Digital Control System for existing VAV and Fan-powered terminal units)

1. Siemens will provide demolition and on-site disposal of the existing VAV and Fan-Powered terminal zone controllers, actuators and room/duct temperature sensors (typical of 118 zones).
2. Siemens will provide new Siemens DXR zone controllers, duct temperature sensors and room temperature sensors for the existing VAV zones. Room temperature sensors will be full-feature with temperature display, setpoint adjustment and night override capabilities.
3. It was determined that the existing PWM-type actuators are not compatible with the Siemens DXR zone controllers. Therefore, Siemens will provide new floating-point actuators for all of the existing heating valves and dampers.
4. The existing control valve bodies on the terminal units appear in good working order. Therefore, the existing control valve bodies will be reused. Only the valve actuators will be replaced.
5. Siemens will provide a new Ethernet communication network to accommodate the new DXR zone controllers. The existing 24VAC power circuits are functional and will be reused.
6. It was determined during the site visit that the the existing unit and cabinet unit heaters in the foyers and entryways have local electric thermostats that will remain.
7. Siemens will provide system programming, check-out and start-up at the completion of the installation.
8. Siemens will provide system graphics for the system, including floorplans representative of all room temperatures and locations.

Scope of Work - Bid Option 2 (Certified Testing and Balancing of Air Handling Systems)

1. Siemens will provide supervision of the certified balancing and testing of the air systems by Alaska Air Balancing per the scope identified in the proposal dated 5/18/2020. A copy of the Alaska Air Balancing scope of work summary has been attached to this proposal as a reference.
2. Please note that balancing of the water system is excluded. We are not modifying the piping system under this project. The main heating flows are being balanced separately under a separate boiler replacement project.



Date: 5/18/2020

To: Jim McDonough

From: Jason Garner

Quotation Number: 1459

Project Name: Homer High School Controls Upgrade

600 E Fairview Ave

Homer, AK 99603

DESCRIPTION

For your consideration, we propose NEBB Certified testing and balancing, as per the mechanical plans and specification section Not Provided. This proposal is based on the following:

SCOPE OF WORK

Air Balance

INCLUSIONS & EXCLUSIONS

Description	Included	Excluded	Description	Included	Excluded
Air Balancing	X		Project Orientation	X	
Water Balancing		X	Sheave / Belt Material Costs		X
NC Sound Testing		X	Sheave / Belt Labor Changes		X
DALT (Duct Air Leakage Testing)		X	Remote-In (phone) Coordination Meeting	X	
TAB Support of Commissioning		X	Cost of obtaining drawing, specifications, or submittals	X	
Pre-Demolition TAB Measurements		X	Balancing Tolerance at +/- 10%	X	
Man Lifts / Scaffolding		X	Balancing Tolerance at +/- 5%		X
Daily Reports	X		Travel To/From Jobsite	X	
Cost of obtaining the Control Contractors software, hardware or labor costs to support the balancing.		X	Transportation while at Jobsite	X	
Work to be performed between the hours of 7:00 AM and 5:00 PM	X		Room/Board	X	
Work to be performed Monday through Friday.	X		90-Day Return Trip		X
Work to be performed between the hours of 5:00 PM and 7:00 AM (Off Shift Hours)		X			
Work to be performed on Saturday, Sunday and Holidays (Overtime Hours)		X			
Work to be performed during owner occupation		X			



Clarifications & Specific Exclusions

1. Quoted price assumes that all work will be performed during normal daytime business hours.
2. Quoted price assumes that the new DDC panels and client workstation will reside on the KPB IT network. The panels and client will communicate over Ethernet with the existing KPB DESIGO server.
3. Quoted price excludes handling or removal of hazardous materials. If hazardous material are encountered, Siemens will notify KPB immediately to determine a proper course of action.
4. Quoted price assumes that the existing HVAC equipment (AHUs, fans, boilers, pumps, VAVs, etc.) is functional and in working order. If we encounter failed or broken HVAC equipment, we will notify KPB immediately to determine the repair strategy and any additional cost impacts.
5. Quoted price excludes dumpster rental or disposal fees.
6. Quoted price excludes painting and patching of architectural surfaces.
7. Quoted price excludes new ceiling tiles. We will do our best to remove and replace the existing tiles. If we do encounter a broken tile, we will notify KPB and replace the tile from existing stock.
8. Quoted price excludes water systems balancing. We are providing balancing of the air systems only as we are not modifying any of the piping system under this project.



