E. NEW BUSINESS

2. Resolution 2025-XX: A resolution authorizing the Kenai Peninsula Borough to enter into a lease agreement with Skyline Towers, LLC for the continued use of the Kachemak Emergency Service Area emergency communications site (Staff person responsible Land Management Agent Jennifer Shields)

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Peter Ribbens, KPB Assembly President

Members, KPB Assembly

THRU: Peter A. Micciche, Mayor

A. Walker Steinhage, Deputy Borough Attorney

Brandi Harbaugh, Finance Director Robert Ruffner, Planning Director

Aaron Hughes, Land Management Officer

Eric Schultz, Kachemak Emergency Service Area Chief

FROM: Jennifer Shields, Land Management Agent

DATE: May 8, 2025

RE: Resolution 2025-, Authorizing the Borough to Enter Into a Lease Agreement With

Skyline Towers, LLC for Continued Use of the Kachemak Emergency Service Area

Emergency Communications Site (Mayor)

Since 2002, KPB has entered into annual rental agreements for space on a privately-owned tower structure north of Homer in order to provide emergency communications for the Kachemak Emergency Service Area (KESA). The rental agreements have included co-located radio antenna space on the tower and related storage equipment. The current rental agreement will expire on June 30, 2025.

KESA desires to continue its use of the site by transitioning from an annual rental agreement to a five-year lease agreement with renewal options. Securing a long-term agreement will ensure the continued availability of the site for KESA emergency communications. The lease was negotiated at a monthly rate of \$260.00 (\$3,120/annually) to cover space rental and utility costs.

The attached Resolution would authorize KPB, on behalf of KESA, to enter into a lease agreement to facilitate the continued use of the site for emergency communications.

Your review and consideration of the Resolution is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED		
Acct. No		
Amount: Not to Exceed		
By: Date:		

Introduced by:	Mayor
Date:	
Action:	
Vote:	

KENAI PENINSULA BOROUGH RESOLUTION 2025-XXX

A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH TO ENTER INTO A LEASE AGREEMENT WITH SKYLINE TOWERS, LLC FOR THE CONTINUED USE OF THE KACHEMAK EMERGENCY SERVICE AREA EMERGENCY COMMUNICATIONS SITE

WHEREAS, in 2002 the Kenai Peninsula Borough (KPB) Office of Emergency Management (OEM) entered into an annual rental agreement with South Central Radar, LLC for an emergency communications site located at 61115 Skyline Drive near Homer; and WHEREAS, rental agreement renewals were executed in subsequent years, with the Kachemak Emergency Service Area (KESA) assuming monthly rental payments since 2007; and WHEREAS, in September 2024, a rental agreement renewal was executed with the property owner at that time, Skyline Communications; and WHEREAS, in December 2024, the property was purchased by Skyline Towers, LLC; and WHEREAS, the current rental agreement will expire on June 30, 2025; and WHEREAS, KESA desires to continue its use of the emergency communications site; and WHEREAS, proactively securing a long-term lease agreement will ensure the continued availability of the site for KESA emergency communications; and WHEREAS, the Lessor has agreed to a five-year lease agreement with renewal options at a monthly rate of \$260 (\$3,120/annually) to cover space rental and utility costs; and WHEREAS, no relocation costs will be incurred by KESA with the continued use of the existing site; and WHEREAS, the KESA April 17, 2025, meeting recommended Board at its to proceed with the proposed lease agreement; and

scheduled

meeting

recommended

WHEREAS, the KPB Planning Commission conducted a public hearing during its regularly-

on

Mav

12.

2025.

and

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

SECTION 1. That KPB is authorized to secure a five-year lease with renewal options from Skyline Towers, LLC, of tower and equipment storage space (the Lease) on that property more particularly described as follows:

E½W½W½NE¼NE¼ lying south of Skyline Drive, Section 2, T06S, R13W, Seward Meridian, Homer Recording District, Third Judicial District, State of Alaska. The physical address of the property is 61115 Skyline Drive' Homer, AK 99603 (KPB parcel number 17406108).

