

E. NEW BUSINESS

- 3. Ordinance 2026-14: Authorizing a communications site lease agreement with GCI Communications Corporation, in Beluga**

Kenai Peninsula Borough
Planning Department – Land Management Division

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

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

FROM: Jennifer Shields, Land Management Agent

DATE: April 2, 2026

RE: Ordinance 2026-____, Authorizing a Communications Site Lease Agreement with GCI Communication Corp., in Beluga (Mayor)

In 2015, the Kenai Peninsula Borough (KPB) issued a Land Use Permit (LUP) to GCI Communication Corp (GCI) for the installation and maintenance of a wireless, 120' self-supporting communications tower and equipment shelter on approximately 1,600 square feet of KPB-owned land near Beluga, Alaska. The LUP expired on April 5, 2020. Since the LUP's expiration, KPB has treated GCI's presence as a month-to-month holdover tenancy, and GCI has continued to use the site while paying rent in the current amount of \$672.95 per month.

GCI desires to continue its use of the site, and has applied to KPB for a five-year lease agreement with renewal options. The lease was negotiated at a monthly rent of \$2,000 (\$24,000/annually). Rent will adjust annually by three percent (3%) over the prior year's rent amount.

The KPB Planning Commission will hold a public hearing regarding the proposed lease at its regularly-scheduled meeting on April 27, 2026, and will forward its recommendation to the Assembly.

Your consideration is appreciated.

Introduced by: Mayor
Date:
Hearing:
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-___**

**AN ORDINANCE AUTHORIZING A COMMUNICATIONS SITE LEASE
AGREEMENT WITH GCI COMMUNICATION CORP., IN BELUGA**

WHEREAS, in 2015, a temporary land use permit was issued to authorize GCI Communication Corp.'s (GCI) now-expired use of an approximately 1,600 square foot communication tower site on KPB-owned Parcel No. 21108503 in the Beluga area; and

WHEREAS, a long-term lease agreement is now required to continue operating the site and supporting GCI's communication needs in Beluga; and

WHEREAS, GCI has agreed to a five-year lease agreement with renewal options at a monthly rent of \$2,000 (\$24,000/annually); and

WHEREAS, leasing of this property furthers the following objectives of the 2019 Kenai Peninsula Borough (KPB) Comprehensive Plan:

1. Goal 2, Land Use Objective F: To actively manage Borough-owned lands to meet short and long-term regional goals; and

WHEREAS, the KPB Commission, at its regularly scheduled meeting on April 27, 2026, recommended _____.

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

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

SECTION 2. That pursuant to KPB 17.10.100(I), the Assembly finds that entering into a Communication Tower Site Lease Agreement with GCI Communication Corp. on that Leased Premises more particularly described as follows is in the best interests of KPB:

A portion of the N½ of the E½ of the NE¼NW¼NE¼NW¼ of Section 9, Township 12 North, Range 10 West, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska, more particularly described as an approximately 1,600 square foot area, including the air space above such ground space, together

with non-exclusive access beginning directly off of the Beluga Highway right-of-way and across an existing road and public utility easement. (Parcel No. 21108503)

Site Name: GCI Beluga

This finding is based upon the following facts:

1. The property will be used to continue use of an existing communication tower site for the benefit of GCI communications.
2. KPB will receive revenues and the benefit of reserved tower space for emergency and other communication related uses.

SECTION 3. That the Mayor is hereby authorized to negotiate and enter into a lease upon a portion of the property identified in Section 2, subject to all lease conditions required by this ordinance and the applicable provisions of KPB 17.10.

SECTION 4. That the monthly rent will be Two-Thousand Dollars (\$2,000.00) for exclusive use of the Leased Premises for a five-year term with renewal options. On each anniversary of the effective date, rent will adjust annually by three percent (3%) over the prior year's rent amount.

SECTION 5. Pursuant to KPB 17.10.230, the Assembly authorizes an exception to the requirements of 17.10.110, "Notice of Disposition", based upon the following facts:

1. Special circumstances or conditions exist.
 - a. The proposed lease is solely with GCI and for the purpose of operating, and maintaining an existing communication tower site.
 - b. The notice requirement is intended to make the public aware of an opportunity to purchase Borough property, which is unnecessary since the intent of the disposal is to lease the property solely to GCI.
2. That the exception is necessary for the preservation and enjoyment of a substantial property right and is the most practical manner of complying with the intent of this chapter.
 - a. The notice requirement is intended to make the public aware of an opportunity to purchase Borough property, which is not applicable to the lease of property solely to GCI.
3. That the granting of this exception will not be detrimental to the public welfare or injurious to other property in the area.
 - a. The existing communication tower site is compatible with the surrounding land uses.