Project Price Quote & Schedule of Values

Base Bid - New Digital Control System for Primary HVAC Systems:	\$424,227.00
Bid Option 1 - New Digital Control System for VAV & FTU terminal units:	\$264,130.00
Bid Option 2 - Certified Testing and Balancing of Air Systems:	\$ 49,555.00
Total Project Price: Base Bid + Bid Option 1 + Bid Option 2:	\$737,912.00

SCHEDULE OF VALUES	
ITEM DESCRIPTION	SCHEDULED VALUE
BASE BID	
Design/Engineering/Submittals	\$ 55,150
Material, Components, Devices	\$114,541
Project Manager/Supervision	\$ 33,938
System Installation	\$148,479
Programming/System Start-Up	\$ 63,634
O & M/Close-Out/Training	\$ 8,485
BID ALTERNATE 1	
Design Engineering/Submittals	\$ 18,489
Material, Components, Devices	\$ 79,239
Project Manager/Supervision	\$ 18,489
System Installation	\$118,859
Programming/System Start-Up	\$ 23,772
O & M/Close-Out/Training	\$ 5,283
BID ALTERNATE 2	
Testing and Balancing of Air Systems	\$ 49,555
<hr/>	
TOTAL BASE BID:	\$424,227
TOTAL ALTERNATE 1:	\$264,130
TOTAL ALTERNATE 2:	\$ 49,555
TOTAL PROJECT PRICE:	\$737,912



Preliminary Equipment List (subject to change based on final system design)

Please reference the attached Material by Area Report. This is a preliminary report. Descriptions are subject to change based upon final system design and submittals.

Payment Terms

Payment Terms Acceptance Agreement

The total price of: \$737,912.00 and the estimated return on investment are based on the items outlined in this proposal. ANY statements made herein regarding savings that may be achieved by implementing the services offered in this proposal are estimates only. No warranty, either expressed or implied, shall be construed to arise from such statements, nor shall such statements be construed as constituting a guarantee by Siemens that such savings will occur if the services are implemented.

Terms and Conditions Disclaimer

The Customer acknowledges that when approved by the Customer and accepted by Siemens Industry, Inc.: (i) the Proposal and the Contract Terms and Conditions, (together with any other documents incorporated into the forgoing) shall constitute the entire agreement of the parties with respect to its subject matter (collectively, hereinafter referred to as the "Agreement") and (ii) in the event of any conflict between the terms and conditions of the Proposal and the terms and conditions of The Contract Terms and Conditions, the Contract Terms and Conditions shall control.

BY EXECUTION HEREOF, THE SIGNER CERTIFIES THAT (S)HE HAS READ ALL OF THE TERMS AND CONDITIONS AND DOCUMENTS, THAT SIEMENS OR ITS REPRESENTATIVES HAVE MADE NO AGREEMENTS OR REPRESENTATIONS EXCEPT AS SET FORTH THEREIN, AND THAT (S)HE IS DULY AUTHORIZED TO EXECUTE THE SIGNATURE PAGE ON BEHALF OF THE CUSTOMER.

This Proposal is based on the Siemens Industry, Inc. Standard Terms and Conditions and the "Scope of Work" and are to be considered part of this proposal. Proposal is valid for thirty (30) days from the delivery date of May 21, 2020. Payment is due within 30 days of invoice date.

Payment Terms: 25% mobilization in advance, progress payments

Total: \$737,912.00



Terms & Conditions Link(s)

Terms and Conditions (Click to download)

[Terms & Conditions](#)

(www.siemens.com/download?A6V10946842)

As a result of the global Covid-19 Virus outbreak, temporary delays in delivery, labor or services from Siemens and its sub-suppliers or subcontractors may occur. Among other factors, Siemens' delivery is subject to the correct and punctual supply from sub-suppliers or subcontractors, and Siemens reserves the right to make partial deliveries or modify its labor or services. While Siemens shall make every commercially reasonable effort to meet the delivery or service or completion date mentioned above, such date is subject to change.

Attachment A

Riders (Click on rider below to download)

[SI Monitoring Rider](#)

(www.siemens.com/download?A6V10946171)

[SI Online Backup and Data Protection](#)

(www.siemens.com/download?A6V10946174)

[SI UBM or Utility Procurement](#)

(www.siemens.com/download?A6V10946178)

[SI Software License Warranty](#)

(www.siemens.com/download?A6V10946180)

[SI Consulting Rider](#)

(www.siemens.com/download?A6V10946838)



Signature Page

Proposed by:

Siemens Industry, Inc.