- **SECTION 2.** That the purpose of the Lease is for the continued use of KESA's emergency communications site.
- SECTION 3. That the monthly rental will be \$260.00 for the initial five-year term of the Lease. On each anniversary of the effective date, rent will adjust annually by not more than three percent (3%) over the prior year's rent amount to account for any increases in the electric cost portion of the rent documented by Skyline Towers, LLC.
- **SECTION 4.** That pursuant to KPB 17.10.080(C), no land classification is proposed for this leased property.
- SECTION 5. That expenditures for the Lease will be charged to account number
- **SECTION 6.** That the Mayor is authorized to execute an agreement substantially in the form of the Lease Agreement submitted with this resolution and to make all agreements deemed necessary in accordance with this resolution.
- **SECTION 7.** That this resolution shall be effective immediately.

DAY OF, 2025.	HE KENAI PENINSULA BOROUGH THIS
ATTEST:	Peter Ribbens, Assembly President
Michele Turner, CMC, Borough Clerk	
Yes:	
No:	
Absent:	



Kachemak Emergency Service Area Emergency Management Communications Site Lease Agreement





RENTAL AGREEMENT RENEWAL

WHEREAS, the Kenai Peninsula Borough, on behalf of the Kachemak Emergency Service Area, (the "KPB") and William J. Tener, dba Skyline Communications, ("Skyline Communications") (together, the "Parties") entered into a rental agreement dated April 5, 2002 (the "Agreement"), for the storage of a radio repeater in a 20' steel container, a trailer housing an emergency generator, and space on a tower for associated antennas on real property owned by Mr. Tener; and

WHEREAS, the Agreement was amended on August 29, 2006 and August 2, 2013; and

WHEREAS, the real property is described as E1/2W1/2W2NE1/4NE1/4 lying south of Skyline Drive, Section 2, T06S, R13W, Seward Meridian, Homer Recording District, Third Judicial District, State of Alaska. The physical address of the rented property is 61115 Skyline Drive Homer, AK 99603, KPB parcel number 174-061-08; and

WHEREAS, Section 2 of the 2013 Amendment to the Agreement allows the Agreement to be renewed for additional periods by written mutual agreement; and

WHEREAS, KPB and Skyline Communications mutually desire to renew the Agreement for an additional one-year period.

NOW THEREFORE, in consideration of the above, the Parties hereby mutually agree:

- 1. That the Agreement between KPB and Skyline Communications is renewed for one year with the renewal term beginning July 1, 2024, and ending June 30, 2025.
- 2. That KPB will make the following monthly payments for consideration of space rent and utility costs:

Monthly Rent:

\$100.00

HEA Electric:

\$135.00

\$235.00

That commencing September 1, 2024, the monthly payments for consideration of space rent and utility costs will be:

Monthly Rent:

\$100.00

HEA Electric:

\$160.00

\$260.00

3. That all other provisions of the Agreement, as amended, remain in full force and effect.

SKYLINE COMMUNICATIONS:

KENAI PENINSULA BOROUGH:

William J. Tener.

Dated: 9

Dated

ATTEST:

APPROVED AS TO FORM AND LEGAL SUFFICIENCY BY:

Walker Steinhage,

Deputy Borough Attorney

Communications 2964 Kenai Peninsula Borough - Skyline Communications

NOTARY ACKNOWLEDGEMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)
	17.11
The foregoing instrument wa	as acknowledged before me this 13th day of
5eD+ 2024, by W	illiam Tener, dba Skyline Communications.



Notary Public in and for Commission Expires: 5-6-2

NOTARY ACKNOWLEDGEMENT

STATE OF ALASKA)			
	JSS			
THIRD JUDICIAL DISTRICT)			
The foregoing instrument was acknowledged before me this day of 2024 by Peter A. Micciche, Mayor of the Kenai Peninsula Borough, an				
, 2024 by Pe	ter A. Micciche, Mayor of the Kenai Feninsula Borough, an			
Alaska municipal corporation, on behalf of the corporation.				