SECTION 6. That GCI will have sixty (60) days from the date of enactment of this ordinance to execute the lease agreement.

SECTION 7. That the mayor is authorized to execute a lease agreement substantially in the form of the one accompanying this ordinance, and any documents necessary to effectuate this ordinance.

SECTION 8. That rent revenue from the lease shall be submitted to the KPB Finance Department and deposited into Land Management Account No. 250.00000.00000.36316.

SECTION 9. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

SECTION 10. This ordinance shall become effective immediately.

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

Ryan Tunseth, Assembly President

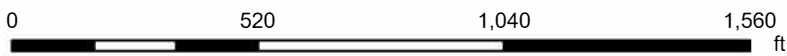
ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:



LMD24-77
Parcel No. 21108503

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

COMMUNICATIONS SITE LEASE AGREEMENT

This Communications Site Lease Agreement (Agreement) is entered into by the Kenai Peninsula Borough, an Alaska municipal corporation, whose mailing address is 144 North Binkley Street, Soldotna, Alaska 99669 (KPB or Lessor), and GCI Communication Corp., an Alaska corporation, whose mailing address is 2550 Denali Street, Suite 1000, Anchorage, AK 99503 (Lessee) (together, the Parties). This Agreement becomes effective on the date of signature by KPB (the Effective Date).

PART I. BACKGROUND, AUTHORIZED CONTACT AND CONTRACT DOCUMENTS

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

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

LESSOR

Name: Kenai Peninsula Borough
Attn: Land Management Division
Re: Lease No. LMD24-77
144 N. Binkley St.
Soldotna, AK 99669

LESSEE

Name: GCI Communication Corp.
Attn: Manager, Lands and Leasing
Re: GCI Beluga #461
2550 Denali Street, Suite 1000
Anchorage, AK 99503

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

Appendix A: Site Specific Lease Provisions

Appendix B: Lease Provisions Required by KPB 17.10

Exhibit 1: Description of the Property and the Leased Premises

Exhibit 2: Leased Premises site sketches (provided by Lessee)

Exhibit 3: Public Utility Easement

Exhibit 4: Memorandum of Lease

If in conflict, the order of precedence will be: the Agreement, Appendix A, Appendix B, Exhibit 1, Exhibit 2, Exhibit 3, and then Exhibit 4.

PART II. LEASE DESCRIPTION AND TERMS

4. DESCRIPTION OF PROPERTY. Subject to the terms and conditions of this Agreement, Lessor hereby grants to Lessee a leasehold interest in and to that certain portion of the Property containing approximately 1,600 square feet (40' x 40' tower site, including the air space above such ground space) as described and depicted on Exhibit 1 and Exhibit 2 of this Agreement, attached hereto (collectively, the Leased Premises), for the placement of Communication Facilities as defined in Section 9, "Use", together with non-exclusive access beginning directly off of the Beluga Highway right-of-way and across an existing road and public utility easement as depicted on Exhibit 3 of this Agreement. In addition, a buffer area ten (10) feet in width outside the perimeter of the Leased Premises may be utilized by the Lessee strictly for purposes of complying with Section 10(b) Buffer Landscaping below.

5. TERM.

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

(b) Lessee will have the right and option to extend the term of this Agreement for four (4) successive terms of five (5) years each (each, a Renewal Term). Each Renewal Term will commence automatically, unless Lessee delivers written notice to Lessor, not less than thirty (30) days prior to the end of the then-current Term, of Lessee's intent not to renew. For purposes of this Agreement, Term includes the Initial Term and any applicable Renewal Term(s).

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

6. TERMINATION.

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

(a) by Lessee upon thirty (30) days prior written notice to Lessor, if Lessee is unable to obtain or maintain any required insurance, approval(s) or the issuance of a license or permit by any agency, board, court or other governmental authority necessary for the construction or operation of the Communication Facilities as now or hereafter intended by Lessee; or if Lessee determines, in its sole discretion, that the cost of or delay in obtaining or retaining the same is commercially unreasonable;

(b) by Lessee, upon thirty (30) days prior written notice to Lessor, if Lessee determines that, in its sole discretion, due to the title reports or survey results, that the condition of the Leased Premises is unsatisfactory for its intended uses;

(c) by Lessee upon sixty (60) days prior written notice to Lessor for any reason or no reason, so long as Lessee pays Lessor a termination fee equal to: (a) six (6) months' Rent, at the then-current rate, or (b) the remaining Rent due under the current Term until such Term expires – whichever is less, and subject to removal requirements contained within Section 12, "Equipment, Fixtures, and Removal".