Company

Jim McDonough

Name

4822605 REV1

Proposal #

\$737,912.00

Proposal Amount

May 21, 2020

Date

Accepted by:

Kenai Peninsula Borough

Company

Name (Printed)

Signature

Title

Date

Purchase Order #

SIEMENS**Material by Area**

Sales Person:	Jim McDonough	Print Date:	07-May-2020
Estimate Name:	HOMER HIGH SCHOOL	Job Start:	01-Jun-2020
Estimate ID:	a2e043a2-1e3d-4114-a713-2c58d46db32e	Job End:	01-Oct-2020

Area Level:MECH ROOM A200

Material Reference #	Typical Of	Description	QTY	Total QTY
Controller:				
PXC100-E96.A		PXC MOD, BACNET, TX-I/O, 96 NODE, APOGEE	1	1
PXX-485.3		PXC MOD EXPANSION MODULE, 3 RS-485	1	1
PXA-ENC34		ENCLOSURE ASSY 34	1	1
PXA-SB115V192VA		SERVICE BOX 115V, 24VAC, 192VA	1	1
TXM1.16D		16 DIGITAL INPUT MODULE	1	1
TXM1.6R-M		6 RELAY OUTPUT MODULE W/OVD	2	2
TXM1.8X-ML		8 UNIV I/O W/ 4-20MA, OVD&LCD	3	3
TXS1.12F4		24VDC SUPPLY 1200MA, 4 A FUSE	1	1
System: AHU-1 & EF-7				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	16	16
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	2	2
544-342-16		FLEX AVER SNSR, PT 1K OHM, 16FT PROBE	1	1
2641001WB11A1C		DP TRAN AIR,1%,+/-1" ENC	1	1
171G-10323S		VALVE RETROFIT KIT WITH GMA161.1P	1	1
System: AHU-9 & EF-3				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	6	6
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	2	2
544-342-16		FLEX AVER SNSR, PT 1K OHM, 16FT PROBE	1	1
171G-10323S		VALVE RETROFIT KIT WITH GMA161.1P	1	1
QAA24		ROOM TEMP SNSR, NI, 1K OHM @ 32F	1	1
System: AHU-10 & RHEF-3				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	1	1
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	1	1
171G-10323S		VALVE RETROFIT KIT WITH GMA161.1P	1	1
QAA24		ROOM TEMP SNSR, NI, 1K OHM @ 32F	1	1
System: WORKSTATION/WIRE				
A7F30024321		HVAC CBL 20AWG,STR,3COND,CMP 1KR	1	1
H-2C14-CL3P		HVAC CBL 14AWG,STR,2COND,CL3P 1000'ROLL	2	2
A7F30024327		HVAC CBL 20AWG,STR,1TP,CMP 1KR	3	3
PSH500A		PS FIVE 100VA C2 120-24VAC ENC	2	2
A7F30016543		HVAC FL485,24AWG,STR,TP+1C,OAS,LOCAP,CMP	2	2
R9999		CLIENT WORKSTATION-COMPUTER	1	1



Material by Area

Sales Person:	Jim McDonough	Print Date:	07-May-2020
Estimate Name:	HOMER HIGH SCHOOL	Job Start:	01-Jun-2020
Estimate ID:	a2e043a2-1e3d-4114-a713-2c58d46db32e	Job End:	01-Oct-2020

Area Level:MECH ROOM A200

Material Reference #	Typical Of	Description	QTY	Total QTY
System: Desigo CC Client Licenses				
P55802-Y119-A200		CCA-1-CL CC ADD 1 CLIENT	5	5
P55802-Y157-A412		CCA-100-BA CC ADD 100 BA DP	2	2
P55802-Y157-A452		CCA-500-BA CC ADD 500 BA DP	1	1

SIEMENS**Material by Area**

Sales Person:	Jim McDonough	Print Date:	07-May-2020
Estimate Name:	HOMER HIGH SCHOOL	Job Start:	01-Jun-2020
Estimate ID:	a2e043a2-1e3d-4114-a713-2c58d46db32e	Job End:	01-Oct-2020

