

Kenai Peninsula Borough

144 North Binkley Street

Soldotna, AK 99669



Meeting Agenda

Tuesday, January 21, 2025

6:00 PM

Meeting ID: 835 6358 3837 Passcode: 606672

Betty J. Glick Assembly Chambers

Meeting ID: 835 6358 3837 Passcode: 606672

Assembly

Peter Ribbens, President

Kelly Cooper, Vice President

James Baisden

Tyson Cox

Willy Dunne

Cindy Ecklund

Brent Johnson

Ryan Tunseth

District 5 - VACANT

CALL TO ORDER**PLEDGE OF ALLEGIANCE****INVOCATION**

Any invocation that may be offered at the beginning of the assembly meeting shall be a chaplain from borough fire and emergency service areas. No member of the community is required to attend or participate in the invocation.

ROLL CALL**COMMITTEE REPORTS****APPROVAL OF AGENDA AND CONSENT AGENDA**

(All 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:

KPB-6559: January 7, 2025 Regular Assembly Meeting Minutes

Resolution 2025-006: Authorizing the Borough to Enter Into a New Two-Year Lease Agreement With a Month-to-Month Renewal Option With TKC, LLC for the Continued Occupancy of Commercial Office Space for the Kenai Peninsula Borough Risk Management Department

Resolution 2025-007: Authorizing the Kenai Peninsula Borough to Issue its South Peninsula Hospital Service Area General Obligation Refunding Bond to Refund Certain Outstanding South Peninsula Hospital Service Area General Obligation Refunding Bonds of the Borough, Fixing Certain Details of Such Bond and Authorizing its Sale, and Providing for Related Matters

Resolution 2025-008: Authorizing the Kenai Peninsula Borough to Issue its Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Refunding Revenue Bond to Refund Certain Outstanding Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bonds of the Borough, Fixing Certain Details of Such Bond and Authorizing its Sale, and Providing for Related Matters

Resolution 2025-009: Approving a Quarterly Update to the Borough Retention Schedule

Ordinance 2024-19-24: Authorizing the Acquisition of 80 Acres of Real Property Located in Seward, Appropriating Funds from the Land Trust Investment Fund and the Land Trust Fund for the Purchase, and Authorizing a Memorandum of Agreement for the Completion of a Road Access Feasibility Study

Ordinance 2024-19-25: Accepting and Appropriating Grant Funds from Southern Region Emergency Medical Service, Inc. on Behalf of Bear Creek Fire Service Area for FY2023 Alaska Code Blue Grant

Ordinance 2024-19-26: Accepting and Appropriating Funds from the Department of Energy, Energy Efficiency and Conservation Block Grant Program Toward Purchase of a Building Automation System for Port Graham School

Ordinance 2024-19-27: Appropriating Funds for the Design of Repairs to Kenai Central High School Vocational Education Facility

Ordinance 2025-02: Authorizing the Disposal of Real Property Located in Kenai Necessary to Resolve Title Matters Related to The Erroneous Recording of a 1977 Tax Foreclosure Deed

Ordinance 2025-03: Amending KPB Chapter 21.20 Relating to Hearings and Appeals to a Hearing Officer

KPB-6560: Confirming an Appointment to the Resilience and Security Advisory Commission

ACTION ITEM ELIGIBLE TO BE ADDED TO THE CONSENT AGENDA:

Ordinance 2024-19-23: Appropriating Funds for the Redoubt Elementary and Skyview Middle School Portion of RFP25-008 Design Services

APPROVAL OF MINUTES

1. [KPB-6559](#) LAYDOWN January 7, 2025, Regular Assembly Meeting Minutes

COMMENDING RESOLUTIONS AND PROCLAMATIONS

None

PRESENTATIONS WITH PRIOR NOTICE

(20 minutes total)

1. [KPB-6558](#) Kenai Peninsula Peace Crane Garden Trails, Annual Update, Sarah Pyhala (10 Minutes)

Attachments: [KP Peace Crane Garden Trails Assembly Update](#)

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

(3 minutes per speaker; 20 minutes aggregate)

MAYOR'S REPORT

[KPB-6551](#) Mayor's Report Cover Memo

Attachments: [Mayor's Report 01.21.25](#)

1. Assembly Requests/Responses

None

2. Agreements and Contracts

- a. [KPB-6552](#) Authorization to Award Contract ITB25-017 Calcium Chloride Purchase FY25

Attachments: [Authorization to Award Contract ITB25-017 Calcium Chloride Purchase FY25 0](#)

- b. [KPB-6553](#) Authorization to Award Contract RFP25-008 Soldotna Elementary and Soldotna Prep Consolidation Design Services

Attachments: [Authorization to Award Contract - RFP25-008 Soldotna Elementary and Soldotn](#)

- c. [KPB-6554](#) Authorization to Award Contract RFP25-011 SW Telehandler Purchase

Attachments: [Authorization to Award Contract - RFP25-011 SW Telehandler Purchase 12.20.](#)

- d. [KPB-6555](#) Authorization to Award Contract RFP25-015 Insurance Broker and Consultation Services

Attachments: [Authorization to Award - RFP25-015 Insurance Broker and Consultation Service](#)

- e. [KPB-6556](#) Authorization to Award Contract RFP25-021 Kenai Middle School Security Remodel

Attachments: [Authorization to Award Contract - RFP25-021 Kenai Middle School Security Remodel](#)

ITEMS NOT COMPLETED FROM PRIOR AGENDA

PUBLIC HEARINGS ON ORDINANCES

(Testimony limited to 3 minutes per speaker)

1. [2024-19-23](#) An Ordinance Appropriating Funds for the Redoubt Elementary and Skyview Middle School Portion of RFP25-008 Design Services (Mayor)

Attachments: [Ordinance 2024-19-23](#)

[Memo](#)

[Reference Copy R2024-053](#)

2. [2024-35](#) An Ordinance Amending KPB 21.06 .030, General Provisions, to Adopt the Most Recent FEMA Flood Insurance Study and Associated Flood Insurance Rate Maps for the Kenai Peninsula Borough (Mayor)

Attachments: [Ordinance 2024-35](#)

[Memo](#)

[FIS and FIRM Adoption Supporting Documents](#)

[Public Comment](#)

[Public Comment 010725](#)

[010725 Planning Department Presentation](#)

UNFINISHED BUSINESS

NEW BUSINESS

1. Resolutions

Resolutions referred to Finance Committee

- *a. [2025-006](#) A Resolution Authorizing the Borough to Enter Into a New Two-Year Lease Agreement With a Month-to-Month Renewal Option With TKC, LLC for the Continued Occupancy of Commercial Office Space for the Kenai Peninsula Borough Risk Management Department (Mayor)

Attachments: [Resolution 2025-006](#)
[Memo](#)
[Map](#)
[Lease Agreement](#)
[Reference Copy R2023-028](#)

- *b. [2025-007](#) A Resolution Authorizing the Kenai Peninsula Borough to Issue its South Peninsula Hospital Service Area General Obligation Refunding Bond to Refund Certain Outstanding South Peninsula Hospital Service Area General Obligation Refunding Bonds of the Borough, Fixing Certain Details of Such Bond and Authorizing its Sale, and Providing for Related Matters (Mayor)

Attachments: [Resolution 2025-007](#)
[Memo](#)
[Reference Copy R2007-043](#)
[Reference Copy R2015-019](#)

- *c. [2025-008](#) A Resolution Authorizing the Kenai Peninsula Borough to Issue its Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Refunding Revenue Bond to Refund Certain Outstanding Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bonds of the Borough, Fixing Certain Details of Such Bond and Authorizing its Sale, and Providing for Related Matters (Mayor)

Attachments: [Resolution 2025-008](#)
[Memo](#)
[Reference Copy R2013-072](#)
[Reference Copy R2014-008](#)

Resolutions referred to Policies and Procedures Committee

- *d. [2025-009](#) Approving a Quarterly Update to the Borough Retention Schedule (Ribbens at the Request of the Borough Clerk)

Attachments: [Resolution 2025-009](#)
[Retention Schedule Revision Requests](#)

2. Ordinances for Introduction

Ordinances for Introduction and referred to Finance Committee

- *a. [2024-19-24](#) An Ordinance Authorizing the Acquisition of 80 Acres of Real Property Located in Seward, Appropriating Funds from the Land Trust Investment Fund and Land Trust Fund for the Purchase, and Authorizing a Memorandum of Agreement for the Completion of a Road Access Feasibility Study (Mayor) (Hearing on 02/24/25)

Attachments: [Ordinance 2024-19-24](#)
[Memo](#)
[Map](#)
[Memorandum of Agreement](#)
[Purchase Agreement](#)
[First Addendum to Purchase Agreement](#)

- *b. [2024-19-25](#) An Ordinance Accepting and Appropriating Grant Funds from Southern Region Emergency Medical Services, Inc. on Behalf of Bear Creek Fire Service Area for FY2023 Alaska Code Blue Grant (Mayor) (Hearing on 2/4/25)

Attachments: [Ordinance 2024-19-25](#)
[Memo](#)

- *c. [2024-19-26](#) An Ordinance Accepting and Appropriating Funds from the Department of Energy, Energy Efficiency and Conservation Block Grant Program Toward Purchase of a Building Automation System for Port Graham School (Mayor)

Attachments: [Ordinance 2024-19-26](#)
[Memo](#)

- *d. [2024-19-27](#) An Ordinance Appropriating Funds for the Design of Repairs to Kenai Central High School Vocational Education Facility (Mayor) (Hearing on 2/4/25)

Attachments: [Ordinance 2024-19-27](#)
[Memo](#)

Ordinances for Introduction and referred to the Lands Committee

- *e. [2025-02](#) An Ordinance Authorizing the Disposal of Real Property Located in Kenai Necessary to Resolve Title Matters Related To The Erroneous Recording of a 1977 Tax Foreclosure Deed (Mayor) (Hearing on 02/04/25)

Attachments: [Ordinance 2025-02](#)
[Memo](#)
[Map](#)
[1977 Documents](#)
[1985 Documents](#)

Ordinances for Introduction and referred to the Policies and Procedures Committee

- *f. [2025-03](#) An Ordinance Amending KPB Chapter 21.20 Relating to Hearings and Appeals to a Hearing Officer (Mayor) (Hearing on 02/25/25)

Attachments: [Ordinance 2025-03](#)
[Memo](#)

3. Other

Other items referred to Policies and Procedures Committee

- *a. [KPB-6560](#) Confirming an Appointment to the Resilience and Security Advisory Commission (Mayor)
Randy Arndt, At-Large, Term Expires 09/30/2027

Attachments: [Appointment to the RSAC - At-Large Seat](#)

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

ASSEMBLY COMMENTS

PENDING LEGISLATION

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

1. [2025-01](#) An Ordinance Amending KPB Chapter 5.19, Uniform Remote Seller Sales Tax Code, in Accordance with Updates and Changes Adopted by the Alaska Remote Seller Sales Tax Commission (Mayor) (Hearing on 02/04/25)

Attachments: [Ordinance 2025-01](#)
[Memo](#)

INFORMATIONAL MATERIALS AND REPORTS

1. [KPB-6561](#) Filling the Vacancy for Assembly District 5

Attachments: [Filling the Vacancy for Assembly District 5](#)

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. February 4, 2025 6:00 PM
Regular Assembly Meeting
Betty J. Glick Assembly Chambers
Borough Administration Building
Remote participation available through Zoom
Meeting ID: 835 6358 3837 Passcode: 606672

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 in the Betty J. Glick Assembly Chambers, Borough Administration Building, Soldotna, Alaska. The meeting will also be held via Zoom, or other audio or video conferencing means whenever technically feasible. To attend the Zoom meeting by telephone call toll free 1-888-788-0099 or 1-877-853-5247 and enter the Meeting ID: 835 6358 3837 Passcode: 606672. Detailed instructions will be posted on at the Kenai Peninsula Borough's main page at www.kpb.us: "Borough Assembly Meeting Notices" "Assembly Meeting Calendar".

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 minutes, ordinances and resolutions.



平和鶴庭園散策路
キーナイ半島



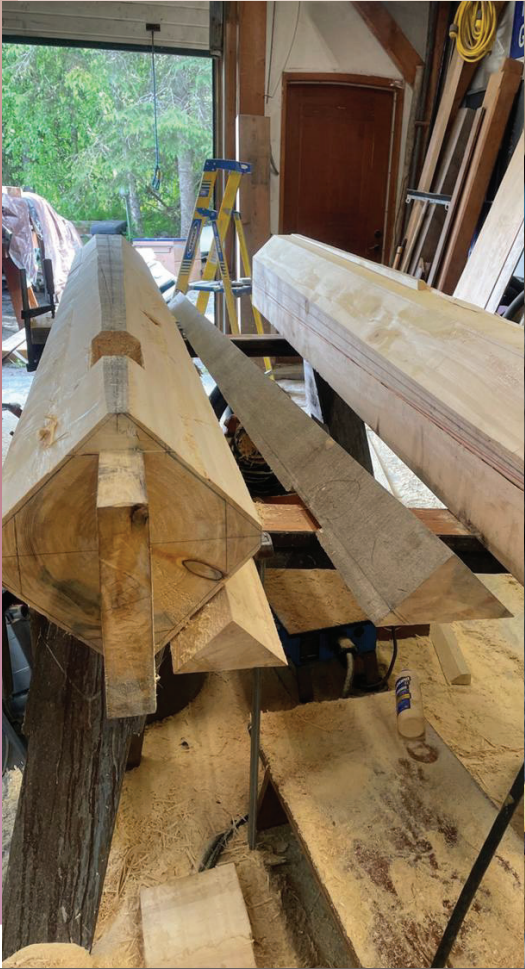
Kenai Peninsula Peace
Crane Garden Trails



Heiwa
Peace
平和









Torii Gate Designed and hand-hewn by Levi Hogan of Hope, AK

















Munamon Gate Installed

Contractor David Lama reconfigured original design for the entrance. He used traditional building methods of Japan and constructed an exceptional gate for visitors to transition through.







Side panel artwork by Chelline Larsen of Soldotna
Installation planned for Spring 2025



Volunteer Hours: 441.75 hours
25% increase over previous year

- KPPCGT Board of Directors
- Kenai River Brown Bears
- Community Members
- Rotary Club of Soldotna
- Foster Construction



Wildwood Vocational Education Students

JOIN US FOR A NIGHT OF

Frosted Bites & Lights

JAN. 31ST 2025
FRIDAY, 6PM - 9PM

— ❄️ —
FEATURING

- FESTIVE APPS ● THEMED COCKTAILS ● FIRESIDE LIGHTS ●
- SILENT AUCTION ●

— ❄️ —

THE CANNERY LODGE
2291 BOWPICKER LANE KENAI

TICKETS AVAILABLE: CALL 9072520728
\$100 PER TICKET ❄️

PRESENTED BY THE
KENAI PENINSULA PEACE CRANE GARDEN TRAILS



**Peace starts from within.
If visitors can find inner peace, they can spread that in the
community**

Wilderness Therapy / Forest Bathing

Japanese gardens create unique physiologic changes

KPPCGT- A healing space for peace & meditation

**We were challenged at RI President Ian Riseley's Peace
Conference to create a grassroots effort to end nuclear
conflict and promote peace. This is our effort.**

Board of Directors – Always recruiting for new talent

Volunteer

Donate

Get Involved

Follow us on:

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Instagram

@peacecranegarden

Contact us at:

Email

cranegardentrails@outlook.com



Kenai Peninsula Borough
Office of the Borough Mayor

MAYOR'S REPORT TO THE ASSEMBLY

TO: Peter Ribbens, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Peter A. Micciche, Kenai Peninsula Borough Mayor

DATE: January 21, 2025



Assembly Request / Response

None

Agreements and Contracts

- a. Authorization to Award Contract ITB25-017 Calcium Chloride Purchase FY25
- b. Authorization to Award Contract RFP25-008 Soldotna Elementary and Soldotna Prep Consolidation Design Services
- c. Authorization to Award Contract RFP25-011 SW Telehandler Purchase
- d. Authorization to Award Contract RFP25-015 Insurance Broker and Consultation Services
- e. Authorization to Award Contract RFP25-021 Kenai Middle School Security Remodel

Other

- a. *None*

Kenai Peninsula Borough

Roads Department

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Scott Griebel, Roads Director *SG*

DATE: January 3, 2025

RE: Authorization to Award a Contract for ITB25-017 Calcium Chloride Purchase FY25

The Purchasing and Contracting Office formally solicited and received bids for the ITB25-017 Calcium Chloride Purchase FY25. Bid packets were released on November 20, 2024 and the Invitation to Bid was advertised on Bidexpress.com from November 20 – December 12, 2024.

The project consists of purchasing an estimated 1,463,830 pounds of Anhydrous Calcium Chloride, 94-97% mini pellets, industrial grade. *(The Borough is purchasing 1,024,500 pounds, the City of Kenai is purchasing 57,330 pounds, the City of Soldotna is purchasing 64,000 pounds, the City of Homer is purchasing 310,000 pounds and the City of Seward is purchasing 8,000).*

On the due date of December 12, 2024, three (3) bids were received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$585,807 was submitted by Univar Solutions, Anchorage, Alaska. *(The Borough cost will be \$409,755, the City of Kenai cost will be \$22,932, the City of Soldotna cost will be \$25,600, the City of Homer cost will be \$124,000 and the City of Seward cost will be \$3,520.)*

Your approval for this bid award is hereby requested. Funding for this project is in account number 236.33950.00000.43951.



Peter A. Micciche, Mayor

1/7/2025

Date

NOTES: NA

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	236.33950.00000.43951
Amount	\$409,755.00
By: <i>CG</i>	SD for BH / 3/2025
Date:	

**KENAI PENINSULA BOROUGH
PURCHASING & CONTRACTING**

BID TAB FOR: ITB25-017 CALCIUM CHLORIDE PURCHASE FY25

CONTRACTOR	LOCATION	BASE BID
Univar Solutions	Anchorage, Alaska	\$585,807.00
NorthStar Supply LLC	Palmer, Alaska	\$591,482.00
Katrina Martolano	Fairbanks, Alaska	\$766,836.00

DUE DATE: December 12, 2024

KPB OFFICIAL: 
John Hedges, Purchasing & Contracting Director

Kenai Peninsula Borough Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Tim Scher, Project Manager *TS*

DATE: January 6, 2025

RE: Authorization to Award a Contract for RFP25-008 Soldotna Elementary and Soldotna Prep Consolidation Design Services

On September 23, 2024, the Kenai Peninsula Borough Purchasing & Contracting Department formally solicited proposals for RFP25-008 Soldotna Elementary and Soldotna Prep Consolidation Design Services. The request for proposals was advertised on Bid Express on September 23, 2024.