(d) by Lessor in the event of a default in the performance or observance of any of the Agreement terms or conditions, and if such default continues thirty (30) days after written notice of the default, KPB may cancel the Agreement or take any legal action for damages or recovery of the property. No improvements may be removed during the time in which the contract is in default without written consent of Lessor.

7. RENT. Beginning on the Effective Date, Lessee must pay to Lessor a monthly rent payment of Two Two Thousand and No/100 Dollars (\$2,000.00) (Rent), at the address set forth above on or before the fifth (5th) day of each calendar month in which Rent is due, in advance. Rent will be prorated for any partial month. On each anniversary of the Effective Date, Rent will adjust annually by three percent (3%) over the prior year's Rent amount. Should Lessee fail to submit a monthly Rent payment in full on or before the fifth (5th) day of each calendar month in which Rent is due, a penalty of 10 percent (10%) of the monthly Rent amount will be charged to the Lessee.

8. TAXES. Lessee must pay any real or personal property taxes assessed on, or any portion of such taxes attributable to the Communication Facilities as defined in Section 9, "Use", located on the Leased Premises, including any taxable private leasehold interests.

9. USE. The Leased Premises are being leased for the purpose of erecting, installing, operating, and maintaining radio or communications tower, transmitting and receiving equipment, antennas, dishes, mounting structures, equipment shelters and other supporting structures, and related equipment (collectively, the Communication Facilities). Lessee may, subject to the foregoing, make any improvement, alteration, or modification to the Leased Premises as are deemed appropriate by Lessee for the permitted use herein, pursuant to prior written approval from KPBB. Subject to Section 10(b), "Buffer Landscaping", Lessee will have the right to clear the Leased Premises of any trees, vegetation, or undergrowth which interferes with Lessee's use of the Leased Premises for the intended purposes.

10. SECURITY AND BUFFER LANDSCAPING.

(a) Fence and Site Security. Notwithstanding Section 4, "Description of Property", Lessee may elect, at its expense, to construct enclosures and/or fences as Lessee reasonably determines to be necessary to secure its improvements, including the tower(s), building(s), guy anchors, and related improvements situated upon the Leased Premises. Lessee may also undertake any other appropriate means to restrict access to its communications towers, buildings, applicable guy anchors, applicable guy wires, and related improvements, including, without limitation, posting signs for security purposes.

(b) Buffer Landscaping. To blend with the surrounding use of the Property as outdoor space, the Lessee will only clear the Leased Premises to the extent necessary for its Communication Facilities.

11. ACCESS, MAINTENANCE, AND UTILITIES.

(a) Access. During the Term, Lessee, and its sublessees, licensees, customers, guests, agents, and assigns will have the unrestricted, exclusive right to use, and will have free and unfettered access to, the Leased Premises seven (7) days a week, twenty-four (24) hours a day. Lessor for itself, its successors and assigns, hereby grants and conveys unto Lessee, its customers, employees, agents, invitees, sublessees, sublicensees, successors, and assigns non-exclusive access across an existing road and public utility easement to the extent depicted on Exhibit 3, (a) for ingress and egress, and (b) for the construction, installation, operation and maintenance of overhead and underground electric and other utility facilities (including fiber, backhaul, wires, poles, guys, cables, conduits and appurtenant equipment), with the right to reconstruct, improve, add to, enlarge, change and remove such facilities, over, across, and through any access for the benefit of and access to the Leased Premises, subject to the terms and conditions herein set forth. Lessor agrees to cooperate with Lessee's efforts to obtain such utilities and services. If there are utilities already existing on the Leased Premises which serve the Leased Premises, Lessee may utilize such utilities and services.

(b) Maintenance. Lessee agrees to use the Leased Premises in a manner that does not cause material damage to the condition of the Leased Premises, and will keep and maintain the Leased Premises and related,

non-exclusive access, in good condition and free of fire hazards. Lessee must take all reasonable precautions to prevent, and take all reasonable actions to suppress, destructive and uncontrolled grass, brush, and forest fires on the Leased Premises, and comply with all laws, regulations and rules promulgated and enforced by the protection agency responsible for forest protection within the area wherein the Leased Premises is located. To proactively mitigate fire risks, Lessee must remove all dead spruce trees, or potential hazard trees within a fifty (50) foot radius of the Leased Premises. All trees and/or slash produced from these activities must be removed from the site or mechanically processed into chips and dispersed back onto the site. If slash is mechanically processed, the resulting chip bed may not exceed six (6) inches of depth on any area within the treatment unit.