Area Level:BOILER ROOM 600

Material Reference #	Typical Of	Description	QTY	Total QTY
Controller:				
PXC100-E96.A		PXC MOD, BACNET, TX-I/O, 96 NODE, APOGEE	1	1
PXX-485.3		PXC MOD EXPANSION MODULE, 3 RS-485	1	1
PXA-ENC34		ENCLOSURE ASSY 34	1	1
PXA-SB115V192VA		SERVICE BOX 115V, 24VAC, 192VA	1	1
TXM1.8D		8 DIGITAL INPUT MODULE	1	1
TXM1.16D		16 DIGITAL INPUT MODULE	1	1
TXM1.6R-M		6 RELAY OUTPUT MODULE W/OVD	3	3
TXM1.8X-ML		8 UNIV I/O W/ 4-20MA, OVD&LCD	6	6
TXS1.12F4		24VDC SUPPLY 1200MA, 4 A FUSE	1	1
System: AHU-2 & RAF-1				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	16	16
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	2	2
544-342-16		FLEX AVER SNSR, PT 1K OHM, 16FT PROBE	1	1
171G-10323S		VALVE RETROFIT KIT W/GMA161.1P	1	1
QAA24		ROOM TEMP SNSR, NI, 1K OHM @ 32F	4	4
System: EF-2 & EF-8				
GCA221.1U		2 PT SR,115V,MED	2	2
System: AHU-3 & ILEF-6				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	2	2
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	2	2
544-342-16		FLEX AVER SNSR, PT 1K OHM, 16FT PROBE	1	1
2641001WB11A1C		DP TRAN AIR,1%,+/-1" ENC	1	1
System: BOILERS				
QAC2012		OUTDR TEMP SNSR, PT 1K OHM(385), PLASTIC	1	1
RIBU1C		RIB 120VAC 24VAC/DC SPDT	12	12
544-577-25		IMMERSION TMP SNSR, PT 1K OHM(375) 2.5"	5	5
A7F30057285		Current Sw,Sp lit,Pre-Set Adj,1-150A	3	3
QBE2002-P16		PRESSURE SENSOR FOR L & G 0-232 PSI	1	1
System: DOMESTIC HW SYSTEM				
544-577-25		IMMERSION TMP SNSR, PT 1K OHM(375) 2.5"	4	4
RIBU1C		RIB 120VAC 24VAC/DC SPDT	2	2
A7F30057285		Current Sw,Split,Pre-Set Adj,1-150A	2	2



Material by Area

Sales Person:	Jim McDonough	Print Date:	07-May-2020
Estimate Name:	HOMER HIGH SCHOOL	Job Start:	01-Jun-2020
Estimate ID:	a2e043a2-1e3d-4114-a713-2c58d46db32e	Job End:	01-Oct-2020

Area Level:BOILER ROOM 600

Material Reference #	Typical Of	Description	QTY	Total QTY
171D-10369S		VALVE RETROFIT KIT W/GMA161.1P	2	2
QBE2002-P16		PRESSURE SENSOR FOR L & G 0-232 PSI	1	1
System: GENERATOR				
GCA221.1U		2 PT SR,115V,MED	2	2
RIBU2SC		RIB 120/24 SPST NO & SPDT	2	2

SIEMENS**Material by Area**

Sales Person:	Jim McDonough	Print Date:	07-May-2020
Estimate Name:	HOMER HIGH SCHOOL	Job Start:	01-Jun-2020
Estimate ID:	a2e043a2-1e3d-4114-a713-2c58d46db32e	Job End:	01-Oct-2020