The project consists of providing design services for the development of an Educational Specification for the relocation of River City Academy, Soldotna Elementary, Soldotna Montessori, Connections Home School Program, and Redoubt Elementary. This relocation would take place in the former Soldotna Preparatory School facility and the current Redoubt Elementary facility.

On the due date of October 23, 2024, two (2) proposals were received and reviewed by a review committee. as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
MCG Explore Design	Anchorage, Alaska	332
Wolf Architecture, Inc.	Palmer, Alaska	265

The highest-ranking proposal, which includes a cost factor, was submitted by MCG Explore Design with a negotiated lump sum cost proposal of \$301,730.00. The proposal review committee recommends award of a contract to MCG Explore Design, Anchorage, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 401-78050-23S01-49311.

P. Micciche

Peter A. Micciche, Borough Mayor

1/9/2025

Date

NOTES: NA

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. _____	401-78050-23S01-49311
Amount _____	\$301,730.00
By: <i>CJ BH</i>	Date: 1/7/2025

Kenai Peninsula Borough Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Tim Crumrine, Acting Solid Waste Director *TC*

DATE: December 20, 2024

RE: Authorization to Award a Contract for RFP25-011 SW Telehandler Purchase

On November 8, 2024, the Kenai Peninsula Borough Solid Waste Department formally solicited proposals for RFP25-011 SW Telehandler Purchase. The request for proposals was advertised on Bid Express from November 8, 2024 through November 21, 2024.


The project consists of purchasing a telehandler for use at the Central Peninsula Landfill.

On the due date of November 21, 2024, two (2) proposals were received and reviewed by a review committee as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
Airport Equipment Rentals, Inc.	Soldotna, Alaska	175
OCTANE Forklifts, Inc.	Denver, Colorado	157

The highest-ranking proposal, which includes a cost factor, was submitted by Airport Equipment Rentals, Inc. with a lump sum cost proposal of \$145,061.94. The proposal review committee recommends award of a contract to Airport Equipment Rentals, Inc., Soldotna, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 705-94910-25E10-48311.



 Peter A. Micciche, Borough Mayor

12/26/2024

 Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>705-94910-25E10-48311</u>
Amount	<u>\$145,061.94</u>
By: <i>CS BH</i>	Date: <u>12/20/2024</u>

NOTES: Req#: R25-002045

Kenai Peninsula Borough Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Sovala Kisena, Risk Manager *SK*

DATE: December 23, 2024

RE: Authorization to Award a Contract for RFP25-015 Insurance Broker & Consultation Services

On October 23, 2024 the Kenai Peninsula Borough (KPB) Risk Management Department formally solicited proposals for RFP25-015 Insurance Broker & Consultation Services. The request for proposals was advertised on the Bid Express from October 23, 2024 through November 20, 2024.

The project consists of providing a comprehensive insurance brokerage and consultation services.

On the due date of November 20, 2024, three (3) proposals were received and reviewed by a review committee as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
Combs Insurance Agency, Inc.	Palmer, Alaska	346
Arthur J. Gallagher Risk Management Services, LLC	Bellevue, Washington	334
Marsh McLennan Agency, LLC	Anchorage, Alaska	222

The highest-ranking proposal, which includes a cost factor, was submitted by Combs Insurance Agency, Inc. with a lump sum cost proposal of \$80,000. The proposal review committee recommends award of a contract to Combs Insurance Agency, Inc., Palmer, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 700.11234.00000.43011 for \$40,000 in FY25 and 700.00000.00000.15125 for \$40,000 in FY26.



Peter A. Micciche, Mayor

12/26/2024

Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>700.11234.00000.43011</u>	<u>\$40,000</u> FY25
	<u>700.00000.00000.15125</u> <u>\$40,000</u> FY26
Amount: <u>\$80,000.00</u>	
By: <u>CJ SD for BH</u>	Date: <u>12/23/2024</u>
NOTES: FY26 contingent upon Assembly Appropriation.	
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Kenai Peninsula Borough Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Jacque Arnold, Project Manager *JA*

DATE: January 3, 2025

RE: Authorization to Award a Contract for RFP25-021 Kenai Middle School Security Remodel

On November 22, 2024, the Kenai Peninsula Borough Purchasing & Contracting Department formally solicited proposals for RFP25-021 Kenai Middle School Security Remodel. The request for proposals was advertised on Bid Express from November 22, 2024 through December 18, 2024.

The project consists of providing professional consulting services for the Kenai Middle School safety, security, and other minor improvements. To enhance security, this project may modify the administration offices, food services, and the school commons area as necessary, to allow staff to see visitors/students approaching the main entrance.

On the due date of December 18, 2024, one (1) proposal was received and reviewed by a review committee as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
Nvision Architecture, Inc.	Anchorage, Alaska	213

The highest-ranking proposal, which includes a cost factor, was submitted by Nvision Architecture, Inc. with a lump sum cost proposal of \$246,000. The proposal review committee recommends award of a contract to Nvision Architecture, Inc., Anchorage, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 401.78050.23S05.49311.

A. Micciche

Peter A. Micciche, Borough Mayor

1/6/2025

Date

NOTES: NA

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	401-78050-23S05-49311
Amount	\$246,000.00
By: <i>CJ SD for BH</i>	Date: 1/3/2025

Introduced by: Mayor
Date: 01/07/25
Hearing: 01/21/25
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2024-19-23**

**AN ORDINANCE APPROPRIATING FUNDS FOR THE REDOUBT ELEMENTARY
AND SKYVIEW MIDDLE SCHOOL PORTION OF RFP25-008 DESIGN SERVICES**

WHEREAS, Resolution 2024-053, authorized the award of RFP25-008 for Soldotna Elementary & Soldotna Prep consolidation design services, to MCG Explore Design, for the development of an educational specification; and

WHEREAS, this effort will look into alterative options related to the Soldotna Elementary and the Soldotna Preparatory projects that were part of the 2022 School Bond package; and

WHEREAS, a portion of this RFP involves the evaluation and programming of school facilities, specifically Redoubt Elementary School and Skyview Middle School, that were not part of the original scope identified in the 2023 Bond package; and

WHEREAS, MCG Explore Design provided a \$81,706.00 cost for this portion of their proposed services; and

WHEREAS, it is in the best interest of the Borough to appropriate funds for this portion of the contract in order to ensure that a variety of available options are explored, developed and considered, as necessary, to make the most prudent decisions for moving forward;

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

SECTION 1. That \$81,706 is appropriated from General Fund fund balance to be transferred to Account No. 400.71180.25DSG.49999 for the Redoubt Elementary and Skyview Middle School portion of the RFP25-008 contract with MCG Explore Design and associated costs.

SECTION 2. That this ordinance shall be effective immediately.

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

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough Purchasing and Contracting

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BT*

FROM: John Hedges, Purchasing and Contracting Director *JH*

DATE: December 19, 2024

RE: Ordinance 2024-19-23, Appropriating Funds for the Redoubt Elementary and Skyview Middle School Portion of RFP25-008 Design Services (Mayor)

Resolution 2024-053, authorized the award of RFP25-008 for Soldotna Elementary and Soldotna Preparatory consolidation design services, to MCG Explore Design, for the development of an educational specification. This effort will look into alterative options related to the Soldotna Elementary and the Soldotna Preparatory projects that were part of the 2023 School Bond package. Due to several factors, the cost of these projects are significantly over budget and unable to proceed as originally scoped.

A portion of this RFP involves the evaluation and programming of school facilities, specifically Redoubt Elementary School and Skyview Middle School, that were not part of the original scope identified in the 2022 Bond package. MCG Explore Design provided a \$81,706 cost for this portion of their proposed services.

Due to the lack of inclusion of these areas of focus in the bond language, bond funds cannot be used to pay for these services. In order to ensure a comprehensive analysis of available options, the evaluation of Redoubt and Skyview school facilities is critical due to their direct relationship with the Soldotna elementary program and the other programs that were part of the original scope.

It is in the best interest of the KPB and KPBSD to appropriate funds for this portion of the contract in order to ensure that a variety of available options are explored, developed and considered, as necessary, to make the most prudent decisions for moving forward. This ordinance appropriates \$81,706 from the General Fund to allow for the award of these services.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>100-27900</u>
Amount :	<u>\$81,706.00</u>
By: <i>CH</i>	Date: <u>12/18/2024</u>

Introduced by: Mayor
Date: 12/03/24
Action: Adopted
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2024-053**

**A RESOLUTION AUTHORIZING AWARD OF A CONTRACT FOR RFP25-008
SOLDOTNA ELEMENTARY & SOLDOTNA PREP CONSOLIDATION DESIGN
SERVICES**

WHEREAS, the Kenai Peninsula Borough (KPB) Assembly may authorize award of architectural and engineering services for School Construction upon recommendation of the Kenai Peninsula Borough School District Board of Education (Board of Education); and

WHEREAS, on September 23, 2024, the KPB’s Purchasing and Contracting Department formally solicited proposals for RFP25-008 Soldotna Elementary & Soldotna Prep Consolidation Design Services; and

WHEREAS, the project scope will develop and complete an Education Specification for the intent of renovating existing facilities to house Soldotna Elementary, Redoubt Elementary, Montessori Charter School, River City Academy, and the Connections Home School program; and

WHEREAS, on October 23, 2024, two (2) qualified and responsive proposals were received and evaluated by an evaluation committee of qualified Borough and School District stakeholders; and

WHEREAS, the highest ranking proposal was submitted by MCG Explore Design, with a cost proposal of \$383,436.00; and

WHEREAS, the Purchasing and Contracting Department recommends award of a contract to MCG Explore Design of Anchorage, Alaska, and respectfully requests approval for this contract award; and

WHEREAS, at its meeting on December 2, 2024, the Board of Education recommended approval by unanimous consent of this resolution;

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

SECTION 1. That the Assembly, upon recommendation from the Board of Education, hereby awards the RFP25-008 Soldotna Elementary & Soldotna Prep Consolidation Design Services to MCG Explore Design the highest ranking proposer.

SECTION 2. The Mayor is authorized to execute all documents and make all agreements deemed necessary to complete this project in accordance with this resolution and the contract documents.

SECTION 3. That all expenditures for this project will be charged to account 401.78050.23S01. 49311 Soldotna Elementary Design Services.

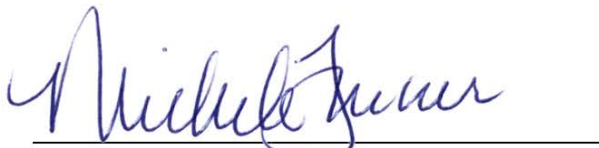
SECTION 4. This resolution is effective immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 3RD DAY OF DECEMBER, 2024.

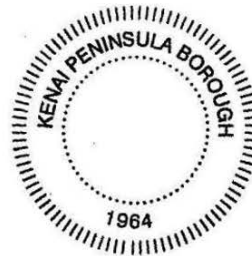


Peter Ribbens, Assembly President

ATTEST:



Michele Turner, CMC, Borough Clerk



Yes: Baisden, Cooper, Dunne, Ecklund, Elam, Johnson, Tunseth, Ribbens

No: None

Absent: Cox

Introduced by: Mayor
Date: 12/03/24
Hearing: 01/21/25
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2024-35**

**AN ORDINANCE AMENDING KPB 21.06.030, GENERAL PROVISIONS, TO ADOPT
THE MOST RECENT FEMA FLOOD INSURANCE STUDY AND ASSOCIATED
FLOOD INSURANCE RATE MAPS FOR THE KENAI PENINSULA BOROUGH**

- WHEREAS,** the Kenai Peninsula Borough (KPB) has had an accredited floodplain management program under the Federal Emergency Management Agency’s (FEMA) National Flood Insurance Program (NFIP) since 1986, which makes federal disaster insurance, federal hazard mitigation grants, federally-subsidized mortgages, and affordable individual homeowner flood insurance available within the KPB; and
- WHEREAS,** KPB’s continued participation in the NFIP is predicated upon continued good standing in that program; and
- WHEREAS,** KPB staff from the Donald E. Gilman River Center administers the Floodplain Management Program, which includes adopting Flood Insurance Rate Maps (FIRMs) and Flood Insurance Studies (FIS) when they become available; and
- WHEREAS,** the effective FIRMs for the Kenai River are 43 years old; and
- WHEREAS,** in May of 2020 FEMA began the process of remapping 47 miles of the Kenai River from Skilak Lake to Cook Inlet; and
- WHEREAS,** on June 22, 2023, KPB and FEMA representatives attended an open house at the Donald E. Gilman River Center to allow the public the opportunity to speak with floodplain specialists regarding the FIRMs; and
- WHEREAS,** on September 25, 2023, FEMA notified KPB that the public could appeal preliminary FIRMs between October 11, 2023, and January 9, 2024; and
- WHEREAS,** on October 2, 2023, KPB shared the appeal process on the Floodplain Management Program webpage and mailed this information to property owners affected by the revisions; and
- WHEREAS,** on August 28, 2024, FEMA finalized its determinations and informed KPB that KPB must adopt the new regulatory products by February 28, 2025, in order to remain in good standing in the NFIP; and

WHEREAS, direct mail notice of this ordinance as required by KPB 21.04.020 was sent to impacted property owners; and

WHEREAS, the Funny River Advisory Planning Commission, at its regularly scheduled meeting of December 11, 2024, recommended _____;

WHEREAS, the Planning Commission at its regularly scheduled meeting of December 16, 2024, recommended _____;

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

SECTION 1. That KPB 21.06.030(B)(1) is hereby amended to read as follows:

21.06.030. General Provisions.

B. *Basis for Establishing Flood Hazard Areas.* Flood hazard areas are identified as follows:

1. By the areas of special flood hazard identified by the Federal Insurance Administration in the scientific and engineering report entitled "Flood Insurance Study" (FIS) for the Kenai Peninsula Borough, Alaska dated May 19, 1981, revised on July 5, 1983, December 6, 1999, September 27, 2013, [AND]October 20, 2016[.], and February 28, 2025. These areas are depicted on the effective Flood Insurance Rate Map (FIRM) and Digital Flood Insurance Rate Map (DFIRM) Panels. The map panels numbered 020012-1350 and 1700 have been deleted and the areas depicted by these panels are not subject to the terms of this chapter. Excluding these panels, the FIRMs are adopted by reference and declared to be a part of this chapter. The FIRMs are on file at the planning department. The best available information for flood hazard as outlined in KPB 21.06.040(C)(3) shall be the basis for regulation until a new FIRM or DFIRM is issued which incorporates the base flood plain data obtained pursuant to that section.

...

SECTION 2. That this ordinance shall be effective immediately.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF * 2025.**

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Planning Department

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Robert Ruffner, Planning Director *RR*
Samantha Lopez, River Center Manager *SL*

FROM: Julie Hindman, Floodplain Administrator *JH*

DATE: November 21, 2024

SUBJECT: Ordinance 2024- 35, Amending KPB 21.06 .030, General Provisions, to Adopt the Most Recent FEMA Flood Insurance Study and Associated Flood Insurance Rate Maps for the Kenai Peninsula Borough (Mayor)

The Kenai Peninsula Borough (KPB) has been a participating community in the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program (NFIP) since 1986. The NFIP makes federal disaster insurance, federal hazard mitigation grants, federally-subsidized mortgages, and affordable flood insurance available within participating communities. A requirement of participating in the NFIP is that communities must adopt and regulate a Floodplain Management Program. KPB staff from the Donald E. Gilman River Center administers the KPB Floodplain Management Program. Participation within the NFIP requires adopting new Flood Insurance Rate Maps (FIRMs) when they become available, along with the supporting Flood Insurance Study (FIS). The Ordinance will adopt new FIRMs for 47 miles of the Kenai River, from the outlet of Skilak Lake to the Cook Inlet, effective February 28, 2025.

The majority of the current FIRMs for the Kenai River were created forty-three years ago, in 1981. Rivers are dynamic and can change the floodplain in that amount of time, so in 2020 KPB began working with FEMA to update the FIRMs for the Kenai River. For nearly five years, River Center staff has worked closely with FEMA through several technical reviews and, in conjunction with FEMA, held several public outreach events in an effort to accurately update the Kenai River FIRMs.

On August 28, 2024, FEMA issued its *Letter of Final Determination*, giving KPB six months to accept and adopt the new FIRMs or be suspended from the NFIP. If suspended, KPB and landowners in the floodplain would lose access to flood insurance, federally-subsidized mortgages, certain grant funds, and the ability to receive disaster relief funds. Losing access to these resources would have a profoundly negative impact on the residents of the KPB; therefore, River Center staff requests your support of the Ordinance.

Your consideration is appreciated.



NOTICE OF PUBLIC HEARINGS

Owner
Attention
Mailing Address
Mailing City, State Zip Code

November 15, 2024

Parcel ID(s): Parcel Number

Public notice is hereby given that the Kenai Peninsula Borough (KPB) will be conducting public hearings on an Ordinance to amend KPB 21.06. The Ordinance will adopt the Flood Insurance Study (FIS) report and Flood Insurance Rate Maps (FIRM), with the effective date of February 28, 2025. As an owner of property within the study boundaries, you are receiving this notice. Changes to the regulatory floodplain may mean that that updates to the regulations that apply to developments on your property may apply.

The new FIS and maps can be found on the online FEMA Flood Map Services Center at <https://msc.fema.gov/portal/home>. Additional information may be found at <https://www.kpb.us/river-center/agencies/kenai-river-flood-map-update>.

The Ordinance will be heard at several KPB public meetings. The schedule is as follows:

KPB Assembly Introduction, Tuesday, December 3, 2024, 6:00 p.m., or as soon thereafter as business permits, in the KPB Assembly Chambers, 144 N. Binkley Steet, Soldotna, Alaska. Written comments for this meeting must be received by 6:00 p.m. Tuesday, December 3, 2024 and may be mailed to Kenai Peninsula Borough Clerk, 144 N. Binkley St., Soldotna, Alaska 99669 or emailed to assemblyclerk@kpb.us.