(c) Utilities. Lessee is solely responsible for obtaining their own power and may not connect to any Lessor-owned electrical, communication, or other utility without Lessor's prior written approval.

12. EQUIPMENT, FIXTURES, AND REMOVAL. The Communication Facilities will at all times be the personal property of Lessee or its sublessees, licensees, and customers, as applicable. Lessee and/or its sublessees, licensees, and customers will have the right to erect, install, maintain, and operate on the Leased Premises such equipment, structures, fixtures, signs, and personal property as Lessee may deem necessary or appropriate, and such property, including the Communication Facilities and other equipment, structures, fixtures, signs, and personal property currently on the Leased Premises, will not be deemed to be part of the Leased Premises, but will remain the property of Lessee or its customers. Unless otherwise agreed to in writing by the Parties, within ninety (90) days after the expiration or earlier termination of this Agreement, or upon cessation, abandonment, or non-use of the tower for communication purposes for a period of six (6) consecutive months following construction of the tower (the Removal Period), Lessee must remove its improvements and restore the Leased Premises to grade in a natural condition free of contamination, reasonable wear and tear excepted, which will include removal of all concrete and other foundation materials to a depth of five (5) feet below grade, and perform all obligations under this Agreement during the Removal Period, including without limitation, the payment of Rent on a prorated per diem basis, at the rate in effect upon the expiration or termination of this Agreement. Any property not so removed will be deemed abandoned and may be removed and disposed of by Lessor in such manner as Lessor may determine, without any obligation on the part of Lessor to account to Lessee for any proceeds therefrom. Time is of the essence.

13. ASSIGNMENT. Lessee may assign this Agreement to any person or entity, at any time with prior written consent of KPB's Mayor, so long as the Assignee agrees to the assignment and novation and complies with all terms of this Agreement. Notwithstanding the foregoing, providing all conditions of the Agreement have been met including but not limited to payments of all amount due, upon thirty (30) days' written notice to Lessor, Lessee may assign this Agreement or its rights or obligations to (a) any person or entity controlling, controlled by, or under common control with Lessee, or (b) in connection with the sale or other transfer of substantially all of Lessee's assets in the Federal Communications Commission (FCC) market area where the Leased Premises is located.

14. SUBLEASING AND REVENUE SHARE.

(a) Subleasing. Lessee will have the exclusive right to sublease or grant licenses to use the improvements or any other towers, structures, equipment, or ground space on the Leased Premises, with prior written consent of KPB's Mayor and as long as the sublessee or licensee agrees and complies with all terms of this Agreement.

(b) Revenue Share. In addition to and separate from the Rent, Lessee must pay to Lessor thirty-three percent (33%) of rents actually collected by Lessee from any applicable sublessees, sublicensees, collocation or similar vertical space rental agreements, exclusive of non-recurring fees (e.g., structural analysis fees,

mount analysis fees, and capital expenditures) and reimbursements (such as for taxes and utilities) (the Revenue Share). The Revenue Share must be paid to Lessor with the Rent in the month immediately following receipt by Lessee from the applicable sublessee. Upon reasonable written request for audit purposes, Lessee will provide Lessor unredacted copies of any applicable subleases for the purpose of confirming relevant financial terms and information including sublease rate and term information. For the purposes of this Agreement: (i) "Sublease" is defined as any arrangement in which the Lessee or any sublessee leases to another party or entity any portion of the Leased Premises described in Section 4, "Description of Property", or improvements thereon, including but not limited to a sublease for an antenna, microwave dish, or wireless communications equipment; and (ii) "Sublessee" means any sublessee or licensee of Lessee, that: (A) has entered into a sublease or license with Lessee for the use of the improvements after the Effective Date; and (B) is not paying any rent or fees directly to Lessor for the use of ground space related to the use of Lessee's improvements.