Area Level:GYM MEZZANINE

Material Reference #	Typical Of	Description	QTY	Total QTY
Controller:				
PXC100-E96.A		PXC MOD, BACNET, TX-I/O, 96 NODE, APOGEE	1	1
PXX-485.3		PXC MOD EXPANSION MODULE, 3 RS-485	1	1
PXA-ENC34		ENCLOSURE ASSY 34	1	1
PXA-SB115V192VA		SERVICE BOX 115V, 24VAC, 192VA	1	1
TXM1.16D		16 DIGITAL INPUT MODULE	1	1
TXM1.6R-M		6 RELAY OUTPUT MODULE W/OVD	2	2
TXM1.8X-ML		8 UNIV I/O W/ 4-20MA, OVD&LCD	5	5
TXS1.12F4		24VDC SUPPLY 1200MA, 4 A FUSE	1	1
System: AHU-4 & 5				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	12	12
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	4	4
544-342-16		FLEX AVER SNSR, PT 1K OHM, 16FT PROBE	2	2
171G-10323S		VALVE RETROFIT KIT W/GMA161.1P	1	1
QAA24		ROOM TEMP SNSR, NI, 1K OHM @ 32F	7	7
System: AHU-6 & LCEF-5				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	6	6
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	2	2
544-342-16		FLEX AVER SNSR, PT 1K OHM, 16FT PROBE	1	1
171G-10323S		VALVE RETROFIT KIT W/GMA161.1P	2	2
QAA24		ROOM TEMP SNSR, NI, 1K OHM @ 32F	2	2
System: MAU-1 & LCEF-2				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	1	1
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	1	1
171G-10323S		VALVE RETROFIT KIT W/GMA161.1P	2	2
544-577-25		IMMERSION TMP SNSR, PT 1K OHM(375) 2.5"	1	1

SIEMENS**Material by Area**

Sales Person:	Jim McDonough	Print Date:	07-May-2020
Estimate Name:	HOMER HIGH SCHOOL	Job Start:	01-Jun-2020
Estimate ID:	a2e043a2-1e3d-4114-a713-2c58d46db32e	Job End:	01-Oct-2020

Area Level:POOL MECH ROOM F200

Material Reference #	Typical Of	Description	QTY	Total QTY
Controller:				
PXC100-E96.A		PXC MOD, BACNET, TX-I/O, 96 NODE, APOGEE	1	1
PXX-485.3		PXC MOD EXPANSION MODULE, 3 RS-485	1	1
PXA-ENC34		ENCLOSURE ASSY 34	1	1
PXA-SB115V192VA		SERVICE BOX 115V, 24VAC, 192VA	1	1
TXM1.16D		16 DIGITAL INPUT MODULE	1	1
TXM1.6R-M		6 RELAY OUTPUT MODULE W/OVD	3	3
TXM1.8X-ML		8 UNIV I/O W/ 4-20MA, OVD&LCD	5	5
TXS1.12F4		24VDC SUPPLY 1200MA, 4 A FUSE	1	1
System: AHU-7 & RAF-2				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	6	6
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	2	2
544-342-16		FLEX AVER SNSR, PT 1K OHM, 16FT PROBE	1	1
2641001WB11A1C		DP TRAN AIR,1%,+/-1" ENC	1	1
171G-10323S		VALVE RETROFIT KIT W/GMA161.1P	1	1
QFA3212.FWNN		ROOM RHT 1K OHM PT(385) FULL HMI NO LOGO	1	1
544-577-25		IMMERSION TMP SNSR, PT 1K OHM(375) 2.5"	1	1
System: AHU-8 & LCEF-1				
GCA161.1P		MOD(V) SR,24V, MED. PLNM	6	6
544-339-18		DCT PT SNSR, PT 1K OHM, (375), 18" PROBE	1	1
544-342-16		FLEX AVER SNSR, PT 1K OHM, 16FT PROBE	1	1
171G-10323S		1.5" 2W 40CV SS BALL VLV+GMA161.1P	2	2
QAA24		ROOM TEMP SNSR, NI, 1K OHM @ 32F	4	4
544-577-25		IMMERSION TMP SNSR, PT 1K OHM(375) 2.5"	1	1
System: Pool Heat Exch				
544-577-25		IMMERSION TMP SNSR, PT 1K OHM(375) 2.5"	1	1
RIBU1C		RIB 120VAC 24VAC/DC SPDT	1	1
A7F30057285		Current Sw,Split,Pre-Set Adj,1-150A	1	1
171G-10369S		VALVE RETROFIT KIT W/GMA161.1P	1	1
System: Baseboards				
QAA24		ROOM TEMP SNSR, NI, 1K OHM @ 32F	9	9
GDE131.1U		ACT NSR 24/108L 5NM,NO PLENUM	9	9



Material by Area

Sales Person:	Jim McDonough	Print Date:	07-May-2020
Estimate Name:	HOMER HIGH SCHOOL	Job Start:	01-Jun-2020
Estimate ID:	a2e043a2-1e3d-4114-a713-2c58d46db32e	Job End:	01-Oct-2020