KPB Planning Commission, Monday, December 16, 2024, 7:30 p.m., or as soon thereafter as business permits, in the KPB Assembly Chambers, 144 N. Binkley Street, Soldotna, Alaska. Written comments for this meeting must be received by 1:00 p.m. Friday, December 13, 2024 and may be mailed to Donald E. Gilman River Center, 514 Funny River Rd., Soldotna, Alaska 99669 or emailed to KenaiRivCenter@kpb.us.

KPB Assembly Public Hearing, Tuesday, January 21, 2025, 6:00 p.m., or as soon thereafter as business permits, in the KPB Assembly Chambers, 144 N. Binkley Steet, Soldotna, Alaska. Written comments for this meeting must be received by 6:00 p.m. Tuesday, January 21, 2025 and may be mailed to Kenai Peninsula Borough Clerk, 144 N. Binkley St., Soldotna, Alaska 99669 or emailed to assemblyclerk@kpb.us.

If you have any questions, please contact the River Center at (907) 714-2460 or KenaiRivCenter@kpb.us.



National Flood Insurance Program

What is the National Flood Insurance Program (NFIP)?

The NFIP is a federal program created by Congress to mitigate future flood losses. The program enacts and enforces floodplain management regulations and provides property owners and renters access to government-backed flood insurance policies.

Floodplain management regulations help keep residents safer, minimize property damage, and help build resilient communities. By employing wise floodplain management strategies, communities can protect against much of the devastating financial losses from flood disasters.

Why do communities participate in the NFIP?

Communities may choose to participate in the NFIP for various reasons, including:

- To make the community more resilient in the event of flooding;
- To protect residents against the risk of financial uncertainty that flooding can bring if flood insurance is not available;
- To allow residents to purchase flood insurance, thereby transferring the financial risk of flooding in exchange for an annual premium; and/or
- To receive flood disaster assistance in the community with Special Flood Hazard Areas (SFHAs), as federal agencies may not provide assistance unless the community participates in the program.
- To qualify for federal grant funding opportunities from U.S. Army Corps of Engineers (USACE) projects, HUD for Community Development Block Grants (CDBG), and from FEMA for Hazard Mitigation Grant Program (HMGP) funding, Public Assistance (PA) grant and Pre-Disaster Mitigation (PDM) Program.

Benefits of the NFIP within the Kenai Peninsula Borough

The Kenai Peninsula Borough's participation with the NFIP has resulted in various forms of assistance to land owners and the borough for flood damages but also the ability to receive specific grant funds.

- Grants have been available to land owners in the past for repairs to septic systems and wells due to flood damages.
- Within the Kenai Peninsula Borough, there have been cities that have joined to help receive federal funds for specific projects. As an example, the City of Kenai was able to receive U.S. Army Corps of Engineers funds for their bluff stabilization project because they joined the NFIP.
- Funds can be secured to buyout properties that have reoccurring flood issues so that the properties can be used as discharge areas to protect other properties. Funds of this nature had previously been used in Seward for similar needs.
- Due to the Kenai Peninsula Borough and the Cities of Seward and Homer's participation in the NFIP, assistance was available to update the tsunami sirens in those towns.
- Currently, there are 160 NFIP policies with \$46,649,000 insurance listed for the Kenai Peninsula Borough. Over the years there has been 79 paid losses of \$604,846.72

Is community participation mandatory?

Community participation is typically voluntary unless the State requires participation as part of the state level floodplain management program. A community's participation can significantly affect current and *future* property owners in SFHAs.

Participation with the program requires the community adopt and enforce the federal regulatory requirements set forth by Federal Emergency Management Agency (FEMA), as the minimum regulations. The state or local government may adopt stricter requirements to further protect residents and their property.

What does suspension or probation from the NFIP mean?

Probation. A FEMA-imposed change in a community's status resulting from violations and deficiencies in the administration and enforcement of NFIP local floodplain management regulations.

Probation will generally occur if attempts have been made by FEMA to work with a community to resolve enforcement problems. If attempts fail, FEMA may place the community on probation. There is a set time provided to allow the program deficiencies to be corrected, and violations to be remedied. Flood insurance is still available to property owners during probation, but there will be a surcharge added to each policy premium for at least one year.

Suspension. FEMA's removal of an NFIP participating community from the program because the community has not enacted and/or enforced the proper floodplain management regulations required for participation.

If a community fails to take measures during the probation period, the result may be suspension from the NFIP. If a community works to become compliant, FEMA may reinstate the community back into a probationary period. During a suspension, new flood insurance coverage cannot be purchased and policies cannot be renewed. Three-year policies become void at the end of the current policy year, with a pro-rata refund for the remaining policy term.

New or revised Flood Insurance Rate Maps (FIRMs)

Part of remaining in compliance with the NFIP is that the community must adopt new or revised FIRMs as they are made available from FEMA. Waterbodies are dynamic and constantly moving, and man-made developments may further impact how floodwaters move. Local communities work with FEMA to identify areas that need to be re-studied by utilizing new technology to create new FIRMs that better represent the actual flood risk. Communities work with FEMA, local stakeholders, and the public to ensure that new FIRMs are capturing those risks.

Once preliminary maps are completed, FEMA will provide public notices and opens an appeal period. After that process is complete, FEMA will notify the community, and provide a deadline that the new maps must adopted by.

Effects of suspension or withdrawal from the NFIP

A community may also desire to withdrawal from the NFIP as they no longer wish to enforce the federal minimum requirements for floodplain management. Non-participation may exclude property owners and the local community from receiving certain benefits, including:

- Federal grants, loans, disaster assistance, and federal mortgage insurance may not be available to property owners or the local community.
- No resident will be able to purchase a NFIP flood insurance policy.
- Existing flood insurance policies will not be renewed.
- No federal grants or loans for development may be made in identified flood hazard areas under programs administered by federal agencies such as HUD, EPA, and SBA.
- No federal disaster assistance may be provided to repair insurable buildings located in identified flood hazard areas for damage caused by a flood.
- No federal mortgage insurance or loan guarantees may be provided in identified flood hazard areas. This includes policies written by FHA, VA, and others.
- Federally insured or regulated lending institutions, such as banks and credit unions, must notify applicants seeking loans for insurable buildings in flood hazard areas that there is a flood hazard and that the ability to receive federal disaster relief will be impacted.
- Communities that do not participate in the NFIP may face significant impacts on funding eligibility for disaster assistance programs, including the unavailability of grants, limited federal aid for home repairs in flood-prone areas, and restrictions on loans for repairs related to flooding or located in SFHAs.

Summary

The decision to participate within the NFIP should be made with full awareness of the ramifications of either choice and should not be taken lightly. Once within the NFIP, being aware of the impact, not only on individuals but local government and organizations, that will limit the availability of federal grants and funding needs to be considered.

It should be noted that communities, especially large communities, that fail to remain in good standing with the NFIP program, do not only impact certain portions of the community. Failure to adopt new maps for one specific area will result in impacts for all areas within the community.

National Flood Insurance Program

Not upholding floodplain management requirements for a development can result in a probation or suspension for the entire community not just that specific portion.

What if a community or property owner does not agree that their property is within the SFHA or that maps are incorrect for their property? FEMA does allow the public to submit map revisions and amendments. However, the party petitioning for the change must submit scientific data to support the claim for FEMA to review. This method allows for areas to be re-mapped without risk of NFIP suspension or probation.



This document was compiled by the Kenai Peninsula Borough River Center based on information provided by the following:

- *National Flood Insurance Program: Answers to Questions about the NFIP*, FEMA, May 2023, F-084
- Code of Federal Regulations
- [fema.gov](https://www.fema.gov)
- [floodsmart.gov](https://www.floodsmart.gov)



Federal Emergency Management Agency

Washington, D.C. 20472

August 28, 2024

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

IN REPLY REFER TO:
19P

The Honorable Peter A. Micciche
Mayor, Kenai Peninsula Borough
144 North Binkley Street
Soldotna, Alaska 99669

Community Name: Kenai Peninsula
Borough,
Alaska
Community No.: 020012
Map Panels Affected: See FIRM Index

Dear Mayor Micciche:

This is to notify you of the final flood hazard determination for Kenai Peninsula Borough, Alaska and Incorporated Areas, in compliance with Title 44, Chapter I, Part 67, Section 67.11, Code of Federal Regulations (CFR). This section requires that notice of final flood hazards shall be sent to the Chief Executive Officer of the community, all individual appellants, and the State Coordinating Agency, and shall be published in the *Federal Register*.

The statutory 90-day appeal period that was initiated for your community when the Department of Homeland Security's Federal Emergency Management Agency (FEMA) published a notice of proposed flood hazard determinations for your community in the local newspaper has elapsed. FEMA did not receive any appeals of the proposed flood hazard determinations or submittals regarding the {Revised} Preliminary Flood Insurance Study (FIS) report and Flood Insurance Rate Map (FIRM) during that time.

Accordingly, the flood hazard determinations for your community are considered final. The final notice for flood hazard determinations will be published in the *Federal Register* as soon as possible. The FIS report and FIRM for your community will become effective on February 28, 2025. Before the effective date, we will send your community final printed copies of the FIS report and FIRM. For insurance purposes, the community number and new suffix code for the panels being revised are indicated on the FIRM and must be used for all new policies and renewals.

Because the FIS report for your community has been completed, certain additional requirements must be met under Section 1361 of the National Flood Insurance Act of 1968, as amended, within 6 months from the date of this letter.

It must be emphasized that all the standards specified in 44 CFR Part 60.3 (d) and (e) of the National Flood Insurance Program (NFIP) regulations must be enacted in a legally enforceable document. This includes adoption of the current effective FIS report and FIRM to which the

regulations apply and other modifications made by this map revision. Some of the standards should already have been enacted by your community in order to establish initial eligibility in the NFIP. Your community can meet any additional requirements by taking one of the following actions in this Paragraph of the NFIP regulations:

1. Amending existing regulations to incorporate any additional requirements of 44 CFR Part 60.3(d) and (e);
2. Adopting all the standards of 44 CFR Part 60.3(d) and (e) into one new, comprehensive set of regulations; or
3. Showing evidence that regulations have previously been adopted that meet or exceed the minimum requirements of 44 CFR Part 60.3(d) and (e).

Also, prior to the effective date, your community is required, as a condition of continued eligibility in the NFIP, to adopt or show evidence of adoption of the floodplain management regulations that meet the standards of 44 CFR Part 60.3(d) and (e) of the NFIP regulations by the effective date of the FIRM. These standards are the minimum requirements and do not supersede any State or local requirements of a more stringent nature.

Many states and communities have adopted building codes based on the International Codes (I-Codes); the model I-Codes (2009 and more recent editions) contain flood provisions that either meet or exceed the minimum requirements of the NFIP for buildings and structures. The model codes also contain provisions, currently found in an appendix to the International Building Code, that apply to other types of development and NFIP requirements. In these cases, communities should request review by the NFIP State Coordinator to ensure that local floodplain management regulations are coordinated (not duplicative or inconsistent) with the State or Local building code. FEMA's resource, *Reducing Flood Losses through the International Code: Coordinating Building Codes and Floodplain Management Regulations, 5th Edition (2019)*, provides some guidance on this subject and is available at <https://www.fema.gov/emergency-managers/risk-management/building-science/building-codes/flood>.

Communities that fail to enact the necessary floodplain management regulations will be suspended from participation in the NFIP and subject to the prohibitions contained in Section 202(a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234) as amended, and 44 CFR Part 59.24.

To assist your community in maintaining the FIRM, we have enclosed a Summary of Map Actions (SOMA) to document previous Letters of Map Change (LOMC) actions (i.e., Letters of Map Amendment, Letters of Map Revision) that will be affected when the revised FIRM panels referenced above become effective. If no LOMCs were issued previously for your community, you are receiving a SOMA for informational purposes only.

Once the FIS report and FIRM are printed and distributed, the digital files containing the flood hazard data for the entire county can be provided for use in a computer mapping system. These

files can be used in conjunction with other thematic data for floodplain management purposes, insurance requirements, and many other planning applications. Copies of the digital files of the FIRM panels may be obtained by calling our FEMA Mapping and Insurance eXchange (FMIX), toll free, at (877) 336-2627 (877-FEMA MAP) or by visiting the Map Service Center at <https://www.msc.fema.gov>. In addition, your community may be eligible for additional credits under our Community Rating System if you implement your activities using digital mapping files.

For assistance with your floodplain management ordinance or enacting the floodplain management regulations, please contact Harmony Curtis, NFIP State Coordinator for Alaska by telephone at (907) 269-7085. If you should require any additional information, we suggest that you contact the Director, Mitigation Division of FEMA, Region 10 at (425) 487-4600 for assistance. If you have any questions concerning mapping issues in general or the enclosed SOMA, please call our FMIX at the telephone number shown above. Additional information and resources you may find helpful regarding the NFIP and floodplain management can be found on our website at <https://www.fema.gov/flood-maps>. Copies of these documents may also be obtained by calling our FMIX.

Sincerely,



Luis V. Rodriguez, P.E.
Director, Engineering and Modeling Division
Risk Management Directorate | Resilience

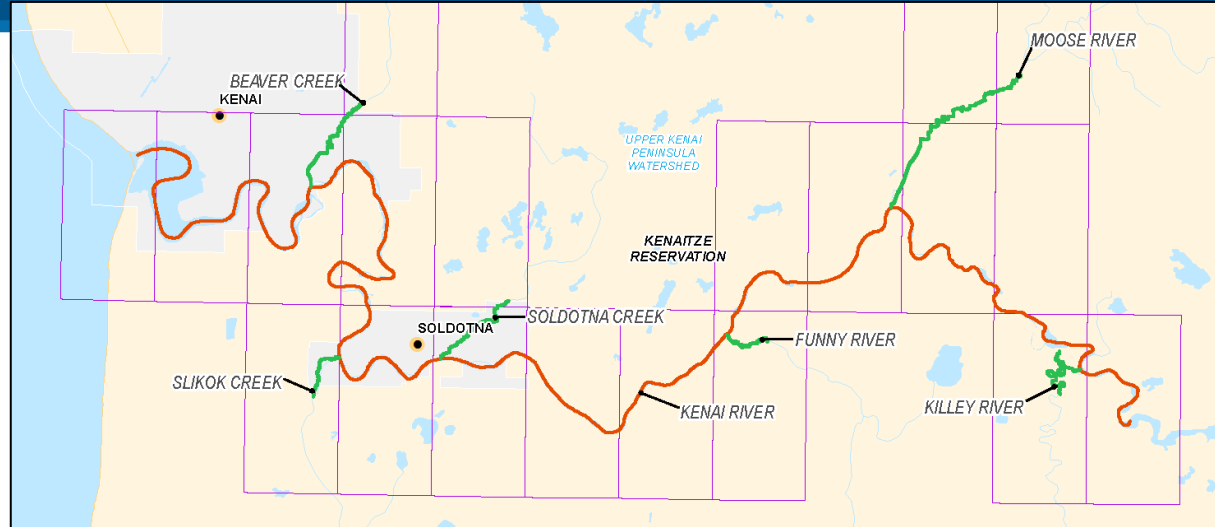
Enclosure:
Final SOMA

cc: Community Map Repository
Julie Hindman, Floodplain Management Planner, Kenai Peninsula Borough

SCOPE OF WORK

This study covered:

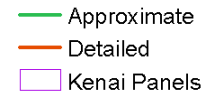
- Detailed streams.
 - Kenai River (47.3 mi.)
- Approximate streams.
 - Beaver Creek (3.3 mi.)
 - Funny River (1.7 mi.)
 - Killey River (2.7 mi.)
 - Moose River (6.0 mi.)
 - Slikok Creek (1.8 mi.)
 - Soldotna Creek (3.1 mi.)



BASEMAP LAYERS



SCOPE OF WORK



REFERENCE

1 inch = 3.8 miles 1:237,969



Map showing the extent of the study completed in Kenai Peninsula Borough.

Greetings,

11/20/2024

We received your notice of Public Hearings on an Ordinance to amend KPB 21.06 scheduled for Tuesday, December 3, 2024 at 6:00 PM.

Comments: - Have you read the book, "King of Fish – the Thousand-Year Run of Salmon"? In it, they illustrate the imperative importance of erosion on the growth of Salmon production to the extent that some communities have even purchased the residences of private properties located in Flood Planes so as to let those flood planes return to their contribution to erosion for the benefit of Salmon production.

In stark contrast, I've not seen anything our David Gilman River Center has demonstrated or done except to minimize or prevent erosion!

I highly recommend the dissolution of the David Gilman River Center.

Sincerely,

Stan Welles

RECEIVED
NOV 25 2024

OFFICE OF THE BOROUGH CLERK
KENAI PENINSULA BOROUGH

Rasor, Jessica

Subject: FW: <EXTERNAL-SENDER>Ordinance KPB 21.06
Attachments: KPB Assembly comments 2024-12-02.pdf

From: aksctsmn@mtaonline.net <aksctsmn@mtaonline.net>
Sent: Monday, December 2, 2024 6:37 PM
To: G_Notify_AssemblyClerk <G_Notify_AssemblyClerk@kpb.us>
Subject: <EXTERNAL-SENDER>Ordinance KPB 21.06

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.

Attached are our comments in opposition to the assembly amending Ordinance KPB 21.06

Thanks
Michael & Kathy Miller

December 2, 2024

Kenai Peninsula Borough Clerk
144 N. Binkley St.
Soldotna AK 99669

RE: Amending Ordinance KPB 21.06
Parcel ID 06529005

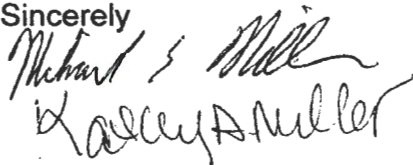
We are writing to vehemently oppose adopting the Flood Insurance Report and Flood Insurance Rate Maps at the December 3, 2024 Assembly Meeting.

We have had several conversations with the River Center concerning a permit to develop our lot. Under current regulations we are required to get a study meeting FEMA requirements completed by an engineering firm stating that **anything** we do on our lot will not alter the flood elevation should the river flood. We were finally able to locate one engineering firm willing to undertake the study at a cost of \$40,000.00 to \$50,000.00. Even after completing the study, we are not guaranteed a permit as the study can be rejected by FEMA. We have been told that the new regulations will make it more restrictive to develop our property.