NOTARY PUBLIC
M. CASADY HERDING
STATE OF ALASKA
COMMISSION 230907002
MY COMMISSION EXPIRES 02/01/107

Notary Public in and for Alaska Commission Expires: 09/07/201

......Page 2 of 2

COMMUNICATIONS SITE LEASE AGREEMENT

This Communications Site Lease Agreement (Agreement) is entered into by Skyline Towers, LLC, an Alaska limited liability corporation, whose mailing address is P.O. Box 2145, Homer, Alaska 99603 (Lessor), and the Kenai Peninsula Borough, an Alaska municipal corporation, whose mailing address is 144 North Binkley Street, Soldotna, Alaska 99669 (Lessee or KPB) (together, the Parties). The Effective Date of this Agreement is the date KPB executes the Agreement.

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 KPB the right to use a portion of the Property, the Leased Premises as defined in Section 4, "Description of Property", in accordance with the terms of this Agreement.
- 2. Authorized Contacts. 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 LESSEE

Name: Skyline Towers, LLC Attn: Mark and Laura Zeiset, Owners P.O. Box 2145 Homer, AK 99603 Name: Kenai Peninsula Borough Attn: Land Management Division 144 N. Binkley Street Soldotna, AK 99669

3. Contract Documents. As authorized by KPB Ordinance 2025-____, this Agreement is the final and complete understanding of the Parties. The following Exhibits are attached and are considered part of this Agreement as well as anything incorporated by reference or attached to those Exhibits:

Exhibit 1: Description of the "Property" and the "Leased Premises"

Exhibit 2: Leased Premises site sketch

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

PART II. LEASE DESCRIPTION AND TERMS

4. DESCRIPTION OF PROPERTY.

(a) Subject to the terms and conditions of this Agreement, Lessor hereby grants KPB an exclusive option to lease the following generally described space:

Site Name: Skyline Towers Communications Site. KPB's co-located use of the existing tower structure and improvements on the Property, as described and depicted on Exhibit 1 and Exhibit 2 attached hereto (the Leased Premises), for the placement of the Communications Facilities as defined in Section 8, "Use".

Communications Site Lease Agreement

(b) The Leased Premises description may be adjusted by mutual written agreement of the Parties, subject to the condition that the adjusted description may not conflict with the predominant use of the Property, and may not impair or constrict public ingress or egress to the Property and related compatible uses.

5. TERM.

- (a) The initial term will be five (5) years (the Initial Term), commencing on the Effective Date.
- (b) KPB will have the 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 KPB delivers written notice to Lessor, not less than thirty (30) days prior to the end of the then-current Term, of KPB's intent not to renew. For purposes of this Agreement, "Term" includes the Initial Term and any applicable Renewal Term(s).
- (c) Should KPB or any assignee, sublessee, or licensee of KPB 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, but otherwise upon the same terms and conditions.

6. TERMINATION.

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

- (a) by Lessor upon written notice to KPB, if KPB is in breach of any term of this Agreement and fails to cure the breach within thirty (30) days of the date a notice of breach is sent to KPB.
- (b) by KPB upon sixty (60) days' prior written notice to Lessor for any reason or no reason, so long as KPB pays Lessor a termination fee equal to six (6) months' Rent, at the then-current rate, or the remaining Rent due under the current Term until such Term expires, whichever is less, and subject to removal requirements contained within Section 10, "Equipment, Fixtures, and Removal". No such termination fee will be payable on account of the termination of this Agreement by KPB under any termination provision contained in any other Section of this Agreement.
- 7. RENT. Beginning on the Effective Date, KPB must pay Lessor a monthly rent payment of One Hundred Dollars and No/100 (\$100.00) plus a monthly Homer Electric Association (HEA) cost of One Hundred Sixty Dollars and No/100 (\$160.00) (Rent), at the address set forth in Section 2, "Authorized Contacts", 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 not more than three percent (3%) over the prior year's Rent amount to account for any Lessor-documented increases in the electric cost portion of the Rent. Lessor will submit documentation for increases in the electric cost portion of the Rent at least one month prior to the anniversary of the Effective Date.
- 8. USE. The Leased Premises are being leased for the purpose of KPB's co-located use of the existing tower structure and improvements on the Property related to the Kachemak Emergency Service Area, Office of Emergency Management, or other emergency service or KPB needs, including operating and maintaining radio or communications transmitting and receiving equipment, antennas, dishes, mounting structures, steel container for storage, and structure housing an emergency generator, as described and depicted on Exhibit 1 and Exhibit 2 attached hereto (collectively, the Communications Facilities). Subject to the foregoing, KPB may make any improvement, alteration, or modification to the Leased Premises as are deemed appropriate by KPB for the permitted use herein. KPB will have the right to clear the Leased Premises

Communications Site Lease Agreement

of any trees, vegetation, or undergrowth which interferes with KPB's use of the Leased Premises for the intended purposes.