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

15. CO-LOCATE RIGHTS RESERVED BY LESSOR. Lessor reserves the right to install emergency response communication equipment or other KPB related communication equipment on Lessee's tower, provided that such equipment does not interfere with Lessee's or then-existing sublessee's equipment, space or frequencies. Ninety (90) days prior to the exercise of this reservation, Lessor must provide Lessee with a complete inventory of equipment, proposed vertical location and transmit / receive frequencies. Lessee must confirm Lessor's equipment will not interfere with Lessee's or then-existing sublessee's frequencies, equipment or reserved space for Lessee's future equipment, or propose an alternate location or justification why equipment cannot be placed on the tower. Upon installation of Lessor's equipment on the Leased Premises, any future sublessee's equipment must not interfere with Lessor's equipment, provided such equipment is properly installed and lawfully operated. Notwithstanding the foregoing, Lessor's right to install equipment on Lessee's tower will be subject to Lessee's reasonable determination that, at the time in which Lessor proposes to install its equipment, Lessee's tower will have sufficient space and structural capacity to accommodate the additional loading associated with Lessor's proposed equipment installation. In connection with the foregoing, each Party will do and perform, or cause to be done and performed, all such further acts and things, and will execute and deliver all such other agreements, instruments and documents, as the other Party may reasonably request in order to carry out the intent and accomplish the purposes of this Section and the consummation of the transactions contemplated hereby. All costs associated with Lessor's co-location on Lessee's tower, including but not limited to the cost of any structural analyses and any installation, maintenance and operating costs, will be borne by Lessor.

16. COVENANTS, WARRANTIES AND REPRESENTATIONS.

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

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

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

Lessor, there has been no release of or contamination by hazardous materials on the Property.

(d) Subject to Section 11, "Access, Maintenance, and Utilities", Lessee will have access to all utilities required for the operation of Lessee's improvements on the Leased Premises that are existing on the Property.

(e) Except for the sublessees and licensees of Lessee, there currently exist no licenses, sublicenses, or other agreements, written or oral, granting to any party or parties the right of use or occupancy of any portion of the Leased Premises; there are no outstanding options or rights of first refusal to purchase the Property or any portion thereof or interest therein, nor any equity or interest in Lessor if Lessor is an entity; and there are no parties (other than Lessor) in possession of the Leased Premises except as to those that may have been disclosed to Lessee in writing prior to the execution hereof.

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

17. REQUIRED INSURANCE COVERAGES. Insurance coverages required under this Agreement must be primary and exclusive of any other insurance carried by Lessor. Minimum levels of insurance coverage required under this Agreement will remain in effect for the life of this Agreement. If Lessee's policies contain higher limits, Lessor will be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be delivered to Lessor within seven (7) days of submission of the signed Agreement. Lessor may request copies of required policies and endorsements, which must be provided within ten (10) days of Lessor's request. Updated certificates must be provided upon insurance coverage renewal, where applicable.

(a) Lessee must provide and maintain commercial general liability insurance (CGL). The CGL policy must be written on an occurrence basis and with a limit of not less than one million dollars (\$1,000,000.00) per occurrence and three million dollars (\$3,000,000.00) aggregate. If necessary to provide the required limits, the CGLs policy's limits may be layered with an umbrella or excess liability policy. This policy must name Lessor as additional insured with a waiver of subrogation.

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

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

(d) Property Insurance: Insuring against all risks of loss to any Lessee improvements at full replacement cost with no insurance penalty provision. Lessee will have the right to self-insure such Property Insurance.

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

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

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

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

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

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

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

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

21. INSPECTION. Lessor reserves the right to enter upon and inspect the Leased Premises at any time to assure compliance with the conditions of this Agreement. Except in case of emergency, Lessor will provide Lessee with at least forty-eight (48) hours' prior written notice of Lessor's intention to enter upon and inspect the Leased Premises. Lessee reserves the right to have a representative present at all times during Lessor's inspection.

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

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

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

25. LESSEE MORTGAGES.

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

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

26. MISCELLANEOUS.

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

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

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

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

(e) Memorandum. A short-form Memorandum of Lease may be recorded at Lessor's or Lessee's

option in the form as depicted in Exhibit 4, attached hereto. Lessor will promptly execute any Memorandum of Lease or Memorandum of Amendment to Lease, or corrective amendments thereto, upon written request of Lessee.

(f) W-9. As a condition precedent to payment, Lessor agrees to provide Lessee with a complete IRS Form W-9, or its equivalent, upon execution of this Agreement.