Area Level: BID ALT. 1 - VAV BOXES

Material Reference #	Typical Of	Description	QTY	Total QTY
System: VAVS w/REHEAT				
GDE131.1U		ACT NSR 24/108L 5NM,NO PLENUM	286	286
QAM2030.010		DUCT PT SNSR, NTC 10K OHM TYP2, 4 IN LG	118	118
DXR2.E12P-102B		DXR2.E12P Room Automation Station	118	118
QMX3.P34-1WSB		QMX3 ROOM TEMP WITH DISPLAY (COO=USA)	118	118
System: MISC/WORKSTATION/WIRE				
A7F30010824		E-4TP24CAT5-CM ETHERNET 24AWG / SOL / 4T	12	12

Kenai Peninsula Borough
Assessing Department

MEMORANDUM

TO: Charlie Pierce, Borough Mayor
FROM: Melanie Aeschliman, Director of Assessing
DATE: May 26, 2020
RE: Certification of the 2020 Main Roll Assessment

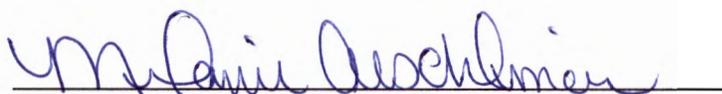
The undersigned, duly qualified and appointed Assessor of the Kenai Peninsula Borough, does hereby certify that the following is the total valuation contained in the 2020 Main Assessment Roll as of May 26, 2020.

The total assessed value for the Kenai Peninsula Borough, including all properties on this assessment roll is as follows:

PERSONAL PROPERTY	REAL PROPERTY	OIL PROPERTY	TOTAL PROPERTY
\$344,098,464	\$18,075,900,900	\$1,493,428,710	\$19,913,428,074

The total taxable value for the Kenai Peninsula Borough is as follows:

PERSONAL PROPERTY	REAL PROPERTY	OIL PROPERTY	TOTAL PROPERTY
\$307,927,427	\$6,666,423,400	\$1,493,428,710	\$8,467,779,537


Melanie Aeschliman, Director of Assessing

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Borough Mayor *cp*

THRU: Brandi Harbaugh, Finance Director *BH*

FROM: Sarah Hostetter, Payroll Accountant *SH*

DATE: June 3, 2020

RE: Revenue-Expenditure Report – May 2020

Attached is the Revenue-Expenditure Report of the General Fund for the month of May 2020. Please note that 91.67% of the year has elapsed, 86.99% of budgeted revenues have been collected, and 85.24% of budgeted expenditures have been made.

KENAI PENINSULA BOROUGH
 Revenue Report
 For the Period
 May 1 through May 31, 2020

ACCOUNT NUMBER	DESCRIPTION	ESTIMATED REVENUE	YEAR TO DATE RECEIPTS	MONTH TO DATE RECEIPTS	VARIANCE	% COLLECTED
31100	Real Property Tax	\$ 30,759,296	\$ 30,476,810	\$ 65,779	\$ (282,486)	99.08%
31200	Personal Property Tax	1,988,657	2,192,991	4,287	204,334	110.27%
31300	Oil Tax	7,347,971	7,343,975	-	(3,996)	99.95%
31400	Motor Vehicle Tax	712,000	367,196	52,401	(344,804)	51.57%
31510	Property Tax Penalty & Interest	499,969	585,512	20,496	85,543	117.11%
31610	Sales Tax	32,272,462	26,166,513	3,301,346	(6,105,949)	81.08%
33110	In Lieu Property Tax	3,600,000	78,795	-	(3,521,205)	2.19%
33117	Other Federal Revenue	185,000	136,777	66,802	(48,223)	73.93%
34110	School Debt Reimbursement	1,324,359	1,281,894	-	(42,465)	96.79%
34221	Electricity & Phone Revenue	155,000	-	-	(155,000)	0.00%
34222	Fish Tax Revenue Sharing	750,000	(105,930)	-	(855,930)	-14.12%
34210	Revenue Sharing	843,079	843,613	-	534	100.06%
37350	Interest on Investments	936,944	1,533,662	(1,436)	596,718	163.69%
38000	Trans From Other Funds	175,000	175,000	-	-	100.00%
39000	Other Local Revenue	300,000	357,127	8,536	57,127	119.04%
290	Solid Waste	800,000	460,166	4,611	(339,834)	57.52%
Total Revenues		\$ 82,649,737	\$ 71,894,101	\$ 3,522,821	\$ (10,755,636)	86.99%

