

Kenai Peninsula Borough

Legal Department

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*

FROM: Sean Kelley, Borough Attorney *SK*

DATE: June 4, 2026

RE: Resolution 2026-037, Approving an Updated Management Agreement for the Sea Otter Community Center on Behalf of the Seldovia Recreational Service Area and Authorizing a Pool Management Agreement Addendum (Mayor)

The resolution authorizes the Mayor to execute the updated Management Agreement with the Sea Otter Community Center. There are no substantive changes to the previous agreement which expires on June 30, 2026.

Changes from prior agreement:

- Recitals: reorganized the recitals for readability purposes.
- Section 1. Purpose: added the word operate because Seldovia will operate and manage the facility. Staffing flexibility per SRSA Board recommended edits while outline expectation to continue to provide services at prior years' levels.
- Section 2. Allowed activities: added the word operate because Seldovia will operate and manage the facility.
- Section 4. Term: Changed from 5 year term to 3 year initial term, 3 year renewal upon mutual agreement.
- Section 5. Consideration: Same amount of funds available, changed references to fiscal years to a more flexible reference.
- Section 6 Seldovia's obligations: provided specific department (legal) to refer claims to. Move Section 10 and 12 related to repairs, improvements, and liability up into this section so that obligations were all under one section. Added a reference to the insurance requirements under the obligations section.
- Section 9. School rules. Cleanup items. Added that both City and Board may have role in enforcing rules. No other substantive changes.
- Section 10. Repairs and Improvements. Struck section. Moved up to section 6 - Seldovia obligations.
- Section 12. Liability: Struck section. Moved up to section 6 - Seldovia obligations.
- Section 13. Insurance. Updated by Risk to align with standard insurance language. Not aware of any substantive changes. CGL amount is the same.

- Section 14. Mutual Defense and Indemnification. Language improvement to comply with law no substantive changes.
- Section 16. Termination for convenience. Added a longer time period to terminate for convenience recognizing that such a termination would be a process and take time but added flexibility via the ability to mutually agree to terminate at any time.
- Section 17. Assignment. Change from prior agreement. This agreement is not assignable. The partnership is specific to the parties.

In addition, the resolution authorizes the Mayor to enter into an agreement regarding operations of the Seldovia pool with funding from SRSA for that purpose not to exceed \$120,000 for FY27.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>227-61210-00000-43011</u>	Amt: <u>\$ 120,000</u>
By: <u>CSJ</u>	Date: <u>6/2/2026</u>
Note: Funding contingent upon Assembly Budget approval for FY27	