A piece of Kenai riverfront property that has been in our family since the 1970's has been relegated to becoming an RV parking lot. We would like to point out that anything that we would have built on the property would have been built above the current flood datum and we would have provided certification to the River Center stating we were above the current flood datum. We had already had a local survey firm establish the flood datum on our property before we discovered how restrictive the regulations are.

In closing we would like to reiterate our opposition to the Assembly adopting any more regulations making it even more restrictive to develop our property.

Sincerely

Handwritten signature of Michael & Kathy Miller in black ink.

Michael & Kathy Miller
907-862-0921

Rasor, Jessica

Subject: FW: <EXTERNAL-SENDER>Comments pertaining to ordinance to amend KPB 21.06

From: Khai Harbut <khai.harbut@gmail.com>

Sent: Friday, December 6, 2024 12:24 PM

To: Kenai River Center <kenairivcenter@kpb.us>; G_Notify_AssemblyClerk <G_Notify_AssemblyClerk@kpb.us>

Subject: <EXTERNAL-SENDER>Comments pertaining to ordinance to amend KPB 21.06

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.

Honorable KPB assembly members,

My name is Khai Harbut. Thank you for the opportunity to submit my comments pertaining to the ordinance to amend KPB 21.06. I own two parcels under KPB jurisdiction. One property is parcel ID 06533014, and its flood hazard status is left unchanged by the proposed amendment. I believe this is fair therefore I have no issue with the proposed changes WRT that property. However, I own another property parcel ID 06619002 that is directly impacted by the proposed amendment. Currently my property parcel ID 06619002 is affected to a small extent (see exhibit A) by the current effective flood hazard zoning that was established in 1981. The proposed changes place that entire property under zone A1 (see exhibit B) and unfairly imposes restrictions regarding potential future uses of this property. I am not well versed in how the study was performed and how the changes being proposed were determined. I believe the decision to include more of my property parcel ID 06619002 to be rather arbitrary. I respectfully request that you leave the flood hazard zoning unchanged with respect to my property parcel ID 06619002.

Sincerely,

Khai Harbut

Exhibit A:



Exhibit B:



December 11, 2024

Kenai Peninsula Borough
Donald E. River Center
514 Funny River Road
Soldotna, AK 99669

By Email to KenaiRivCenter@KPB.us

Re: Written Comments for Planning Commission Meeting, December 16, 2024
Ordinance 2024-35 to Amend KPB 21.06, Floodplain Management.

These comments respond to the Notice of Public Hearing dated November 15, 2024 regarding adoption of changes to the regulatory floodplain of the Kenai River near the Kenai Keys Subdivision and Stephenkie Subdivision No. 2. Although I serve as Vice President of the Kenai River Keys Property Owners Association, these comments are offered in my personal capacity. Please note that Frank Turpin's comments represent the position of the Kenai River Keys Property Owners Association.

As more fully explained below, I seriously doubt the long-term accuracy of the new FEMA floodplain elevations and I fully endorse the proposal for revised language attached to Mr. Turpin's comments.

My wife Cynthia Wellman and I have been the owners of Lot 9C of Stephenkie Subdivision No. 2 since 1983 with first a cabin on the property in 1985 and then a permanent residence since 2013. The residence is our retirement home with a current tax evaluation of \$519,400 and we are year-round residents. Most of my time during the summer is spent on the river and I am aware of the annual shifts in sandbars and river channels.

When we built our cabin and home on the property, we did so in compliance with the FEMA floodplain elevations then in effect. Our neighbors likewise built homes to that approved elevation. Since 1985 the Kenai River has flooded several times, including the 1995 flood generally regarded as a 100-year flood. Significantly, none of the homes in Stephenkie Subdivision No. 2 suffered any meaningful flood damage in the 1995 flood or any other subsequent floods. In our case, the gravel pad on which our house is built is a foot above the 100-year flood and has not been underwater in any flood. In addition, the area now proposed by FEMA to be within the floodway, was covered by large white spruce which seems inconsistent with designation as a "floodway". In other words, we have forty plus years of anecdotal data suggesting the current flood plain elevation is correct and the proposal overstates the flood potential.

It is not reasonable or practical for the public to perform alternative studies to disprove the new FEMA study and dispute the conclusions of FEMA regarding land use in the Kenai Keys and Stephenie No. 2.

I request the Borough delay implementation of the proposed FEMA plan until the temporary sediment migration from the Killey River ends and the area can be reevaluated. By classifying all property as a "floodway" by raising the FEMA elevations by two feet, you have effectively eliminated future building or development on very valuable property. Moreover, it is unreasonable to require a detailed engineering study at \$40,000 to build a shed or add to an existing structure. By adopting language to keep the old elevations until the sediment migration is over preserves the beneficial use of the affected properties

Thanks for your consideration.

Ted Wellman
34593 Cranberry Circle
Sterling AK 99672

tedwellman1@outlook.com

(907) 444-3785

Kenai River Keys Property Owners Association
PO Box 1073
Sterling, AK 99772

December 10, 2024

Kenai Peninsula Borough
Donald E. Gilman River Center
514 Funny River Road
Soldotna, Alaska 99669

By Email to KenaiRivCenter@KPB.us

Subject: Written Comments for Planning Commission Meeting December 16, 2024
Ordinance 2024-35 to Amend KPB 21.06, Floodplain Management

These comments are in response to the Notice of Public Hearings dated November 15, 2024, regarding adoption of changes to the regulatory floodplain of the Kenai River, and specifically a segment of river downstream from the newly-formed mouth of the Killey River (now known as the Middle Killey). My comments are submitted both as a property owner in Kenai Keys at 34505 Chinook Run Drive and as President of Kenai River Keys Property Owners Association, representing 130 lot owners in Kenai River Keys and Stephenie No. 2 subdivisions.

My residence is directly across from where the Killey River now flows into the Kenai River. It's where muddy water begins and Wally's Hole once was.

I am asking for revision to proposed Ordinance 2024-35, which the Assembly is scheduled to adopt in January. The ordinance incorporates a new FEMA-prepared Flood Insurance Study and Rate Maps as the basis for the Borough's Floodplain Management. Unfortunately, the proposed ordinance does not recognize recent and ongoing changes occurring in the Kenai River.

The new FEMA study and maps unreasonably impact lot owners in our subdivisions and will restrict future improvements and property maintenance. Base flood elevations are to be raised more than 2-feet and the floodway designation expanded to include nearly all of both subdivisions. This considerably increases the cost of preparing permit applications, with no assurance that an application can be approved. By limiting development, rebuilding and maintenance, our property values will erode and drive us to become an RV park.

The Property Owners Association represents 130 lot owners. We have a mix of year-round and seasonal residents, and all of us are very conscious of periodic flooding.

Over the 52 years since our subdivision was approved by the Borough, the record flood event occurred in 1995 and flooded some homes and garages. This record event became our hundred-year flood and has not been exceeded since. Houses in the subdivision have been raised or rebuilt above this base flood elevation. Our most recent flood event occurred in September 2022, and flood water did not reach the floor level of any house in our subdivisions.

The new FEMA Flood Study and Revised insurance Maps did not recognize the changing nature of the Kenai River. It's a snapshot in time, taken while the Killey River was carving out a new course. This deposited an enormous amount of sand, gravel and debris into the Kenai River, shrinking the volume of the floodplain. But we now observe this sediment migrating downstream – with effects extending nearly to Bing's Landing. The new FEMA Flood Study is not representative of the river's recovery.

We submitted comments to FEMA but were dismissed because we had no technical data. All we had were photographs and history, but FEMA wanted data which they could insert into their hydrologic model. That is beyond our capability.

As you consider Ordinance 2024-35, we ask you to defer adoption of the new FEMA Flood Study and Rate Maps for a segment of the Kenai River downstream from the Middle Killey. We propose revised wording in the attached, which still leaves us subject to regulation by KPB 21.06.

We are also concerned that the Borough's Notice of Public Hearings is misleading. It states that the new Flood Insurance Study and maps can be found at a specified FEMA website: <https://msc.fema.gov/portal/home>. For our residence addresses, the only flood map shown is the current FEMA map 0200122090A, effective 5-19-81. The flood map to become effective with Ordinance 2024-35 is not shown. Ironically, the website does include relatively current aerial photography showing sediment-laden water entering the Kenai River from the Middle Killey, and then mixing into the Kenai River adjacent to Kenai Keys Subdivision. This photography shows that sediment-laden water from the Middle Killey is being conveyed downriver, which is precisely the reason our attached amendment should be adopted.

The Notice of Public Hearing provides a second website for additional information, at: <https://www.kpb.us/river-center/agencies/kenai-river-flood-map-update>). This website contains a before and after comparison of "Effective (1981)" and "Preliminary (2023.02.01)", but without identification of base flood elevations. Clicking on PRELIMINARY FIRM AND FIS REPORT brings up a FEMA webpage, but the search feature for Alaska is limited to Ketchikan Gateway Borough. That webpage says to contact the FEMA Map Information Exchange (FMIX) if not seeing a community's preliminary data. Following such contact, an "FMIX Specialist" provided a website for 250 pending documents for the Kenai Peninsula Borough, including 24 FIRM maps to be effective 2/28/25. The new maps for Kenai River could then be opened, and these contained contours for base flood elevations. But the contours are in a NAVD 88 vertical datum, which is different from the NGVD 29 datum that the Borough previously required. No conversion formula or factor was provided, leaving property owners without means to review proposed BFE changes on their properties. Separately, the Flood Insurance Study was composed of approximately 120 separate files, requiring specialized apps to open, and rendering it not possible for property owners to review.

We assume the difficulty in reviewing the proposed flood study and maps was intended. Given the lack of diligence to provide lot owners an opportunity to review these documents, the hearing dates contained in the Notice of Public Hearings, should be extended until such time as the FEMA documents can be reviewed.

FEMA's recent snapshot of flood risk unduly harms our lot owners. The Borough's adoption of these flood maps – without compensation to affected property owners – unreasonably diminishes use and enjoyment of these properties. Over the years we have worked with the Borough cooperatively to apply reasonable regulation of habitat and floodplain. Adoption of FEMA mandates does not serve our best interest and over the long run will undermine our property values.

Please adopt the revised Ordinance 2024-35 as attached.

Very truly yours,

Frank Turpin
34505 Chinook Run Drive, Sterling AK 99672, and
President, Kenai River Keys Property Owners Association
Email: fgturpin@gmail.com cell 703-579-7593

Attachment: PROPOSED AMENDMENT TO ORDINANCE 2024-35 AMENDING KPB 21.06

cc: Samantha Lopez, by email: slopez@kpb.us
Peter Micciche, by email: pmicciche@kpb.us

PROPOSED AMENDMENT TO ORDINANCE 2024-35 AMENDING KPB 21.06

By the areas of special flood hazard identified by the Federal Insurance Administration in the scientific and engineering report entitled "Flood Insurance Study" (FIS) for the Kenai Peninsula Borough, Alaska dated May 19, 1981, revised on July 5, 1983, December 6, 1999, September 27, 2013, [AND]October 20, 2016[.], and February 28, 2025, excepting that portion of the February 28, 2025 revisions for the Kenai River downstream of its confluence with the Killey River as shown on FIRM Maps 02122C1060F and 02122C1080F. This segment of the Kenai River at the present time is undergoing change due to rapid sediment transport from the Killey River, and until such time as sediments migrate downstream and this change stabilizes, flood elevations for this portion of the Kenai River will remain as those identified on FIRM Maps dated May 19, 1981. These areas are depicted on the effective Flood Insurance Rate Map (FIRM) and Digital Flood Insurance Rate Map (DFIRM) Panels. The map panels numbered 020012- 1350 and 1700 have been deleted and the areas depicted by these panels are not subject to the terms of this chapter. Excluding these panels, the FIRMs are adopted by reference and declared to be a part of this chapter. The FIRMs are on file at the planning department. The best available information for flood hazard as outlined in KPB 21.06.040(C)(3) shall be the basis for regulation until a new FIRM or DFIRM is issued which incorporates the base flood plain data obtained pursuant to that section.

Rasor, Jessica

Subject: FW: New Public Comment to Assembly Members

From: Kenai Peninsula Borough <webmaster@kpb.us>

Sent: Saturday, December 14, 2024 11:15 PM

To: Borough Assembly <Borough-Assembly@kpb.us>; Mayor's Department <MayorDepartmental@kpb.us>

Cc: G_Notify_AssemblyClerk <G_Notify_AssemblyClerk@kpb.us>

Subject: New Public Comment to Assembly Members

Your Name: George Buck

Your Email: thebucksfive@yahoo.com

Subject: Kenai Keys Area Base Flood Elevation - Ordinance 2024-35

Message:

Subject: Comments to Borough Assembly – Proposed Amendment of KPB 21.06 (Ordinance 2024-35, to adopt FEMA-prepared FIS and FIRM effective 2-28-25) December 3, 2024, Rev 12-4-24

Hi, my name is George Buck. I own a house in Kenai Keys Subdivision at 34685 Chum Way. I hope that you will consider my comments as you address the proposed amendment to the KPB 21.06 Floodplain Management, which was introduced as Ordinance 2024-35.

The amendment incorporates a new FEMA-prepared Flood Insurance Study and Rate Map as the basis for the Borough's Floodplain Management. This new study unnecessarily impacts Kenai Keys residents and will restrict future improvements in our subdivision. Base flood elevations are to be raised more than 2-feet and the floodway designation expanded to include nearly all of the subdivision which currently has approximately 130 lot owners.

The new floodplain proposal appears to be an overreaction to recent sedimentation in the Kenai River. In my humble opinion this is a natural event that will remedy itself in a few years. That natural remedy appears to be already taking place. As you know, the 2014 Funny River fire destroyed a lot of vegetation which destabilized the soil in the Kiley River drainage. As a result, the Kiley River released significant sediment into the Kenai River, in fact so much sediment that part of the Kiley River changed course. Over the past two years that sediment in the Kenai River appears to have started to wash downstream.

The proposed FEMA Flood Study does not appear to have taken this into account. I ask that the changes to the base flood elevation be deferred by 5 years allowing time for the Kenai River to stabilize. At which time FEMA could reconsider their study.

This seems a reasonable course of action considering the financial impact this proposed change will have on our friends and neighbors.

George

Questions regarding KPB 21.06 Amendment to adopt the FEMA Flood Insurance Study (FIS)

We request the KPB ask FEMA for a 180 day delay. This will allow for KPB and us to gather additional information needed to make a wise decision for the people and businesses living and working in KPB. The questions were from a collaboration of over 200 property owners who are concerned about property values along the river and the financial impact on the local economy and KPB tax base

1	Legal	<p>Question: What visibility does KPB and State of Alaska have on numerous ongoing Class Action Lawsuits?</p> <p>Rationale: Wouldn't it be prudent for Alaska and the KPB to request FEMA delay further action until these other cases are settled?</p>
2	Legal	<p>Question: How does the Supreme Court ruling on June 28, 2024, striking down the Chevron Doctrine change impact the process and expansion of the proposed rule changes?</p> <p>Rationale: The Supreme Court cut back sharply on the power of federal agencies to interpret the laws they administer. The Supreme Court struck down the Chevron deference ruling of 40 years ago. This rulemaking process started before the June 2024 ruling. Since the federal government is now more limited on their actions the local and state governments should be similarly limited.</p>
3	Notice 1	<p>Question: Why wasn't the information error checked in the Borough's Notice of Public Hearings verified before sending?</p> <p>Rationale 1: The Borough's Notice of Public Hearings is not accurate. It states that the new Flood Insurance Study and maps can be found at a specified FEMA website: https://msc.fema.gov/portal/home For residences addresses on the upper river above Bing's Landing, the only flood map shown is the current FEMA map 0200122090A, effective 5-19-81. The flood map to become effective with Ordinance 2024-35 is not shown.</p> <p>Ironically, the website does include relatively current aerial photography showing sediment-laden water entering the Kenai River from the Middle Killey and then mixing into the Kenai River adjacent to Kenai Keys Subdivision. This photography shows that sediment-laden water from the Middle Killey is being conveyed downriver, which is precisely another reason our KRK HOA amendment should be adopted</p>

Questions regarding KPB 21.06 Amendment to adopt the FEMA Flood Insurance Study (FIS)

		<p>Rationale 2: The Notice of Public Hearing provides a second website for additional information, at: (https://www.kpb.us/river-center/agencies/kenai-river-flood-map-update). This website contains a before and after comparison of “Effective (1981)” and “Preliminary (2023.02.01)”, but without identification of base flood elevations. Clicking on PRELIMINARY FIRM AND FIS REPORT brings up a FEMA webpage, but the search feature for Alaska is limited to Ketchikan Gateway Borough. That webpage says to contact the FEMA Map Information Exchange (FMIX) if not seeing a community’s preliminary data. Following such contact, an “FMIX Specialist” provided a website for 250 pending documents for the Kenai Peninsula Borough, including 24 FIRM maps to be effective 2/28/25. The new maps for the Kenai River could then be opened, and these contained contours for base flood elevations. But the contours are in a NAVD 88 vertical datum, which is different from the NGVD 29 datum that the Borough previously required. No conversion formula or factor was provided, leaving property owners without means to review proposed BFE changes on their properties.</p> <p>Rationale 3: Separately, the Flood Insurance Study was composed of approximately 120 separate files, requiring specialized apps to open, and rendering it not possible for property owners to review.</p>
4	Notice 2	<p>Question: Why did FEMA and KPB decide they did not have to follow the procedures published in the Federal Register</p> <p>Rationale 1: The report mentions several meetings were conducted. Why was it that the public was not invited to these meetings in Kenai?</p> <p>Rationale 2: FEMA did not use its own past or new public notice procedures.</p>
5	Notice 3	<p>Question: Why did FEMA not update its study design and analysis based on newly published 44 CFR Part 9?</p> <p>Rationale: Rationale: On October 2, 2023, the Federal Emergency Management Agency (FEMA) published a notice of proposed rulemaking (NPRM) and supplementary policy that proposed to implement the Federal Flood Risk Management Standard (FFRMS) and update the agency’s 8-step decision-making process for floodplain reviews by changing how FEMA defines a floodplain with respect to certain actions and how FEMA uses natural systems, ecosystem processes, and nature-based approaches when developing alternatives to locating a proposed action in the floodplain. After a careful review of the public comments</p>