KENAI PENINSULA BOROUGH
Expenditure Report
For the Period
May 1 through May 31, 2020

DESCRIPTION	REVISED BUDGET	YEAR TO DATE EXPENDED	MONTH TO DATE EXPENDED	AMOUNT ENCUMBERED	AVAILABLE BALANCE	%
						EXPENDED
Assembly:						
Administration	\$ 494,065	\$ 431,159	\$ 21,802	\$ 7,448	\$ 55,459	87.27%
Clerk	555,004	460,483	56,326	8,144	86,378	82.97%
Elections	113,910	97,364	6,143	13,248	3,297	85.47%
Records Management	269,852	213,627	25,179	15,601	40,624	79.16%
Mayor Administration	818,559	651,341	74,873	2,239	164,979	79.57%
Purch/Contracting/Cap Proj	625,305	506,461	74,168	3,428	115,416	80.99%
Human Resources:						
Administration	676,140	587,836	69,472	1,966	86,338	86.94%
Print/Mail	194,101	112,614	15,911	9,674	71,813	58.02%
Custodial Maintenance	119,209	98,565	11,067	94	20,550	82.68%
Information Technology	2,015,513	1,578,964	249,896	35,642	400,906	78.34%
Emergency Management	825,019	620,427	78,224	28,661	175,931	75.20%
Legal Administration	1,144,040	826,892	97,085	161,634	155,514	72.28%
Finance:						
Administration	501,884	435,703	47,462	1,074	65,107	86.81%
Services	1,012,211	796,529	93,111	454	215,229	78.69%
Property Tax	1,141,518	815,054	74,908	69,351	257,114	71.40%
Sales Tax	700,683	498,124	59,996	27,934	174,626	71.09%
Assessing:						
Administration	1,416,722	1,124,824	115,930	8,802	283,095	79.40%
Appraisal	1,983,326	1,495,272	174,453	13,691	474,362	75.39%
Resource Planning:						
Administration	1,264,985	943,023	111,889	25,138	296,824	74.55%
GIS	596,596	416,695	32,541	1,229	178,672	69.85%
River Center	769,721	439,457	59,808	4,749	325,515	57.09%
Senior Citizens Grant Program	608,969	529,932	33,148	79,037	-	87.02%
School District Operations	58,965,977	54,579,938	4,376,008	-	4,386,039	92.56%
Solid Waste Operations	8,993,901	6,237,936	528,712	818,442	1,937,523	69.36%
Economic Development	525,000	155,564	63,278	240,306	129,130	29.63%
Non-Departmental	3,761,351	2,144,807	10,299	-	1,616,544	57.02%
Total Expenditures	\$ 90,093,561	\$ 76,798,593	\$ 6,561,687	\$ 1,577,983	\$ 11,716,985	85.24%

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Borough Mayor *dp*

THRU: Brandi Harbaugh, Finance Director *BH*

FROM: Sarah Hostetter, Payroll Accountant *SH*

DATE: June 3, 2020

RE: Budget Revisions – May 2020

Attached is a budget revision listing for May 2020. The attached list contains budget revisions between major expenditure categories (i.e., maintenance & operations and capital outlay). Other minor transfers were processed between object codes within major expenditure categories.

CENTRAL EMERGENCY SERVICES

To purchase a Connex for tire storage and radio interface headsets.

211-51610-00000-42310 (Repair/Maintenance Supplies)		\$5,680.00
211-51610-00000-48520 (Storage Building/Containers)	\$4,680.00	
211-51610-00000-48760 (Minor Fire Fighting Equipment)	\$1,000.00	

CENTRAL EMERGENCY SERVICES

To replace oven damaged due to a water line burst in kitchen.

211-51610-00000-43720 (Equipment Maintenance)		\$1,350.00
211-51610-00000-48740 (Minor Machines/Equipment)	\$1,350.00	

CLERK'S OFFICE - ASSEMBLY

To purchase and replace iPads for Assembly.

100-11110-00000-43011 (Contract Services)		\$4,200.00
100-11110-00000-48710 (Minor Office Equipment)	\$4,200.00	

CLERK'S OFFICE - ELECTIONS

To pay for postage permit #25 (Homer ballots). Revision needed due to billing period change from last year.

100-11130-00000-42210 (Operating Supplies)		\$240.00
100-11130-00000-43140 (Postage/Freight)	\$240.00	

CLERK'S OFFICE - RECORDS MANAGEMENT

To replace rollers for FIJITSU scanners.