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

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

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

[SIGNATURES BEGIN ON NEXT PAGE]

PART III. EXECUTION

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

LESSOR: Kenai Peninsula Borough
an Alaska municipal corporation

LESSEE: GCI Communication Corp.
an Alaska corporation

By: _____
Peter A. Micciche, Borough Mayor

By: _____

Date: _____

Print Name: _____

Its: _____

ATTEST:

Date: _____

Michele Turner CMC, Borough Clerk

By: _____

Print Name: _____

Its: _____

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Date: _____

Wayne Cary, Deputy Borough Attorney

Date: _____

APPENDIX A

SITE SPECIFIC LEASE PROVISIONS

CO-LOCATE RIGHTS RESERVED BY KPB: In addition to Section 15, “Co-locate Rights Reserved by Lessor” of the Agreement, Lessor reserves twenty (20) vertical feet of tower space. This reservation shall start from twenty (20) feet from the top of the tower structure and descend twenty (20) feet, unless other space is mutually agreed to by the Parties (the Reserved Space). To the extent this Appendix conflicts with Section 15, “Co-locate Rights Reserved by Lessor”, of the Agreement, the terms of the Agreement will control.

Lessor may sublease the Reserved Space to other government agencies or organizations for the purpose of facilitating communications for first responders, disaster management, general government operations, or other public safety uses. Lessor or its sublessee(s) will provide an inventory of equipment and proposed vertical location and transmit/receive frequencies to Lessee for the purposes of ensuring that no interference is likely for the proposed installation. Lessor and its sublessee(s) will be responsible for frequency coordination and adherence to all applicable regulations to prevent interference. The costs associated with Lessor’s or any sublessee’s collocation on Lessee’s tower, including but not limited to the cost of any structural analyses and any installation, maintenance and operating costs, will be borne by Lessor or sublessee.

KPB AND SUBLESSEE USAGE: Lessor and its sublessee(s) may use the Space for the purposes of providing public safety communications. Lessor or its sublessee(s) may choose to install equipment to support emergency communications or public safety, monitoring equipment, and other similar uses. In general, equipment may include, but is not limited to, VHF Radio Frequency (RF) transceivers, RF repeaters, licensed or unlicensed point-to-point antennas, microwave backhaul, surveillance cameras and other monitoring devices, and associated items that may support conventional or trunked radio systems. All equipment or facilities placed within the Space or on the Leased Premises by Lessor will remain the personal property of Lessor or its sublessee(s).

INTERFERENCE WITH LESSEE EQUIPMENT: In the event that proposed or installed equipment from Lessor or its sublessee(s) interferes with Lessee’s equipment, all parties will work to explore technical solutions or changes to mitigate such interference. All other provisions of Section 15, “Co-locate Rights Reserved by Lessor”, of the Agreement related to interference remain in effect.

ACCESS: Upon mutual agreement, Lessor may establish outdoor equipment cabinets or full equipment shelters on or within the Leased Premises, provided that such facilities do not interfere with any facilities of Lessee. Access will only be permitted to Lessee upon separate mutual written agreement. Such premises may have restrictions due to State or Federal policy and regulations, in such event, these regulations will prevail over the Agreement terms.

RENT: The Reserved Space is free of charge. Lessor and its sublessee(s) are not responsible for any additional or direct rent payment to Lessee for the use of the tower or associated premises. Lessor or its sublessee(s) is responsible for the costs of establishing, maintaining, and removing equipment during the life of this Agreement, as well as for any utilities required to maintain the equipment of Lessor or its sublessee(s).

APPENDIX B

LEASE PROVISIONS REQUIRED BY KPB 17.10

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT 1

DESCRIPTION OF PROPERTY AND LEASED PREMISES

Page 1 of 1

The Property is legally described as follows:

A portion of the N $\frac{1}{2}$ of the E $\frac{1}{2}$ of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 9, Township 12 North, Range 10 West, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska.

Parcel Number: 21108503

The Leased Premises are described as follows:

A portion of the above-described Property, more particularly described as an approximately 1,600 square foot area (40' x 40' tower site, including the air space above such ground space) as further depicted on Exhibit 2 of this Agreement. Together with non-exclusive access beginning directly off of the Beluga Highway right-of-way and across an existing road and public utility easement as depicted on Exhibit 3 of this Agreement.

EXHIBIT 2

LEASED PREMISES

Page 1 of 2

The Leased Premises are depicted as follows:



EXHIBIT 2

LEASED PREMISES

Page 2 of 2

The Leased Premises are depicted as follows:

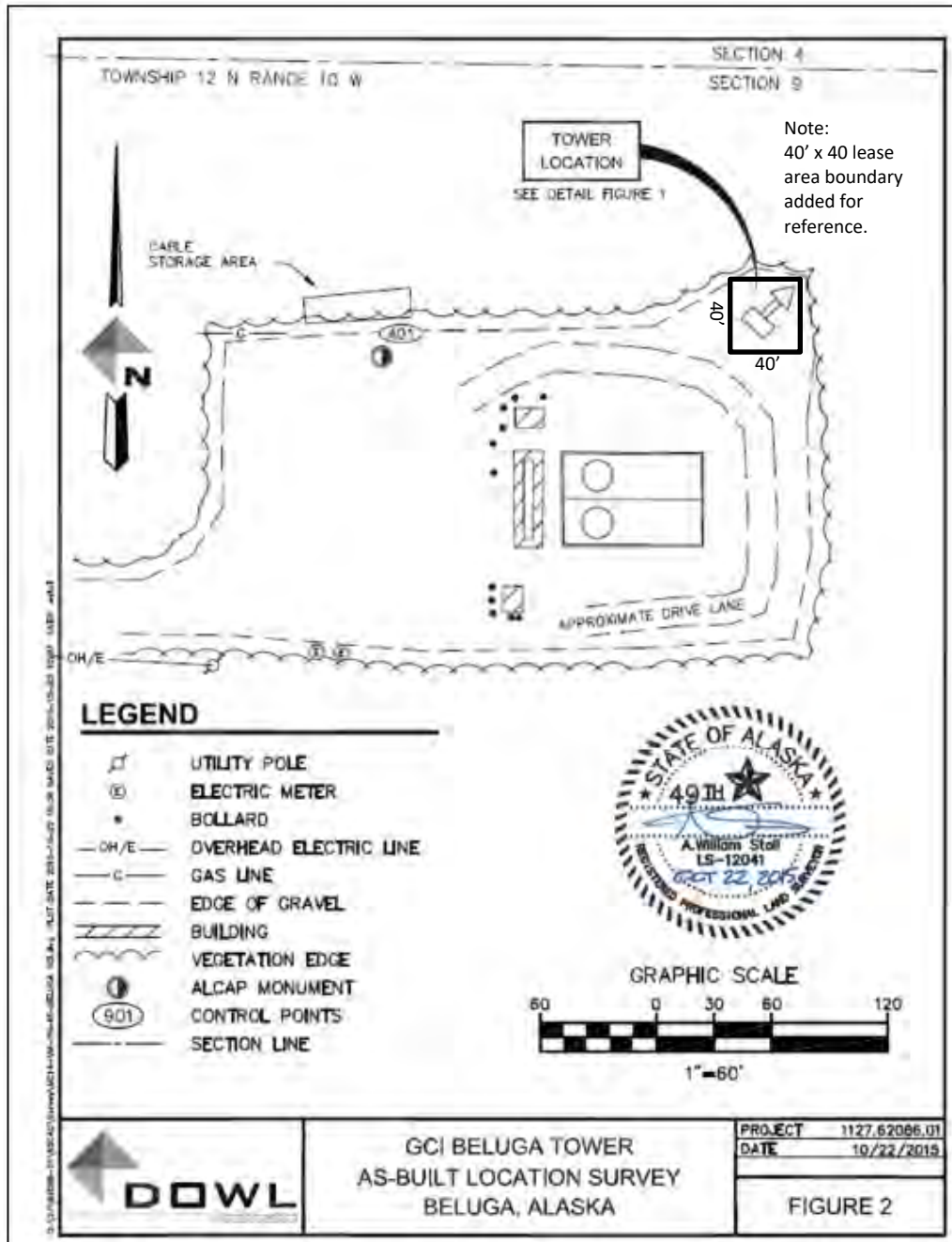


EXHIBIT 3

PUBLIC UTILITY EASEMENT

Page 1 of 1

(As Recorded in Document No. 2017-038739-0,
Anchorage Recording District, Third Judicial District, State of Alaska.)