Questions regarding KPB 21.06 Amendment to adopt the FEMA Flood Insurance Study (FIS)

		received, FEMA is now issuing a final rule that implements the proposed rule, with some minor amendments. This rule is effective September 9, 2024.
6	Notice 4	<p>Question: Why didn't FEMA and KPB use KB alerts and their Facebook site to facilitate open communication with the public?</p> <p>Rationale: All we got was a confusing post card in the mail. Confusing in that when people looked on online there were scant details on the process and what would be the impact to property owners.</p> <p>The only post card KPB sent invited residents to a winter meeting to roll out the FEMA's final decision without any public comments in the prior build-up to the process. It was a take-it-and-leave approach with FEMA's decisions already made.</p>
7	Problem Statement	<p>Question: Why did the FIS problem statement only include one flood scenario and not include a listing of top 10 historical flood crests with a description of root cause of each flood?</p> <p>Rationale 1: The problem described glacier dam break in middle of winter has only happen once in 30 years whereas the river experiences high water events every 2.5 years for other root causes. We believe the problem stated statement as written doesn't cover all the sources of flood water, does not address the problems that are experienced on the river. As residence near the river, we are aware of the impacts of high water, events and frequencies.</p> <p>Rationale 2: The problem statement also misses property owner's biggest concern - the state and federal government's, inability or unwillingness to close the river to boat traffic during high water events.</p> <p>Rationale 3: On the upper river, we have different flood conditions, and we are not aware in recorded history that there has been any flood damage in the winter due to a glacier dam break. We are not saying the event has not happened in the late fall. However, what we are saying is because the river level was low the impact of that event was minimal</p>
8	Method	<p>Question: What independent and dependent variables were used in the FIS analysis? How far back did you model the historical data for rainfall, snow previous winter, spring and summer temperatures, timing and size of glacier dam breaks on elevated river levels and</p>

Questions regarding KPB 21.06 Amendment to adopt the FEMA Flood Insurance Study (FIS)

		<p>economic impact? What were the flood insurance claims that corresponded with these high-water events?</p> <p>Rationale: Knowing this information would provide confidence in model results</p>
9	Method	<p>Question: What real-world scenarios were used to validate the model?</p> <p>Rationale: Knowing this information would provide confidence in model results</p>
10	Method	<p>Question: How many model runs were accomplished to arrive at the new Base Flood Elevation?</p> <p>Rationale: Unless there are statistically significant model runs it is impossible to have confidence in the result</p>
11	Method	<p>Question: What sensitivity analysis was accomplished and what did analysts learn about original assumption that improved the quality or confidence in FIS findings?</p> <p>Rationale: Without sensitivity analysis it is again impossible to have confidence in the results. We have consulted with the USACOE on proper use of the model</p>
12	Method	<p>Question: What business case analysis was accomplished to compare / contrast the impacts of these changes on insurance claims, property values, tax base, etc.</p> <p>Rationale: As you may be aware, the federal government has wrecked the crab fishery, King salmon fishery, halibut fishery, and all the habitat that goes along with it. Now they want to come in and wreck our rivers for what reason? Does FEMA feel like it has a mandate to arbitrarily come in and raise the base flood elevation based on a poorly conducted study that contains no clear problem statement doesn't have measures of merit, doesn't list independent variables, or describe key features of its study design. The academic rigor of the study is frankly laughable at best.</p>
13	Method	<p>Question: Please provide accuracy/precision metrics for data sources in Table 22. Also please explain how FEMA is confident the result is actual river rise or error/noise in the data. Our experience is this is normally accomplished as part of sensitivity analysis and model validation.</p>

		<p>Rationale: Realistically all geospatial data has some form of error associated with the data collection, and the use of multiple sources compounds and sums together into a single Root Mean Squared Error (RMSE) value. Additionally, looking at the projected water surface elevation rise for an annual 1% chance flood in table 23, a lot of the values are within the error of those elevation datasets (table 22). This means that it's hard to truly say if that's rise in water surface elevation, or just error of the data. Plus, realistically the compound RMSE would be larger, making those results even less significant. So clarity needs to be provided in terms of why they are so confident in their results, based on what is in the report.</p>
14	Method	<p>Question: What criterion or rationale was used to establish the new BFE? Was the BFE field verified within neighborhoods? Was it a scale that reflects the changing river dynamics?</p> <p>Rationale: Based on our calculations the error in the FEMA analysis exceeds the average BFE increase. It would be wise to have FEMA prove their academic rigor</p>
15	Method	<p>Question: What datum conversion error checking did KPB or FEMA accomplish when NGVD 29 to NAVD 88 vertical datums?</p> <p>Rationale: In Geographic Information Service application, conversion from one datum to another it is a well-known but complex problem. Using two different unconverted datums on a map results in erroneous locations.</p> <p>If KPB and FEMA understand this problem, it would know it is more pronounced at northern latitudes. They would have validated elevations and Lat Long coordinates using industry's advanced conversion tools. Showing us how conversion was accomplished and field verification of the resulting model would provide confidence in the data.</p>

Rasor, Jessica

Subject: FW: <EXTERNAL-SENDER>Questions/Concerns to KPB Assembly and River Center KPB 21.06 Ammdement
Attachments: KPB 21.06 Planning Commission Questions v1(MSA)20241213.pdf

From: Michael Agin <festus12358@gmail.com>

Sent: Friday, December 13, 2024 5:32 AM

To: G_Notify_AssemblyClerk <G_Notify_AssemblyClerk@kpb.us>; Kenai River Center <kenairivcenter@kpb.us>

Subject: <EXTERNAL-SENDER>Questions/Concerns to KPB Assembly and River Center KPB 21.06 Ammdement

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.

I respectfully submit the attached questions about KPB 21.06 Amendment to adopt the FEMA Flood Insurance Study (FIS). We request the KPB ask FEMA for a 180 day delay. This will allow for KPB and us to gather additional information needed to make a wise decision for the people and businesses living and working in KPB. The questions were from a collaboration of over 200 property owners who are concerned about property values along the river and the financial impact on the local economy and KPB tax base.

We realize that some of these questions should have been asked last year, but the record clearly shows most of the property owners only received a single post card with minimal details and inaccurate links to KPB and FEMA websites. We have also documented that FEMA did not follow their required process published in public law. Additionally, our attempts to gather additional information were thwarted with confusion. Not to mention it has taken hundreds of manhours over past month to get smart on the FEMA process and HECRAS modeling tool used during the process. Attached are our question with rationale why we need additional information to determine this is a logical course of action and best for our community

Michael "Festus" Agin
34860 Chinook Run Drive
702-806-3152
Festus12358@gmail.com

Rasor, Jessica

Subject: FW: <EXTERNAL-SENDER>Questions/Concerns to KPB Assembly and River Center KPB 21.06 Ammendment
Attachments: KPB 21.06 Planning Commission Questions v1(MSA)20241213.pdf

From: Khai Harbut <khai.harbut@gmail.com>
Sent: Friday, December 13, 2024 7:30 AM
To: G_Notify_AssemblyClerk <G_Notify_AssemblyClerk@kpb.us>
Subject: <EXTERNAL-SENDER>Questions/Concerns to KPB Assembly and River Center KPB 21.06 Ammendment

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.

Honorable Assembly members,

I respectfully submit the attached questions about KPB 21.06 Amendment to adopt the FEMA Flood Insurance Study (FIS). We request the KPB ask FEMA for a 180 day delay. This will allow for KPB and us to gather additional information needed to make a wise decision for the people and businesses living and working in KPB. The questions were from a collaboration of over 200 property owners who are concerned about property values along the river and the financial impact on the local economy and KPB tax base.

We realize that some of these questions should have been asked last year, but the record clearly shows most of the property owners only received a single post card with minimal details and inaccurate links to KPB and FEMA websites. We have also documented that FEMA did not follow their required process published in public law. Additionally, our attempts to gather additional information were thwarted with confusion. Not to mention it has taken hundreds of manhours over past month to get smart on the FEMA process and HECRAS modeling tool used during the process.

Attached are our question with rationale why we need additional information to determine this is a logical course of action and best for our community

Sincerely,

Khai Harbut

214-385-7047

35664 Snag Circle, Sterling AK, 99672

35446 Slack Water Dr. Soldotna AK, 99669

Rasor, Jessica

Subject: FW: <EXTERNAL-SENDER>Re: Questions/Concerns to KPB Assembly and River Center
KPB 21.06 Ammendment
Attachments: KPB 21.06 Planning Commission Questions v1(MSA)20241213.pdf

From: Janet Bounds <janet.bounds@gmail.com>
Sent: Friday, December 13, 2024 9:15 AM
To: Kenai River Center <kenairivcenter@kpb.us>; G_Notify_AssemblyClerk <G_Notify_AssemblyClerk@kpb.us>
Cc: Michael Agin <festus12358@gmail.com>
Subject: <EXTERNAL-SENDER>Re: Questions/Concerns to KPB Assembly and River Center KPB 21.06 Ammendment

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.

Questions and concerns on the proposed amendment to the KPB 21.06 and Flood Insurance Study.

I respectfully submit the attached questions about KPB 21.06 Amendment to adopt the FEMA Flood Insurance Study (FIS). We request the KPB ask FEMA for a 180 day delay. This will allow for KPB and us to gather additional information needed to make a wise decision for the people and businesses living and working in KPB. The questions were from a collaboration of over 200 property owners who are concerned about property values along the river and the financial impact on the local economy and KPB tax base.

Additional time is needed for the affected public as well as the regulators. Expecting the public to evaluate modeling is not reasonable. The public does not have access to the software nor the knowledge. The modeling needs to be re-evaluated. Data problems, datum irregularities, process inconsistencies compound to result in erroneous outputs. Garbage in is garbage out.

Please see the attached questions and concerns from neighbors.

Janet Bounds
13028 Chinook Run Drive
Sterling, Alaska 99672

907-223-3173

Rasor, Jessica

Subject: FW: <EXTERNAL-SENDER>Questions/Concerns to KPB Assembly and River Center KPB 21.06 Ammendment
Attachments: KPB 21.06 Planning Commission Questions v1(MSA)20241213.pdf

From: ecampbellak@gmail.com <ecampbellak@gmail.com>
Sent: Friday, December 13, 2024 11:25 AM
To: Kenai River Center <kenairivcenter@kpb.us>; G_Notify_AssemblyClerk <G_Notify_AssemblyClerk@kpb.us>
Cc: festus12358@gmail.com
Subject: <EXTERNAL-SENDER>Questions/Concerns to KPB Assembly and River Center KPB 21.06 Ammendment

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.

I respectfully submit the attached questions about KPB 21.06 Amendment to adopt the FEMA Flood Insurance Study (FIS). We request the KPB ask FEMA for a 180 day delay. This will allow for KPB and us to gather additional information needed to make a wise decision for the people and businesses living and working in KPB. The questions were from a collaboration of over 200 property owners who are concerned about property values along the river and the financial impact on the local economy and KPB tax base.

We realize that some of these questions should have been asked last year, but the record clearly shows most of the property owners only received a single post card with minimal details and inaccurate links to KPB and FEMA websites. We have also documented that FEMA did not follow their required process published in public law. Additionally, our attempts to gather additional information were thwarted with confusion. Not to mention it has taken hundreds of manhours over past month to get smart on the FEMA process and HECRAS modeling tool used during the process. In general, I believe it is a bad idea to enact any regulations that inhibit the right of a property owner to utilize their property how they see fit.

Attached are our question with rationale why we need additional information to determine this is a logical course of action and best for our community

Eric Campbell
34789 Chinook Run Dr.
907-529-5492

Rasor, Jessica

Subject: FW: <EXTERNAL-SENDER>Fwd: Questions/Concerns to KPB Assembly and River Center KPB 21.06 Amendment
Attachments: KPB 21.06 Planning Commission Questions v1(MSA)20241213.pdf

From: Matthew Fagnani <mattfagnani@gmail.com>
Sent: Friday, December 13, 2024 11:03 AM
To: Kenai River Center <kenairivcenter@kpb.us>
Subject: <EXTERNAL-SENDER>Fwd: Questions/Concerns to KPB Assembly and River Center KPB 21.06 Amendment

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.

Kenai Borough Planning Commission Members:

I respectfully submit the attached questions regarding KPB 21.06 Amendment, which aims to adopt the FEMA Flood Insurance Study (FIS). We request that the KPB ask FEMA for a 180-day delay or more. This additional time will allow KPB and us to gather the necessary information to make an informed decision that benefits the people and businesses living and working in KPB.

The questions included in the attachment reflect the concerns of over 200 property owners regarding property values along the river and the potential financial impact on the local economy and the KPB tax base.

We understand that some of these questions should have been raised last year. However, the record indicates that most property owners received only a single postcard containing minimal details and inaccurate links to the KPB and FEMA websites. Furthermore, we have documented instances where FEMA needed to adhere to the required process outlined in public law. Our efforts to obtain additional information have also been improved by clarity. It has taken hundreds of man-hours over the past month to familiarize ourselves with the FEMA process and the HECRAS modeling tool used during this assessment.

I've attached our questions and the reason for our request for additional information, as we believe it is essential to ensure a logical and beneficial course of action for our community.

The attachment contains enough concerns and challenges that the KPB planning commission would want answers to before adopting the recommended FEMA change.

Please consider the delay.

v/r

Matthew Fagnani

Kenai Property
29087 Coho Ct.
and
29089 Coho Ct
Sterling, AK 99672

--

Matthew T. Fagnani
2559 Loussac Dr.
Anchorage, Alaska 99517

907-250-2313
USAF Veteran

matt.fagnani@gmail.com

Rasor, Jessica

Subject: FW: <EXTERNAL-SENDER>KPB 21.06 Amendment
Attachments: KPB 21.06 Planning Commission Questions v1(MSA)20241213.pdf

From: aksctsmn@mtaonline.net <aksctsmn@mtaonline.net>
Sent: Friday, December 13, 2024 12:23 PM
To: Kenai River Center <kenairivcenter@kpb.us>; G_Notify_AssemblyClerk <G_Notify_AssemblyClerk@kpb.us>
Cc: 'Michael Agin' <festus12358@gmail.com>
Subject: <EXTERNAL-SENDER>KPB 21.06 Amendment

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.

I respectfully submit the attached questions about KPB 21.06 Amendment to adopt the FEMA Flood Insurance Study (FIS). We request the KPB ask FEMA for a 180 day delay. This will allow for KPB and us to gather additional information needed to make a wise decision for the people and businesses living and working in KPB. The questions were from a collaboration of over 200 property owners who are concerned about property values along the river and the financial impact on the local economy and KPB tax base.

We realize that some of these questions should have been asked last year, but the record clearly shows most of the property owners only received a single post card with minimal details and inaccurate links to KPB and FEMA websites. We have also documented that FEMA did not follow their required process published in public law. Additionally, our attempts to gather additional information were thwarted with confusion. Not to mention it has taken hundreds of manhours over past month to get smart on the FEMA process and HECRAS modeling tool used during the process. Attached are our question with rationale why we need additional information to determine this is a logical course of action and best for our community

Michael & Kathy Miller
PO Box 671453
Chugiak AK 99567

907-862-0921

Rasor, Jessica

Subject: FW: <EXTERNAL-SENDER>Questions/Concerns to KPB Assembly and River Center KPB 21.06 Amendment
Attachments: KPB 21.06 Planning Commission Questions v1(MSA)20241213.pdf

From: Matt Tisher <mtisher@ahtna.net>
Sent: Friday, December 13, 2024 12:26 PM
To: Kenai River Center <kenairivcenter@kpb.us>; G_Notify_AssemblyClerk <G_Notify_AssemblyClerk@kpb.us>
Cc: Mike Agin Agin <festus12358@gmail.com>
Subject: <EXTERNAL-SENDER>Questions/Concerns to KPB Assembly and River Center KPB 21.06 Amendment

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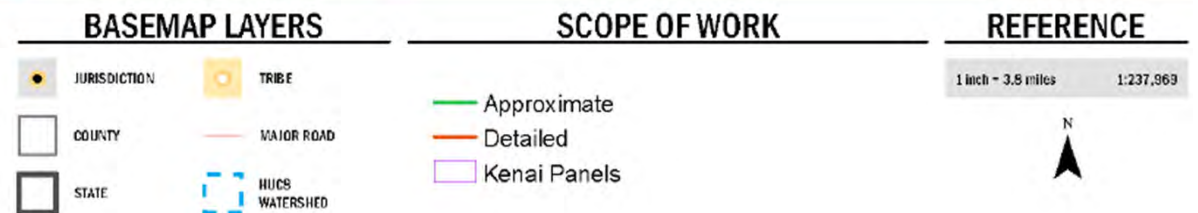
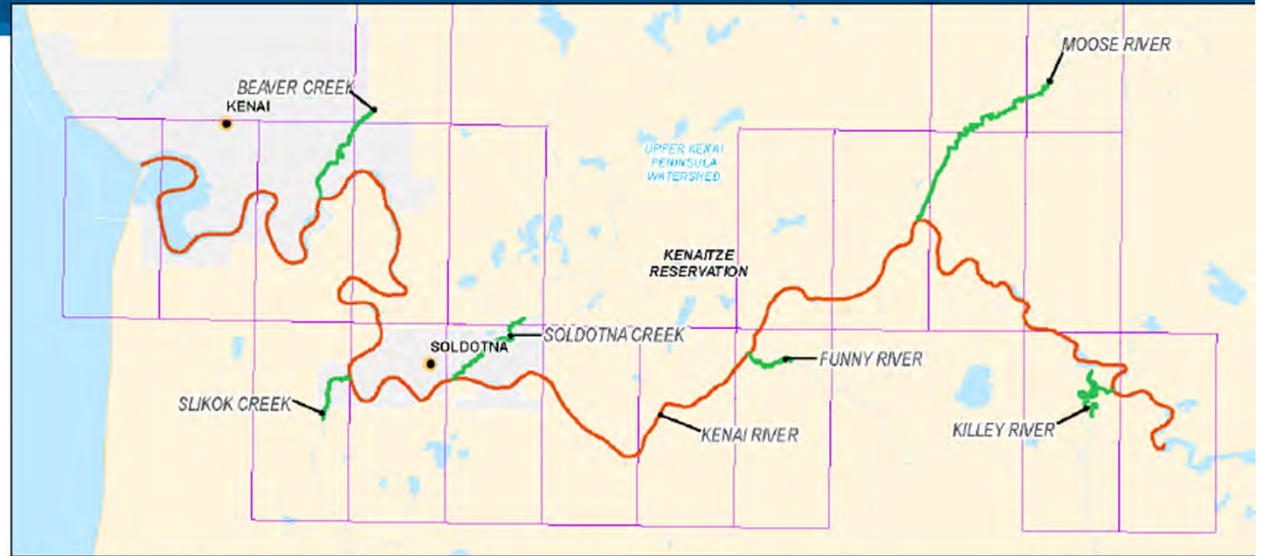
Thank you,