100-11140-00000-43011 (Contract Services)		\$380.00
100-11140-00000-42310 (Repair/Maintenance Supplies)	\$380.00	

CLERK'S OFFICE - RECORDS MANAGEMENT

To purchase a Surface Pro for the Deputy Clerk.

100-11140-00000-43011 (Contract Services)		\$2,000.00
100-11140-00000-48710 (Minor Office Equipment)	\$2,000.00	

CLERK'S OFFICE - RECORDS MANAGEMENT

To purchase webcams for records center workstations.

100-11140-00000-43210 (Transport/Subsistence)		\$156.00
100-11140-00000-48710 (Minor Office Equipment)	\$156.00	

MAY 2020 CONT.**INCREASE****DECREASE****MAINTENANCE DEPARTMENT**

To replace large field sprinklers and 2 AED's. And to purchase a small diameter drain cleaning snake.

241-41010-00000-43764 (Snow Removal)		\$7,500.00
241-41010-00000-48740 (Minor Machines/Equipment)	\$7,500.00	

MAYOR'S OFFICE

To purchase a camera for office computer.

100-11210-00000-43310 (Advertising)		\$41.00
100-11210-00000-48710 (Minor Office Equipment)	\$41.00	

MAYOR'S OFFICE

To purchase a wireless headset to use in online meetings.

100-11210-00000-43021 (Peninsula Promotion)		\$180.00
100-11210-00000-48710 (Minor Office Equipment)	\$180.00	

MAYOR'S OFFICE

To purchase microphone to use in online meetings.

100-11210-00000-43021 (Peninsula Promotion)		\$95.00
100-11210-00000-48710 (Minor Office Equipment)	\$95.00	

OFFICE OF EMERGENCY MANAGEMENT

To cover costs for antenna installation

100-11250-00000-43011 (Contract Services)		\$1,000.00
100-11250-00000-48311 (Machinery/Equipment)	\$1,000.00	

SOLID WASTE - LANDFILL

To replace an obsolete gas analyzer for landfill gas monitoring.

290-32122-00000-43015 (Water/Air Sample Testing)		\$11,390.00
290-32122-00000-48311 (Machinery/Equipment)	\$11,390.00	

Kenai Peninsula Borough Assembly Committees 2019 – 2020

ASSEMBLY COMMITTEES

- **Finance Committee**
Brent Hibbert, Chair
Tyson Cox, Vice Chair
Brent Johnson
- **Lands Committee**
Brent Johnson, Chair
Kenn Carpenter, Vice Chair
Norm Blakeley
- **Policies & Procedures Committee**
Willy Dunne, Chair
Hal Smalley, Vice Chair
Kenn Carpenter
- **Legislative Committee**
Hal Smalley, Chair
Jesse Bjorkman, Vice Chair
Willy Dunne
- **President Pro Tem**
Brent Hibbert
- **OTHER BOROUGH COMMITTEES**
- **School Board**
Tyson Cox
Brent Johnson, Alternate

SERVICE AREA BOARD LIAISONS

- **Anchor Point Fire & EMS** – Willy Dunne
- **Bear Creek Fire** – Kenn Carpenter
- **CES/CPEMS** – Norm Blakeley
- **Kachemak Emergency Service Area** – Willy Dunne
- **KPB Roads** – Kelly Cooper
- **Nikiski Seniors** – Jesse Bjorkman
- **Nikiski Fire** – Jesse Bjorkman
- **North Peninsula Recreation** – Jesse Bjorkman
- **Seldovia Recreational** – Willy Dunne
- **Seward/Bear Creek Flood** – Kenn Carpenter
- **South Kenai Peninsula Hospital** - Kelly Cooper, Willy Dunne
- **NON-BOROUGH COMMITTEES**
- **Cook Inlet Aquaculture**
Dale Bagley
- **Cook Inlet R.C.A.C.**
Grace Merkes, term expires April 2020
- **Kenai Peninsula Economic Development District**
Hal Smalley, term expires with office
- **Kenai Peninsula College Council**
VACANT, term expires with office
- **Kenai River Special Management Area Advisory Board**
Brent Hibbert, term expires with office
- **Prince William Sound R.C.A.C.**
Mako Haggerty, term expires May 2019
- **Kachemak Bay Research Reserve Community Council**
Willy Dunne, term expires with office