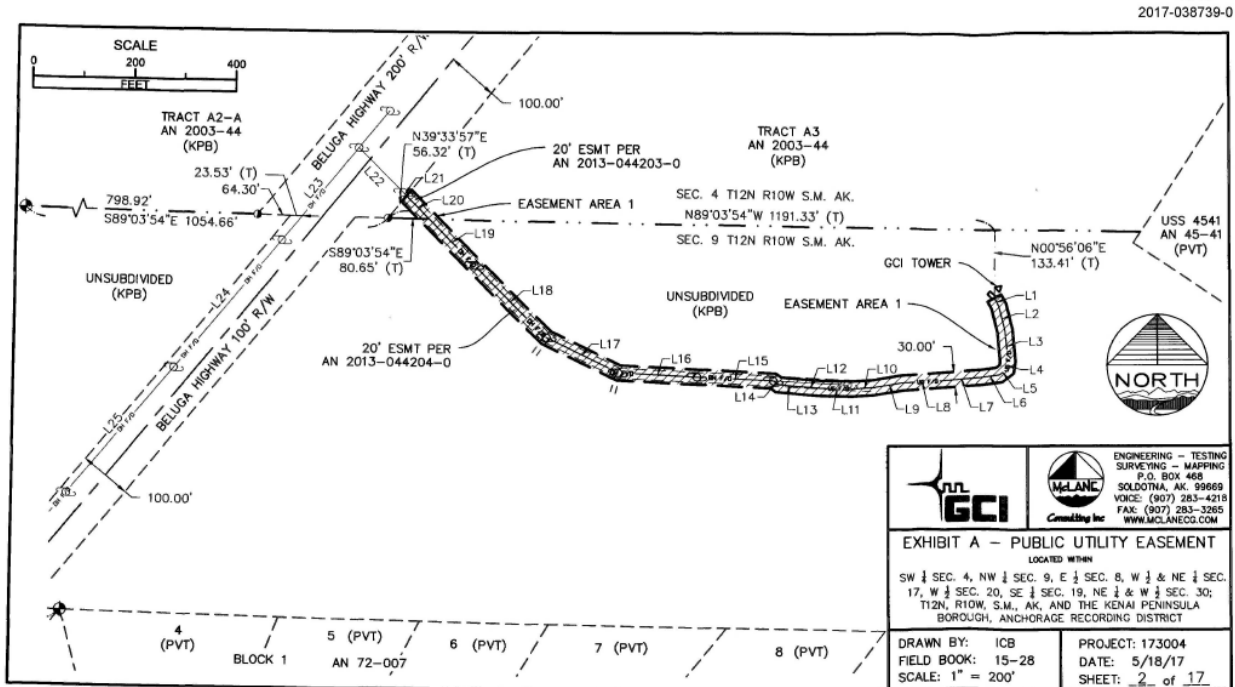


EXHIBIT 4

MEMORANDUM OF LEASE

(Attached)

DRAFT

(Above 2 Space for Recorder's Use Only)

Prepared by and Return to:

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

Lessor: Kenai Peninsula Borough
Lessee: GCI Communication Corp, LLC
Legal Description: Attached as Exhibit 1
Tax Parcel ID: 21108503
Site Name: GCI Beluga
Site No.: 461
State: Alaska
Borough: Kenai Peninsula Borough
Recording District: Seward, Third Judicial

MEMORANDUM OF LEASE

This Memorandum of Lease (Memorandum) is entered into by and between the Kenai Peninsula Borough, an Alaska municipal corporation, having a mailing address of 144 N. Binkley St., Soldotna, AK 99669 (the Lessor) and GCI Communication Corp., an Alaska corporation, having a mailing address of 2550 Denali Street, Suite 1000, Anchorage, AK 99503 (the Lessee) (together, the Parties).

1. Lessor and Lessee entered into a certain Communications Site Lease Agreement (the Agreement) on the _____ day of _____, 2026, for the purpose of installing, operating, and maintaining a communication facilities and other improvements. All of the foregoing is set forth in the Agreement.
2. The initial lease term will be five (5) years commencing on the Effective Date with four (4) successive automatic five (5) year options to renew.
3. The portion of the land being leased to Lessee (the Leased Premises) is described in Exhibit 1 annexed hereto.
4. Lessor and Lessee now desire to execute this Memorandum to provide constructive knowledge of Lessee's lease of the Leased Premises.
5. This Memorandum is governed by the laws of the State of Alaska.

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

LESSOR: Kenai Peninsula Borough
an Alaska municipal corporation

LESSEE: GCI Communication Corp.
an Alaska corporation

By: _____
Peter A. Micciche, Borough Mayor

By: _____

Date: _____

Print Name: _____

ATTEST:

Its: _____

Date: _____

Michele Turner CMC, Borough Clerk

By: _____

Print Name: _____

Its: _____

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Date: _____

Wayne Cary, Deputy Borough Attorney

Date: _____

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

The Property is legally described as follows:

A portion of the N $\frac{1}{2}$ of the E $\frac{1}{2}$ of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 9, Township 12 North, Range 10 West, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska.

Parcel Number: 21108503

The Leased Premises are described as follows:

A portion of the above-described Property, more particularly described as an approximately 1,600 square foot area (40' x 40' tower site, including the air space above such ground space) as further depicted on Exhibit 2 of this Agreement. Together with non-exclusive access beginning directly off of the Beluga Highway right-of-way and across an existing road and public utility easement as depicted on Exhibit 3 of this Agreement.