William Matthew Tisher
907-350-2776
34595 Chinook Run Drive

SCOPE OF WORK

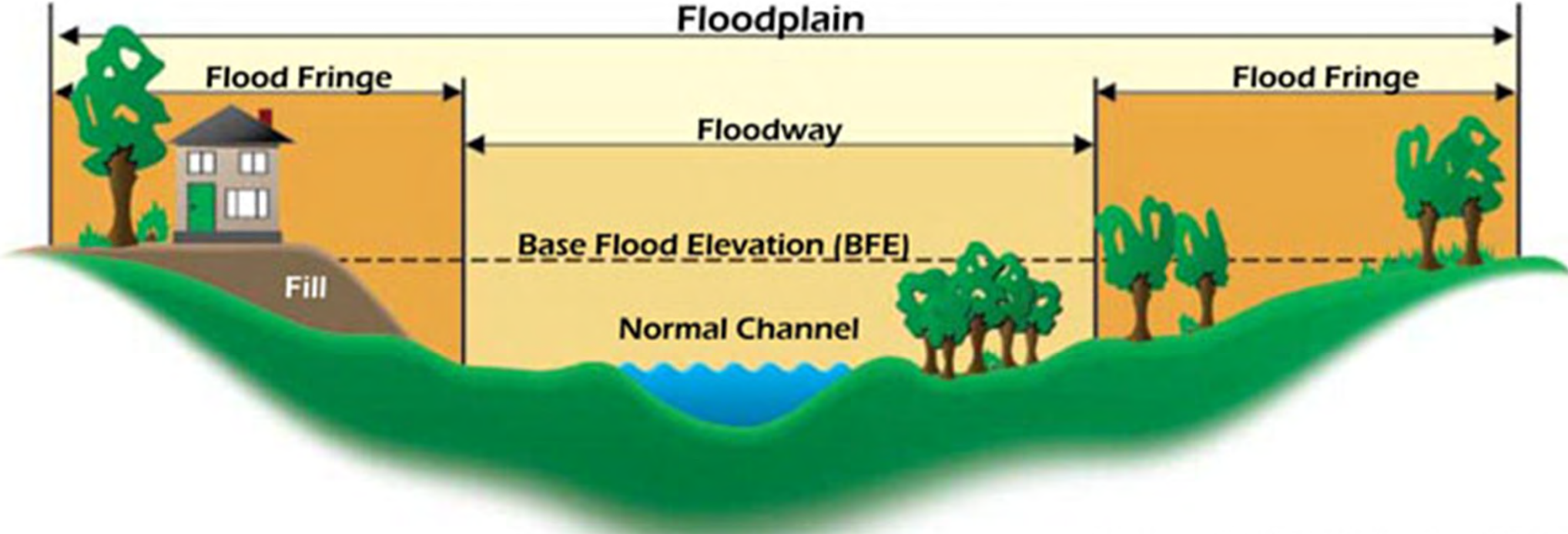
This study covered:

- Detailed streams.
 - Kenai River (47.3 mi.)
- Approximate streams.
 - Beaver Creek (3.3 mi.)
 - Funny River (1.7 mi.)
 - Killey River (2.7 mi.)
 - Moose River (6.0 mi.)
 - Slikok Creek (1.8 mi.)
 - Soldotna Creek (3.1 mi.)



Map showing the extent of the study completed in Kenai Peninsula Borough.

Characteristics of a Floodplain

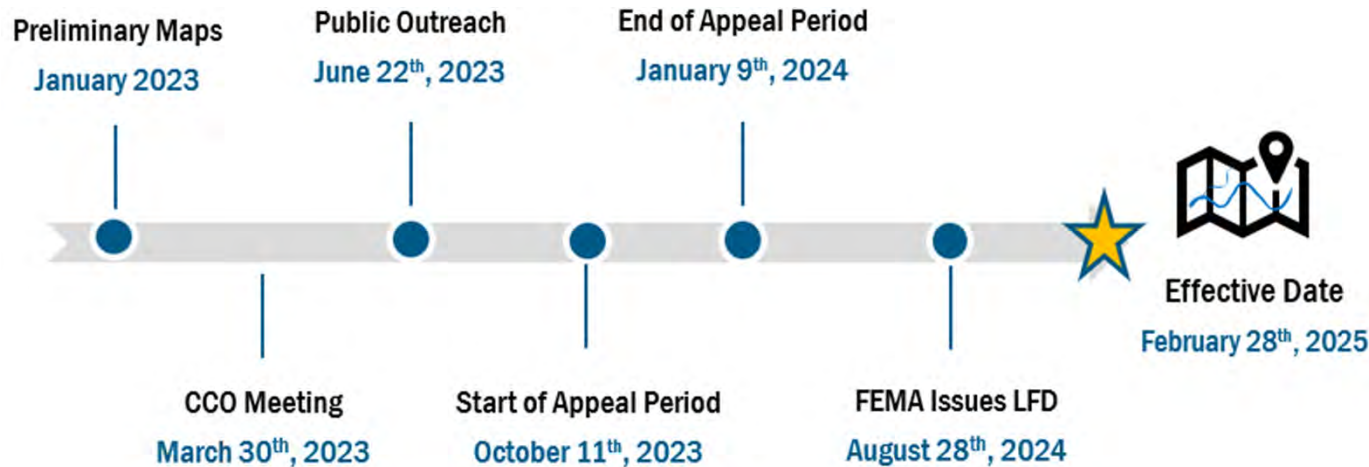


Source: NFIP Guidebook, FEMA



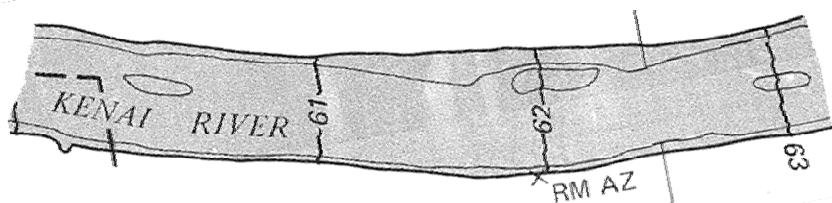
“Letter of Final Determination” (LFD)

- Sent to communities and publishes the BFEs in the Federal Register
- Communities have 6 months to adopt the study before the data becomes “effective”
- **Failure to adopt results in suspension from the NFIP**



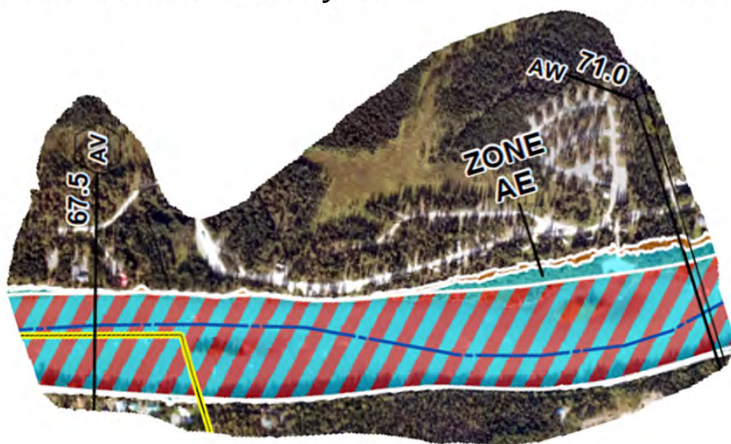
DIGITAL FLOOD INSURANCE RATE MAPS – ELEVATION DATUMS

- Effective maps relative to National Geodetic Vertical Datum – NGVD 29
 - Based on a mean sea level from 21 tidal stations in the US & 5 stations in Canada



**Reference to the National Geodetic Vertical Datum of 1929

- Preliminary maps relative to North American Vertical Datum – NAVD 88
 - Based on the density of the water head of varying values of sea heights



Western Hemisphere; Vertical Datum: NAVD 88

Big Eddy
Kenai River Flood
September 12, 2023



Castaway Cove Island
Kenai River Flood
September 13, 2023



Big Eddy
Kenai River Flood
September 13, 2023



Kenai Keys
Kenai River Flood
September 13, 2023



Dow Island
Kenai River Flood
September 13, 2023



Kenai Keys
Kenai River Flood
September 13, 2023



Kenai Keys
Kenai River Flood
September 13, 2023

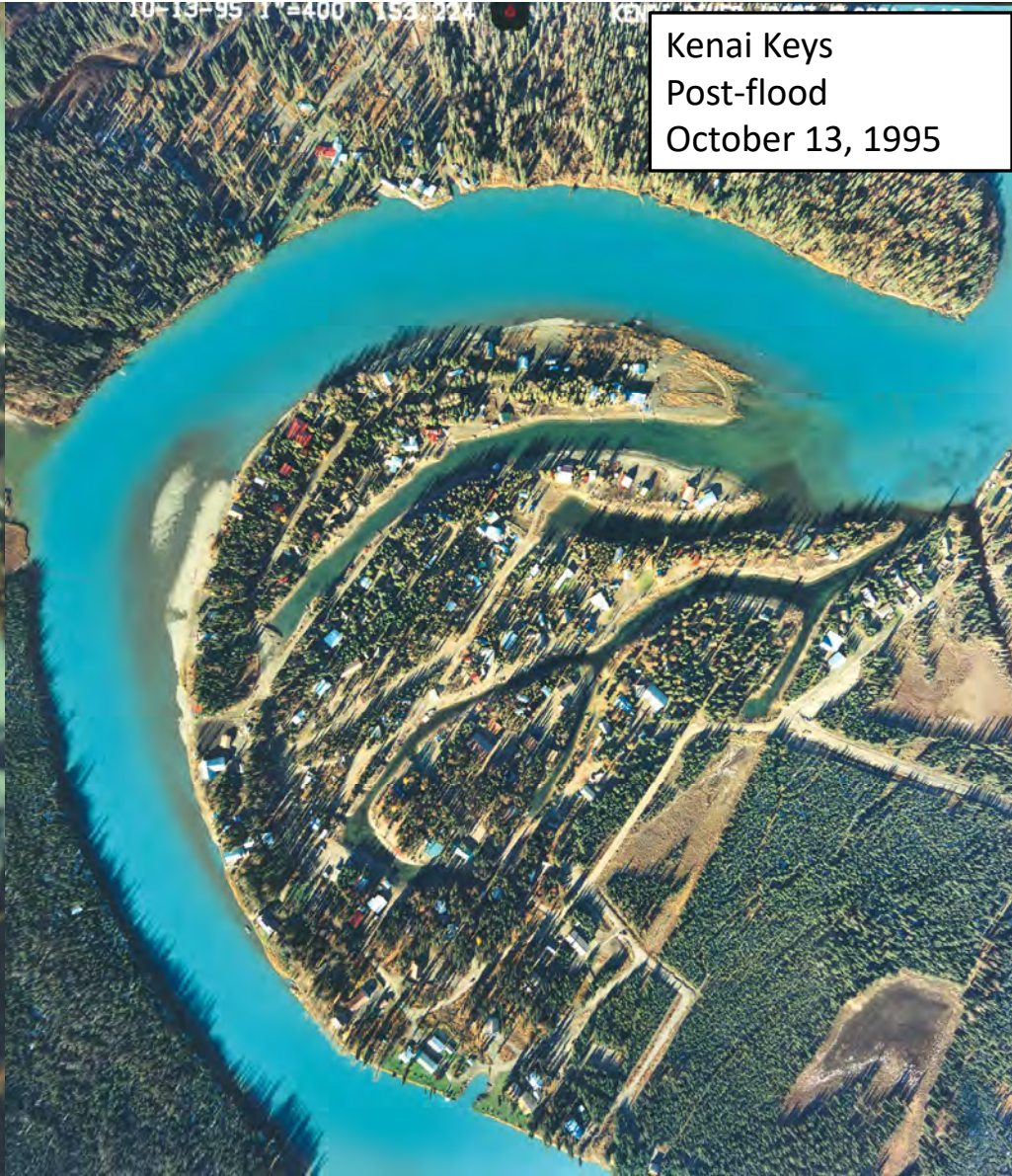


Big Eddy Area
Kenai River Flood
September 26, 1995





Kenai Keys
Kenai River Flood
September 26, 1995



Kenai Keys
Post-flood
October 13, 1995

Introduced by:
Date:
Action:
Vote:

Mayor
01/21/25

**KENAI PENINSULA BOROUGH
RESOLUTION 2025-006**

**A RESOLUTION AUTHORIZING THE BOROUGH TO ENTER INTO A
NEW TWO-YEAR LEASE AGREEMENT WITH A MONTH-TO-MONTH
RENEWAL OPTION WITH TKC, LLC FOR THE CONTINUED
OCCUPANCY OF COMMERCIAL OFFICE SPACE FOR THE KENAI
PENINSULA BOROUGH RISK MANAGEMENT DEPARTMENT**

WHEREAS, the Kenai Peninsula Borough (KPB) Risk Management Office (Risk) was displaced from its portable structure location on KPB's Administration Campus in 2023 due to winter damage resulting in the portable structure being deemed unsafe for continued use; and

WHEREAS, Resolution 2023-028 authorized a commercial office space lease with TKC, LLC (Lessor) located at 170 North Birch Street, Suite 103 in Soldotna, containing approximately 1,190 square feet, at a monthly rate of \$2,300 (or annual rate of \$27,600); and

WHEREAS, the current lease will expire on March 30, 2025; and

WHEREAS, no existing KPB-owned or managed office spaces have been identified as being suitable to meet the needs of Risk; and

WHEREAS, an internal review of current, available market options revealed limited commercial office spaces in the Soldotna area that meet Risk's requirements; and

WHEREAS, Lessor has agreed to a new two-year lease agreement at a monthly rate of \$2,369 (\$28,428/annually), to cover the rising cost of utilities, snow removal, insurance, and other related expenses paid by Lessor, with the initial term of the new lease commencing on March 31, 2025, and terminating March 31, 2027; and

WHEREAS, the current leased location has been confirmed by Risk to meet all existing operational needs; and

WHEREAS, no relocation or tenant improvement costs will be incurred by KPB with the continued occupancy of the existing Risk office space; and

WHEREAS, pursuant to KPB 17.10.040, Assembly approval of the acquisition of interests in lands must be by resolution upon receipt of a Planning Commission recommendation; and

WHEREAS, the Planning Commission conducted a public hearing during its regularly-scheduled meeting on January 13, 2025, and recommended _____;

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

SECTION 1. That the Mayor, or designee, is authorized to enter into a new lease, from Lessor, of real property located in the Kenai Recording District, Third Judicial District, State of Alaska, more particularly described as follows:

Suite 130, containing approximately 1,190 square feet of office space located at 170 N. Birch Street, Soldotna, AK, 99669, being situated on Lot 12A, Block 6, Soldotna Junction Subdivision Indcom Replat, Seward Meridian, Kenai Recording District, State of Alaska.

SECTION 2. That the purpose of the Lease is for office space necessary for continued daily operations of the KPB Risk Management Department.

SECTION 3. That the monthly rent will be \$2,369.00 for the initial two-year term of the lease. The lease will automatically renew on a month-to-month basis for a period up to one year, subject to a 4% rent increase in the third year, unless either party gives written notice of termination. The terms and conditions of the lease will be substantially similar to those of the accompanying draft lease agreement and the terms and conditions of this resolution.

SECTION 4. That no land classification is proposed for this leased property.

SECTION 5. That expenditures for the lease will be charged to account number 700-11234-00000-43810.

SECTION 6. That the Mayor, or designee, is authorized to execute all documents for a lease agreement substantially similar to the draft lease agreement accompanying this resolution and to make all agreements deemed necessary in accordance with this resolution.

SECTION 7. That this resolution is effective immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 21ST DAY OF JANUARY, 2025.