9. ACCESS, MAINTENANCE, AND UTILITIES.

- (a) Access. During the Term, KPB and its guests, agents, customers, lessees, sublessees, and assigns will have the unrestricted right to use, and will have free and unfettered access to, the Property and the Leased Premises seven (7) days a week, twenty-four (24) hours a day. If there are utilities already existing on the Leased Premises or the Property which serve the Leased Premises, KPB may utilize such utilities and services.
 - (b) Maintenance. KPB will keep and maintain the Leased Premises in good condition.
- (c) Utilities. As part of the Rent, KPB will have access to the use of an existing electric utility located at the Property. If power consumption of KPB's use exceeds the existing capacities of the electric utility, KPB will be solely responsible for installing additional electric utilities and separate meters for utility use and payment, as applicable, and will no longer be allowed to connect to or use Lessor's electrical utility without prior written approval, which will not be unreasonably withheld, conditioned, or delayed. Once KPB is no longer connected to Lessor's electrical utility, Rent will be reduced to a monthly rent payment of One Hundred Dollars and No/100 (\$100.00), and the three percent (3%) annual adjustment contained within Section 7, "Rent", will be eliminated.
- 10. EQUIPMENT, FIXTURES, AND REMOVAL. The Communication Facilities will at all times be the personal property of KPB or its sublessees and licensees, as applicable. KPB or its customers will have the right to erect, install, maintain, and operate on the Leased Premises such equipment, structures, fixtures, signs, and personal property as KPB may deem necessary or appropriate, and such property, including the Communications 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 KPB or its customers. Unless otherwise agreed to in writing by the Parties, within ninety (90) days after the expiration or earlier termination of this Agreement, or upon cessation, abandonment, or non-use of the Leased Premises for a period of six (6) consecutive months (the Removal Period), KPB must remove its improvements and restore the Leased Premises to grade in a natural condition free of contamination, reasonable wear and tear excepted, 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 personal 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 KPB for any proceeds therefrom. Time is of the essence.

11. 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 KPB 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 KPB's quiet enjoyment and use of the Leased Premises or cause KPB'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

 Communications Site Lease Agreement

 Site Name: Skyline Towers Communications Site

E2-10

respect to the Property. No asbestos-containing thermal insulation or products containing PCB, formaldehyde, chlordane, 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 9, "Access, Maintenance, and Utilities", KPB will have access to the electric utility required for the operation of KPB's improvements on the Leased Premises that are existing on the Property.
- (e) Each Party hereto warrants and represents that it has the necessary power and authority to enter into and perform its respective obligations under this Agreement. Nothing in this Agreement, including such cooperation, will be construed as creating a partnership between the Parties.
- 12. NON-EXCLUSIVITY. Lessor acknowledges and agrees that, except as may be disclosed to KPB 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 or in proximity to the Leased Premises. Upon at least sixty (60) days prior written notice to KPB, 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 KPB's equipment or operations.
- 13. KPB RESPONSIBILITIES. In addition to other responsibilities under this Agreement, KPB has the following responsibilities and agrees that KPB 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.

14. INDEMNIFICATION.

Lessor agrees to defend, indemnify, and hold harmless KPB, its employees, public officials, and volunteers, with respect to any action claim or lawsuit arising out of (1) a breach of this Agreement or (2) the use and occupancy of the Leased Premises or the Property by KPB. 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 Lessor arise immediately upon notice to Lessor of any action, claim, or lawsuit. KPB will notify Lessor in a timely manner of the need for indemnification but such notice is not a condition precedent to Lessor's obligation and may be waived where Lessor has actual notice. This agreement applies and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against KPB relating to KPB's use and occupancy of the Leased Premises or the Property. Notwithstanding the foregoing, Lessor's duty to indemnify, defend, and hold harmless KPB as set forth above will not apply to the extent a claim arises from the negligence or willful misconduct of KPB, its employees, public officials, and volunteers.