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Peter Ribbens, KPB Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Robert Ruffner, Planning Director *RR*
Aaron Hughes, Land Management Officer *AH*
Sovala Kisena, Risk Management Director *SK*

FROM: Jennifer Shields, Land Management Agent *JS*

DATE: January 9, 2025

RE: Resolution 2025-006, Authorizing the Borough to Enter Into a New Two-Year Lease Agreement With a Month-to-Month Renewal Option With TKC, LLC for the Continued Occupancy of Commercial Office Space for the Kenai Peninsula Borough Risk Management Department (Mayor)

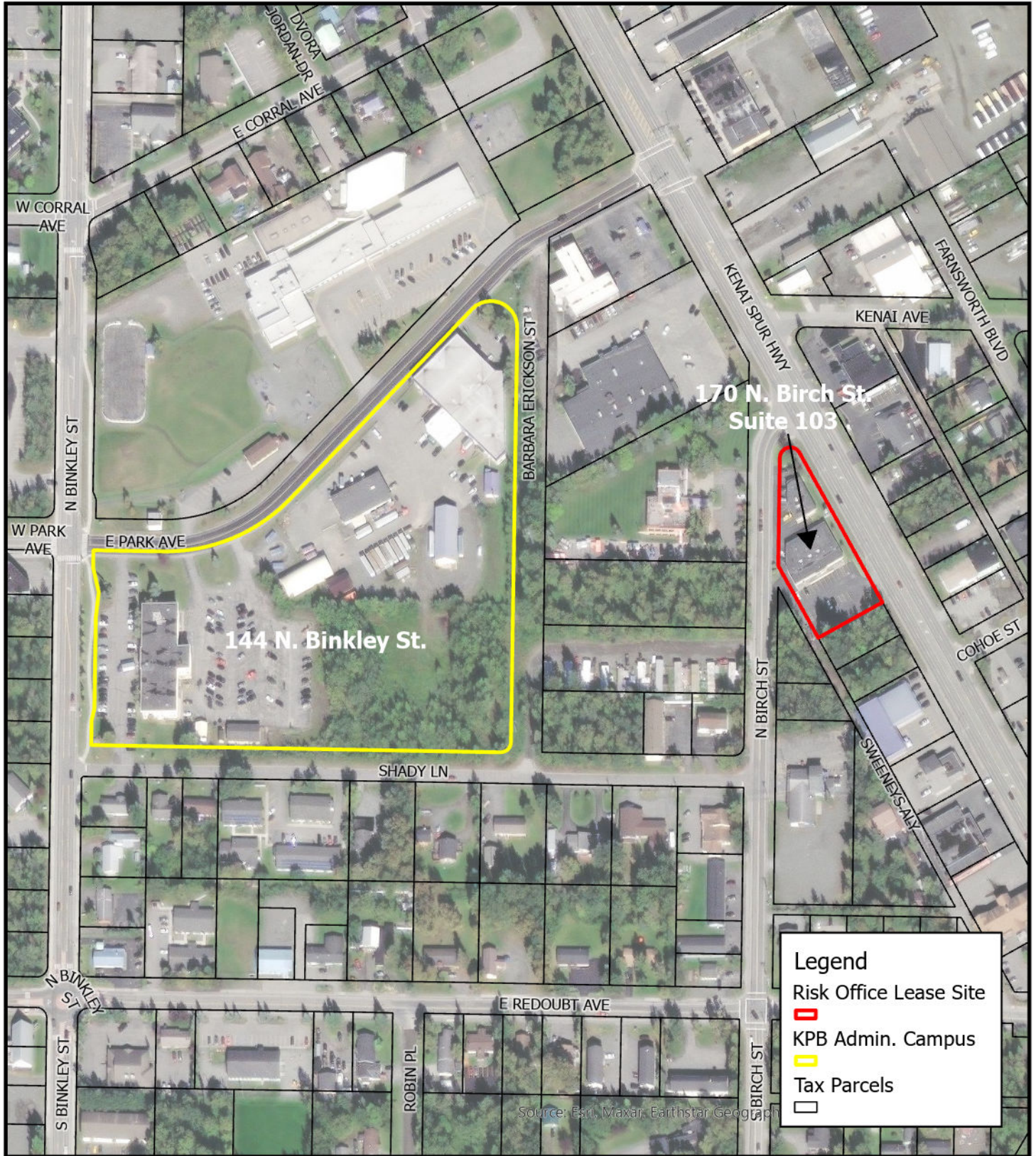
In 2023, the Kenai Peninsula Borough (KPB) Risk Management Office was displaced from its portable office structure located on KPB's Administration Campus in Soldotna as a result of damage caused by high snow loads. An extensive internal review of existing KPB-owned or managed office spaces was conducted, with no suitable alternate locations being identified.

A two-year lease was then authorized by Resolution 2023-028 for 1,190 square feet of private commercial office space located at 170 North Birch Street, Suite 103 in Soldotna. The lease was negotiated at a monthly rate of \$2,300 (\$27,600/annually) to facilitate continued operations of the Risk Management Department. The current lease term will expire on March 30, 2025, with an option to renew on a month-to-month basis for an additional one-year term at a monthly rate of \$2,392 (\$28,704/annually).

Alternatively, TKC, LLC (Lessor) has agreed to a new two-year lease agreement at a monthly rate of \$2,369 (\$28,428/annually) which equates to \$1.93 per square foot. This adjustment is requested to cover utilities, snow removal, insurance, and other related expenses paid by Lessor. The initial term of the new lease, if approved, would commence on March 31, 2025 and run through March 31, 2027, unless terminated sooner.

This Resolution authorizes KPB to enter into a new two-year lease agreement with Lessor to facilitate continued operations of the Risk Management Department at 170 North Birch Street, Suite 103 in Soldotna.

Your consideration is appreciated.



Source: Esri, Maxar, Earthstar Geographics



LEASE

This Lease, made this _____ day of _____, 2025, is by and between TKC, LLC, (Lessor) and the Kenai Peninsula Borough (Lessee or KPB), pursuant to KPB Resolution 2025-____ (together, the Parties).

WITNESSETH:

1. **Premises.** Lessor, for and in consideration of the rents, covenants, and conditions specified in this Lease to be paid by Lessee, does hereby lease to Lessee, the real estate located in the Kenai Recording District, Third Judicial District, State of Alaska, more particularly described as follows:

Suite 103, containing approximately 1,190 square feet of office space located at 170 N. Birch Street, Soldotna, AK, 99669, being situated on Lot 12A, Block 6, Soldotna Junction Subdivision Indcom Replat, Seward Meridian, Kenai Recording District, State of Alaska (the Premises).

for the purpose of providing office space for the KPB Risk Management Department (Risk).

2. **Term.** The initial term of this Lease will be for two years commencing on the 31st day of March, 2025, through and including the 31st day of March 2027, unless sooner terminated.

Lessee will have the option to renew this Lease on a month-to-month basis for an additional one-year term as provided below in Paragraph 12, "Renewal".

3. **Rental.** In consideration of the rental of the Premises by Lessor, Lessee covenants to pay to Lessor, as rental for the Premises described above in Paragraph 1, "Premises", the sum of two thousand three hundred sixty-nine dollars (\$2,369.00) per month, in advance, on the first day of each and every month. All payments, unless and until otherwise directed in writing by Lessor, will be paid to Lessor. The monthly rental rate will remain the same in the first and second years.

4. **Covenants of Lessee.** Lessee hereby covenants and agrees:

- A. That Lessee will pay the rent specified at the times and in the manner set out above in Paragraph 3, "Rental", except only in the case of fire or another casualty as here provided;

- B. That Lessee will not assign, sublet or part with the possession of all or any part of the Premises without the prior written consent of Lessor. Such consent will not be unreasonably withheld by Lessor;

- C. That Lessee will allow Lessor, on written notice at least twenty-four hours before and at a reasonable time, to enter, view and/or make any repairs to the Premises

which Lessor may see fit to make, except that twenty-four-hours' notice is not necessary for emergency repairs. An employee or agent of Lessee will accompany Lessor during all Lessor entries onto the Premises unless Lessee specifically waives this right in writing. Lessee may waive, in writing, the twenty-four-hour notice requirement for Lessor's entry onto the Premises;

- D. That at the expiration of the term of this Lease, Lessee will peaceably yield the Premises to Lessor, in good repair in all respects, reasonable use and wear and damage by fire and other casualties excepted;
- E. That Lessee will not, without Lessor's prior written consent in each instance, make any alterations or additions in or about the Premises. All permanent alterations or improvements made to the Premises will become Lessor's property and must be surrendered as part of the Premises upon the termination of this Lease;
- F. That Lessee, at its own expense, will obtain all licenses and permits required by governmental agencies having jurisdiction over the operation of its business;
- G. That Lessee, at its own expense, will maintain the Premises and its appurtenances in good repair, and in at least as good condition as that in which they are delivered, allowing for ordinary wear and tear. Lessee will be responsible for the maintenance and all minor repairs to the interior of the Premises; and
- H. That Lessee will pay for its own telephone and internet utilities. Lessee will also provide its own janitorial services for the Premises. Lessor shall provide all other utilities and services as described below in Paragraph 5, "Lessor's Warranties".

5. **Lessor's Warranties.** Lessor covenants, guarantees and provides the following express warranties:

- A. That no existing restrictions interfere with Lessee's permitted and intended use of the Premises;
- B. That adequate ingress and egress to the Premises is available;
- C. That Lessor has sufficient interest in the Premises to grant Lessee this leasehold;
- D. That Lessee will have quiet enjoyment of the Premises;
- E. That the Premises is fit for its intended use;
- F. That any use, treatment, storage, or transportation of hazardous substances has been in compliance with all applicable federal, state and local laws. No hazardous substances have been released, discharged, spilled, leaked, disposed of, or emitted on, in, or under the Premises. The Premises are free of hazardous substances;
- G. That Lessor will be responsible for all snow and ice removal from the roof and the adjacent parking area and sanding as necessary;

- H. That Lessor will keep the structural supports, exterior walls, roof, plumbing and heating system in good order and repair; and
- I. That Lessor will provide electricity, heating energy, water and sewer, and exterior and common area maintenance at its own cost and expense. Lessee will be responsible for phone and internet utilities only.
6. **Default by Lessor/Lessee.** Should either Lessee or Lessor default in the performance of the obligations of any covenants of this Lease and fail to fully remedy such default within thirty days after written notice by the non-defaulting Party, then the Lease may be terminated by written notice to the defaulting Party. All rental hereunder will abate during the period of any such default. Upon termination of this Lease, Lessor will refund to Lessee any unearned advance rental paid of Lessee.
7. **Liability and Insurance.** Each Party is responsible and liable for its own acts and omissions under this Lease. Lessee agrees to carry \$500,000 liability insurance and \$50,000 fire legal liability insurance. Lessee further understands that it will be insured, if it so desires, for its personal property and other belongings which are kept within the Premises. Lessee will not do anything or bring anything within the Premises which increases the risk of fire or other loss to the Premises.
8. **Permits, Law, and Taxes.** Lessor will acquire and maintain in good standing all permits, licenses, and other entitlements necessary to the performance under this Lease. All actions taken by the Lessor under this Lease will comply with all applicable statutes, ordinances, rules, and regulations. Lessor will pay all taxes that may be due and owing to a federal, state, or local taxing entity.
9. **No Waiver.** No assent, expressed or implied, by either Party to any breach of either Party's covenants will be deemed to be a waiver of any succeeding breach of the same covenants, nor will any forbearance by either Party to seek a remedy for any breach be deemed a waiver by that Party of its rights or remedies with respect to such breach.
10. **Integration.** This document contains the entire agreement of the Parties. All negotiations, statements, representations, guarantees, warranties, and assurances, whether oral or written, which are in any way related to the subject matter of this Lease and the performance of either Party, are merged and integrated into the terms of this document.
11. **Modification.** The Parties may mutually agree to modify the terms of this Lease. Any modifications must be in writing executed by both the Parties.
12. **Renewal.** This Lease will automatically renew for an additional period of one year on the same terms as this Lease and subject to a 4% rent increase for that third year, unless either Party gives written notice of termination no later than sixty days prior to the end of the term or renewal term.
13. **Subject to Annual Appropriation.** Unless the KPB Assembly by Resolution provides otherwise, this Lease will automatically terminate without penalty on June 30 of any year

during which the KPB Assembly fails to appropriate funds sufficient to make lease payments on the Premises for the following fiscal year.

- 14. **Interpretation and Enforcement.** This Lease has been drafted following negotiations between the Parties. It will be construed according to the fair intent of the language as a whole, not for or against either Party. The interpretation and enforcement of this Lease will be governed by the laws of the State of Alaska. The venue for any lawsuit arising from this Lease is the Third Judicial District, Kenai, Alaska.

The titles of the Paragraphs in this Lease are not to be construed as limitations or definitions but are for identification purposes only.

- 15. **Severability.** If part of this Lease is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, the remainder of this Lease will remain in full force and effect.

- 16. **Notice.** Whenever notice is required by this Lease, it will be addressed as follows until written notice of change of address is given to the other Party:

Lessor:
TKC, LLC
Attn:
P.O. Box 969
Kenai, AK 99611

Lessee:
Kenai Peninsula Borough
Attn.: Land Management
144 N. Binkley Street
Soldotna, AK 99669

LESSOR:

LESSEE:

Kenneth L. Dunbar
Manager TKC, LLC

Peter A. Micciche, Mayor
Kenai Peninsula Borough

Date: _____

Date: _____

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

Michele Turner, CMC
Borough Clerk

A. Walker Steinhage
Deputy Borough Attorney

Date: _____

NOTARY ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025 by **Peter A. Micciche**, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the Corporation.

Notary Public in and for Alaska
Commission expires: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025 by _____, _____ of **TKC, LLC**.

Notary Public in and for Alaska
Commission expires: _____

Introduced by: Mayor
Date: 03/14/23
Action: Adopted
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2023-028**

A RESOLUTION AUTHORIZING THE BOROUGH TO ENTER INTO A TWO-YEAR LEASE AGREEMENT WITH A MONTH-TO-MONTH RENEWAL OPTION WITH TKC, LLC, FOR THE OCCUPANCY OF COMMERCIAL OFFICE SPACE NECESSARY FOR DAILY OPERATIONS OF THE KENAI PENINSULA BOROUGH RISK MANAGEMENT DEPARTMENT

- WHEREAS,** the Borough Risk Management Department (“Risk”) has been displaced from its current location on the Borough Administration Campus because it is unsafe for occupancy due to significant structural problems; and
- WHEREAS,** an extensive internal review of existing office spaces was conducted of Borough-owned and managed facilities in the Soldotna area; and
- WHEREAS,** no existing Borough-owned or managed office spaces were identified as being suitable to meet Risk’s needs; and
- WHEREAS,** Land Management was retained to assist in locating private commercial office space available for lease to satisfy Risk’s needs through a real property need questionnaire; and
- WHEREAS,** after review of eight available properties, TKC, LLC’s commercial office space located at 170 North Birch Street, Suite 103 in Soldotna, containing approximately 1,190 square feet at a monthly rate of \$2,300 (or annual rate of \$27,600) was identified as a property meeting Risk’s requirements; and
- WHEREAS,** pursuant to KPB 17.10.040, assembly approval of the acquisition of interests in lands must be by resolution upon receipt of a planning commission recommendation; and
- WHEREAS,** there are limited commercial office spaces available in the Soldotna area that meet Risk’s requirements; accordingly, it is necessary to secure the lease on an expedited basis while the office space is available; and
- WHEREAS,** due to the expedited timeline necessary to secure the lease, and temporary nature of the lease, an exception to the Planning Commission recommendation has been requested; and

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

SECTION 1. That the Borough is authorized to lease from TKC, LLC, the real property located in the Kenai Recording District, Third Judicial District, State of Alaska, more particularly described as follows:

Suite 130, containing approximately 1,190 square feet of office space located at 170 N. Birch Street, Soldotna, AK, 99669, being situated on Lot 12A, Block 6, Soldotna Junction Subdivision Indcom Replat, Seward Meridian, Kenai Recording District, State of Alaska.

SECTION 2. That the purpose of the acquisition is for office space necessary for daily operations of the Kenai Peninsula Borough Risk Management Department.

SECTION 3. That the monthly rental will be \$2,300 for the initial two-year term of the lease. The lease will automatically renew on a month-to-month basis for a period up to one year, subject to a 4% increase in the third year; unless either party gives written notice of termination no later than sixty days prior to the end of the term or renewal term. The terms and conditions of the lease will be substantially similar to those of the accompanying draft lease agreement and the terms and conditions of this resolution.

SECTION 4. That no land classification is proposed for this leased property.

SECTION 5. That expenditures for the lease will be charged to account number 700-11234-00000-43810.

SECTION 6. That the assembly makes an exception to KPB 17.10.040(A) requiring a planning commission recommendation prior to assembly approval. This exception is based on the following findings of fact pursuant to KPB 17.10.230:

1. Special circumstances or conditions exist.
 - A. Risk's regular office space is unsafe for occupancy due to significant structural problems
 - B. An expedited timeframe is required to secure operating space for Risk because there are limited commercial office spaces available in the Soldotna area that meet Risk's requirements.
 - C. The lease is temporary in nature.

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 KPB Chapter 17.10.

A. Starting in 2018, Risk lacked permanent offices. Risk personnel then were required to move multiple times until the fall of 2022, when Risk moved into its current offices, only to be displaced again because those offices became unsafe for occupancy due to significant structural problems.

B. Since Risk's displacement about ninety days ago, the current members of Risk are unable to work in the same location. Presently, the Risk Manager is housed in the Mayor's Office suite, the Safety Manager is housed in Information Technology, and the Environmental Compliance Manager and Administrative Assistant are working from home. Further, Risk is preparing to hire two more members, with no space to house them presently available.

C. Risk has an overdue and necessary need for consolidated office space where all members of Risk are able to work together and collaborate in order to most effectively accomplish its mission. Shared office space is critical for efficiency and productivity, as well as the preservation and enjoyment of a collegial teamwork environment.

D. This is the most practical manner of complying with the intent of KPB Chapter 17.10.

3. That the granting of the exception will not be detrimental to the public welfare or injurious to other property in the area.

A. The procurement of the space was conducted on the open market.

B. The proposed use is allowable by zoning and consistent with uses in the area.

SECTION 7. That the mayor is authorized to execute all documents for a lease agreement substantially similar to the draft lease agreement submitted with this resolution and to make all agreements deemed necessary in accordance with this resolution.

SECTION 8. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 14TH DAY OF MARCH, 2023.

Brent Johnson
Brent Johnson, Assembly President

ATTEST:

Michele Turner
Michele Turner, CMC, Acting Borough Clerk



Yes: Chesley, Cox, Ecklund, Elam, Hibbert, Ribbens, Tupper, Johnson
No: None
Absent: Derkevorkian

LEASE

This Lease, made this _____ day of March, 2023, is by and between TKC, LLC, (“Lessor”) and the KENAI PENINSULA BOROUGH (“Lessee”) pursuant to KPB Resolution 2023-_____ (together, the “Parties”).

WITNESSETH:

1. **Premises.** Lessor, for and in consideration of the rents, covenants, and conditions hereinafter specified to be paid by Lessee, does hereby lease to Lessee, the real estate located in the Kenai Recording District, Third Judicial District, State of Alaska, more particularly described as follows:

Suite 130, containing approximately 1,190 square feet of office space located at 170N. Birch Street, Soldotna, AK, 99669, being situated on Lot 12A, Block 6, Soldotna Junction Subdivision Indcom Replat, Seward Meridian, Kenai Recording District, State of Alaska (the “Premises”).

for the purpose of providing office space for the Kenai Peninsula Borough Risk Department (“Risk”).

2. **Term.** The initial term of this Lease will be for one year commencing on the 15th day of March, 2023, through and including the 30th day of March 2025, unless sooner terminated.