- 15. 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.
- 16. FORCE MAJEURE. The time for performance by Lessor or KPB 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

Communications Site Lease Agreement

within the control of Lessor or KPB, as the case may be.

- 17. **DEFAULT**. The failure of KPB 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 the 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.
- 18. 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.

19. 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) W-9. As a condition precedent to payment, Lessor agrees to provide KPB with a complete IRS Form W-9, or its equivalent, upon execution of this Agreement.
- (f) 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.
- (g) Entire Agreement. This Agreement and its Exhibits 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.

LESSEE: Kenai Peninsula Borough	LESSOR: Skyline Towers, LLC
an Alaska municipal corporation	an Alaska limited liability corporation
By:Peter A. Micciche, Borough Mayor	By: Maff
Date:	Print Name: Mark Zeiset
	Its: Owner
ATTEST:	Date: 4/3/2025
Michele Turner CMC, Borough Clerk	By: Sama? Zenset Print Name: Lawa & Zeiset
	Its: <u>Owner</u>
APPROVED AS TO FORM AND LEGAL SUFFICIENCY:	Date: 4 3 2025
A. Walker Steinhage, Deputy Borough Attorney	
Date:	

LESSOR ACKNOWLEDGMENT

STATE OF ALASKA)	
THIRD JUDICIAL DISTRICT)ss.)	
and acknowledged under oath that l	he/she is the <u>owner</u>	of Skyline Towers, LLC, the rized to execute this instrument on behalf of Mark Zeiset, of Skyline Towers, LLC, the rized to execute this instrument on behalf of My Commission expires: 5-19-2038
STATE OF ALASKA))ss.	
THIRD JUDICIAL DISTRICT)	
On the day of and acknowledged under oath that I Lessor named in the attached instruthe Lessor.	he/she is the OWN NOTARY PUBLIC LESSEE ACKNOWLEDG	of Skyline Towers, LLC, the crized to execute this instrument on behalf of Motary Public for State of Aloska My commission expires: 5-19-2038
STATE OF ALASKA)) ss.	
THIRD JUDICIAL DISTRICT)	
		Notary Public for State of Alaska My commission expires:
Communications Site Lease Agreemen	nt S	Site Name: Skyline Towers Communications Site

EXHIBIT 1

<u>DESCRIPTION OF PROPERTY AND LEASED PREMISES</u>

Page 1 of 1

The Property is legally described as follows:

Township 06 South, Range 13 West

Section 02: E1/2W1/2W1/2NE1/4NE1/4 lying south of Skyline Drive

Address: 61115 Skyline Drive, Homer, AK 99603

Tax Parcel ID: 17406108

The Leased Premises are described as follows:

Site Name: Skyline Towers Communications Site

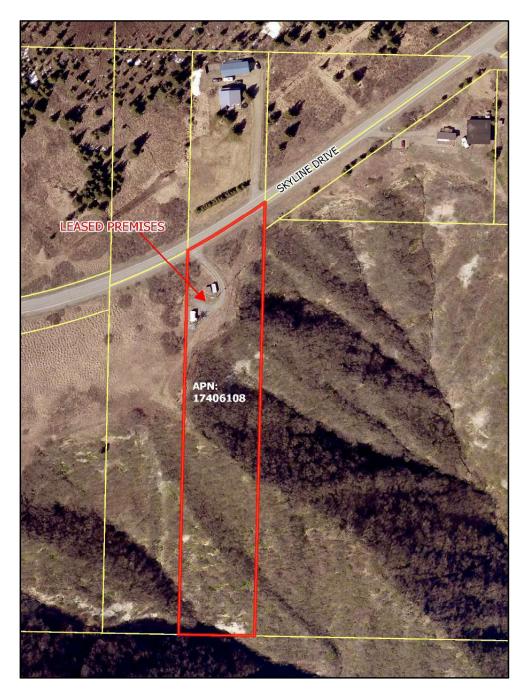
Co-located use of the existing tower structure and improvements on the Property, and the other

Communications Facilities defined in Section 8, "Use", of the Agreement.

EXHIBIT 2

LEASED PREMISES Page 1 of 1

The Leased Premises are depicted as follows:



Communications Site Lease Agreement