The Lessee will have the option to renew this Lease on a month-to-month basis for an additional one-year term.

3. **Rental.** In consideration of the rental of the Premises by Lessor, the Lessee covenants to pay to the Lessor, as rental for the Premises described in Paragraph 1 above, the sum of two thousand three hundred dollars (\$2,300.00) per month, in advance, on the first day of each and every month. All payments, unless and until otherwise directed in writing by Lessor, will be paid to the Lessor. The monthly rental rate will remain the same in first and second years.

4. **Covenants of Lessee.** The Lessee hereby covenants and agrees:

A. **To pay rent:** The Lessee will pay the rent specified at the times and in the manner set out in Paragraph 3 herein, except only in the case of fire or other casualty as herein provided.

B. **Not to assign.** Lessee will not assign, sublet or part with the possession of all or any part of the Premises without the prior written consent of the Lessor. Such consent will not be unreasonably withheld by Lessor.

- C. To permit Lessor to enter. Lessee will allow the Lessor, on written notice at least twenty-four hours before and at a reasonable time, to enter, view and/or make any repairs to the Premises which Lessor may see fit to make, except that twenty-four-hours' notice is not necessary for emergency repairs. An employee or agent of Lessee for all Lessor entries onto the Premises will accompany Lessor unless this right is specifically waived in writing by the Lessee. Lessee may waive in writing the twenty-four-hour notice requirement for Lessor's entry onto the Premises.
 - D. To yield up Premises. At the expiration of the term of this Lease, Lessee will peaceably yield to the Lessor the Premises, in good repair in all respects, reasonable use and wear and damage by fire and other casualties excepted.
 - E. Alterations. Lessee will not, without the Lessor's prior written consent first obtained in each instance, make any alterations or additions in or about the Premises. All permanent alterations or improvements made to the Premises will become the property of the Lessor and be surrendered as part of the Premises upon the termination of this Lease.
 - F. Licenses and Permits. Lessee, at its own expense, will obtain all licenses and permits required by governmental agencies having jurisdiction over the operation of its business.
 - G. Maintenance. Lessee, at its own expense, will maintain the Premises and appurtenances thereto in good repair, and in at least as good condition as that in which they are delivered, allowing for ordinary wear and tear. Lessee will be responsible for the maintenance and all minor repairs to the interior of the Premises.
 - H. Utilities and Service. Lessee will pay for its own telephone and internet utilities. Lessee will also provide its own janitorial services for the Premises. Lessor shall provide all other utilities and services as described in Paragraph 5.
5. **Lessor's Warranties.** The Lessor covenants, guarantees and provides the following express warranties:
- A. No existing restrictions interfere with the Lessee's permitted and intended use of the leased property;
 - B. Availability of adequate ingress and egress to Premises;
 - C. Lessor has sufficient interest in the Premises to grant tenants this leasehold;
 - D. Lessee will have quiet enjoyment of the Premises;
 - E. The Premises is fit for its intended use;
 - F. Any use, treatment, storage, or transportation of hazardous substances has been in compliance with all applicable federal, state and local laws. No hazardous

substances have been released, discharged, spilled, leaked, disposed of, or omitted on, in, or under the Premises. The Premises are free of hazardous substances;

- G. Lessor will be responsible for all snow and ice removal from the roof and the adjacent parking area and sanding as necessary;
 - H. Lessor will keep the structural supports, exterior walls, roof, plumbing and heating system in good order and repair; and
 - I. Lessor will provide electricity, heating energy, water and sewer, and exterior / common area maintenance at its own cost and expense. Lessee will be responsible for phone and internet utilities only.
6. **Default by Lessor/Lessee.** Should either Lessee or Lessor default in the performance of the obligations of any covenants of this Lease and fail to fully remedy such default within thirty days after written notice by the non-defaulting party, then the Lease may be terminated by written notice to the defaulting party. All rental hereunder will abate during the period of any such default. Upon termination of this Lease, Lessor will refund to Lessee any unearned advance rental paid of lessee.
7. **Liability and Insurance.** Each Party is responsible and liable for its own acts and omissions under this Lease. Lessee agrees to carry \$500,000 liability insurance and \$50,000 fire legal liability insurance. Lessee further understands that it will be insured, if it so desires, for its personal property and other belongings which are kept within its premises. Lessee will not do anything or bring anything within the premises which shall increase the risk of fire or other loss to the premises.
8. **Permits, Law, and Taxes.** Lessor will acquire and maintain in good standing all permits, licenses, and other entitlements necessary to the performance under this Lease. All actions taken by the Lessor under this Lease will comply with all applicable statutes, ordinances, rules, and regulations. Lessor will pay all taxes that may be due and owing to a federal, state, or local taxing entity.
9. **No Waiver.** No assent, expressed or implied, by either Party to any breach of either Party's covenants will be deemed to be a waiver of any succeeding breach of the same covenants, nor will any forbearance by either Party to seek a remedy for any breach be deemed a waiver by that Party of its rights or remedies with respect to such breach.
10. **Integration.** This document contains the entire agreement of the Parties hereto. All negotiations, statements, representations, guarantees, warranties, and assurances, whether oral or written, which are in any way related to the subject matter of this Lease and the performance of either Party hereto, are merged and integrated into the terms of this document.
11. **Modification.** The Parties may mutually agree to modify the terms of this Lease. Any modifications will be in writing executed by both the Parties.

- 12. **Renewal.** This Lease will automatically renew for an additional period of one year on the same terms as this Lease and subject to a 4% rent increase for that third year, unless either Party gives written notice of termination no later than sixty days prior to the end of the term or renewal term.
- 13. **Subject to Annual Appropriation.** Unless the Kenai Peninsula Borough Assembly by resolution provides otherwise, this Lease will automatically terminate without penalty on June 30 of any year during which the Kenai Peninsula Borough Assembly fails to appropriate funds sufficient to make lease payments on the Premises for the following fiscal year.
- 14. **Interpretation and Enforcement.** This Lease has been drafted following negotiations between the Parties. It will be construed according to the fair intent of the language as a whole, not for or against either Party. The interpretation and enforcement of this Lease will be governed by the laws of the State of Alaska. The venue for any lawsuit arising under this Lease is the Third Judicial District at Kenai, Alaska.

The titles of the paragraphs in this Lease are not to be construed as limitations or definitions but are for identification purposes only.

- 15. **Severability.** If part of this Lease is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, the remainder of this Lease will remain in full force and effect.
- 16. **Notice.** Whenever notice is required hereunder, it will be addressed as follows until written notice of change of address is given to the other party:

Lessor:
 TKC, LLC
 Attn:
 PO Box 10658
 Bakersfield, CA93389

Lessee:
 Kenai Peninsula Borough
 Attn: Land Management
 144 N. Binkley Street
 Soldotna, AK 99669

LESSOR:

LESSEE:

 _____,

 Peter Micciche, Mayor
 Kenai Peninsula Borough

Date: _____

Date: _____

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

Michele Turner, CMC
Acting Borough Clerk

A. Walker Steinhage
Deputy Borough Attorney

NOTARY ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023 by **Peter Micciche**, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public in and for Alaska
Commission expires: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023 by _____, _____ of TKC, LLC.

Notary Public in and for Alaska
Commission expires: _____

Introduced by: Mayor
Date: 01/21/25
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2025-007**

A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH TO ISSUE ITS SOUTH PENINSULA HOSPITAL SERVICE AREA GENERAL OBLIGATION REFUNDING BOND TO REFUND CERTAIN OUTSTANDING SOUTH PENINSULA HOSPITAL SERVICE AREA GENERAL OBLIGATION REFUNDING BONDS OF THE BOROUGH, FIXING CERTAIN DETAILS OF SUCH BOND AND AUTHORIZING ITS SALE, AND PROVIDING FOR RELATED MATTERS

- WHEREAS,** the Kenai Peninsula Borough, Alaska (the “Borough”), is a second class borough and is authorized to take the actions in this resolution; and
- WHEREAS,** to finance certain capital improvements in the South Peninsula Hospital Service Area, the Borough issued and sold its South Peninsula Hospital Service Area General Obligation Bonds, 2007, dated August 28, 2007 (the “2007 Bond”), pursuant to the terms and conditions of Resolution 2007-043, adopted by the Borough Assembly on June 19, 2007; and
- WHEREAS,** the Alaska Municipal Bond Bank (the “Bond Bank”) purchased the 2007 Bond pursuant to the terms of a loan agreement by and between the Borough and the Bond Bank, dated August 1, 2007 (the “Loan Agreement”); and
- WHEREAS,** certain outstanding principal installments due under the 2007 Bond were refunded by exchange through the issuance of the Borough’s South Peninsula Hospital Service Area General Obligation Refunding Bond, 2015, dated June 4, 2015 (the “2015 Bond”), pursuant to Resolution 2015-019, adopted by the Borough Assembly on April 7, 2015; and
- WHEREAS,** to allow for the refunding by exchange of the 2015 Bond, the Loan Agreement was amended on June 1, 2015 by the Borough and Bond Bank to, among other matters, include a revised payment schedule for the 2015 Bond (the “First Amendatory Loan Agreement”); and
- WHEREAS,** there is now outstanding the principal amount of \$3,865,000 of the 2015 Bond maturing March 1, 2025 through, and including, March 1, 2028; and
- WHEREAS,** the Assembly finds that it is necessary and appropriate to provide for the refunding, including the payment of principal of and interest on those principal installments of the 2015 Bond which the Mayor or Borough Finance Director determines will produce a debt service savings (the “Refunded Bond”), by the

issuance of its South Peninsula Hospital Service Area General Obligation Refunding Bond, 2025 (the “Bond”); and

WHEREAS, the Assembly finds that it is necessary and appropriate to delegate to each of the Mayor and Borough Finance Director authority to determine the principal installments, interest rates and other details of the Bond, and to determine other matters pertaining to the Bond that are not provided for in this resolution; and

WHEREAS, the Borough and the Bond Bank intend to enter into a Second Amendatory Loan Agreement that amends the Loan Agreement, as amended by the First Amendatory Loan Agreement, to provide for the refunding by exchange of the Refunded Bond through their exchange for the Bond, and related matters;

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

SECTION 1. Definitions. The following terms shall have the following meanings in this Resolution:

- (A) “Assembly” means the Assembly of the Kenai Peninsula Borough, as the general legislative authority of the Borough, as the same shall be duly and regularly constituted from time to time.
- (B) “Bond” means the “South Kenai Peninsula Hospital Service Area General Obligation Refunding Bond, 2025” of the Borough, the issuance and sale of which are authorized herein.
- (C) “Bond Bank” means the Alaska Municipal Bond Bank, a public corporation of the State of Alaska.
- (D) “Bond Bank Bonds” means the general obligation refunding bonds to be issued by the Bond Bank, a portion of the proceeds of which will be used to refund by exchange the Refunded Bond.
- (E) “Bond Register” means the registration books maintained by the Registrar, which include the name and address of the Registered Owner or its nominee.
- (F) “Borough” means the Kenai Peninsula Borough, a municipal corporation of the State of Alaska, organized as a second class borough under Title 29 of the Alaska Statutes.
- (G) “Borough Finance Director” means the Finance Director of the Borough.
- (H) “Code” means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.

- (I) “First Amendatory Loan Agreement” means the First Amendatory Loan Agreement between the Borough and the Bond Bank, dated June 1, 2015, amending the Loan Agreement to provide for the refunding of certain maturities of the 2007 Bonds through their exchange for the 2015 Bond, and related matters.
- (J) “Loan Agreement” means the Loan Agreement between the Borough and the Bond Bank, dated August 1, 2007.
- (K) “Refunded Bond” means the principal installments of the 2015 Bonds the refunding of which the Mayor or Borough Finance Director determines will produce a debt service savings under Section 2.
- (L) “Registered Owner” means the person named as the registered owner of the Bond in the Bond Register.
- (M) “Registrar” means the Borough Finance Director.
- (N) “Resolution” means this Resolution of the Assembly.
- (O) “Second Amendatory Loan Agreement” means the Second Amendatory Loan Agreement between the Borough and the Bond Bank, amending the Loan Agreement and the First Amendatory Loan Agreement, as necessary, to provide for the refunding of the Refunded Bond through their exchange for the Bond, and related matters.
- (P) “2007 Bonds” means the \$10,845,000 of South Kenai Peninsula Hospital Service Area General Obligation Bonds, 2007, dated August 28, 2007, of the Borough issued pursuant to Resolution 2007-43, adopted by the Borough Assembly on June 19, 2007.
- (Q) “2015 Bonds” means the \$8,655,000 of South Kenai Peninsula Hospital Service Area General Obligation Refunding Bonds, 2015, dated June 4, 2015, of the Borough issued pursuant to Resolution 2015-19, adopted by the Borough Assembly on April 7, 2015.

SECTION 2. Authorization of Bond and Purpose of Issuance. For purposes of effecting the refunding by exchange of the Refunded Bond in the manner set forth in this Resolution and in the Second Amendatory Loan Agreement, the Borough hereby authorizes and determines to issue and sell the Bond.

The Borough hereby authorizes the Mayor and the Borough Finance Director to designate which principal installments of the 2015 Bond shall be refunded, provided the refunding of principal installments of the 2015 Bond so designated shall realize an aggregate debt service savings on a present value basis, net of all issuance costs and underwriting discount.

The Mayor or Borough Finance Director is hereby authorized to execute and deliver the Second Amendatory Loan Agreement on behalf of the Borough and to deliver the Bond executed in accordance with, and subject to Section 13 hereof.

SECTION 3. Obligation of Bond. The Bond shall be a direct and general obligation of the South Kenai Peninsula Hospital Service Area, and the full faith and credit of the South Kenai Peninsula Hospital Service Area are hereby pledged to the payment of the principal of and interest on the Bond. The Borough hereby irrevocably pledges and covenants that it will levy and collect taxes upon all taxable property within the South Kenai Peninsula Hospital Service Area without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefor, to pay the principal of and interest on the Bond as the same become due and payable.

SECTION 4. Designation, Principal Installments, Interest Rates and other Details of the Bond. The Bond shall be designated “South Kenai Peninsula Hospital Service Area General Obligation Refunding Bond, 2025,” with such designation as the Registrar deems necessary for purposes of identification, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. Principal installments of the Bond shall be in the denomination of \$5,000 or any integral multiple thereof. The aggregate principal amount, amount per principal installment, interest rates, dated date and principal and interest payment dates of the Bond shall be determined at the time of execution of the Second Amendatory Loan Agreement.

SECTION 5. Prepayment. The principal installments of the Bond shall be subject to prepayment prior to maturity as provided in the Second Amendatory Loan Agreement.

SECTION 6. Form of Bond. The Bond shall be in substantially the following form, with such variations, omissions and insertions as may be required or permitted by this Resolution:

UNITED STATES OF AMERICA
STATE OF ALASKA
KENAI PENINSULA BOROUGH
(A Municipal Corporation of the State of Alaska)

NO. GO-

\$_____

SOUTH PENINSULA HOSPITAL SERVICE AREA
GENERAL OBLIGATION REFUNDING BOND, 2025

REGISTERED OWNER: ALASKA MUNICIPAL BOND BANK

PRINCIPAL AMOUNT:

The Kenai Peninsula Borough, Alaska (the “Borough”), a municipal corporation of the State of Alaska, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or its registered assigns, the Principal Amount indicated above in the following installments on _____ 1 of each of the following years, and to pay interest on such installments from the date hereof, payable on _____ 1, 20___, and semiannually thereafter on the 1st days of _____ and _____ of each year, at the rates per annum as follows:

Year	Principal Amount	Interest Rate
------	------------------	---------------

For so long as the Alaska Municipal Bond Bank (the “Bond Bank”) is the Registered Owner of the Bond, payment of principal and interest shall be made as provided in the Loan Agreement between the Bond Bank and the Borough, dated August 1, 2007, as amended June 1, 2015 and _____, 2025 (collectively, the “Loan Agreement”). When and if this Bond is no longer owned by the Bond Bank, payment of principal of and interest on this Bond will be made by check or draft mailed by first class mail to the Registered Owner at the address appearing on the bond register of the Borough on or before the payment date, provided that the final installment of principal and interest on this Bond will be payable at the office of the Borough Finance Director (the “Registrar”) upon surrender of this Bond. Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Both principal of and interest on this Bond are payable in lawful money of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is one of the South Kenai Peninsula Hospital Service Area General Obligation Refunding Bond, 2025 of the Kenai Peninsula Borough, Alaska, authorized for the purpose of refunding certain South Kenai Peninsula Hospital Service Area general obligation bonds and is issued by the Borough under Resolution 2025-__ of the Borough entitled:

**A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH TO
ISSUE ITS SOUTH PENINSULA HOSPITAL SERVICE AREA GENERAL**

OBLIGATION REFUNDING BOND TO REFUND CERTAIN OUTSTANDING SOUTH PENINSULA HOSPITAL SERVICE AREA GENERAL OBLIGATION REFUNDING BONDS OF THE BOROUGH, FIXING CERTAIN DETAILS OF SUCH BOND AND AUTHORIZING ITS SALE, AND PROVIDING FOR RELATED MATTERS

(herein called the “Resolution”).

Installments of principal of this Bond payable on and after _____ 1, 20__, shall be subject to prepayment on and after _____ February 1, 20__, at the option of the Borough, subject to any applicable provisions of the Loan Agreement, and in such principal amounts and from such maturities as the Borough may determine, and by lot within a maturity, at a redemption price equal to the principal amount to be prepaid, plus accrued interest to the date of prepayment.

This Bond is transferable as provided in the Resolution, (i) only upon the bond register of the Borough, and (ii) upon surrender of this Bond together with a written instrument of transfer duly executed by the Registered Owner or the duly authorized attorney of the Registered Owner, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and maturity shall be issued to the transferee in exchange therefor as provided in the Resolution and upon the payment of charges, if any, as therein prescribed. The Borough may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price, if any, hereof and interest due hereon and for all other purposes whatsoever.

The full faith and credit of the South Kenai Peninsula Hospital Service Area are pledged for the payment of the principal of and interest on the Bond as the same shall become due.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts, or things required by the constitution or statutes of the State of Alaska to exist, to have happened, or to have been performed precedent to or in the issuance of this Bond, exist, have happened, and have been performed, and that the series of Bonds of which this is one, together with all other indebtedness of the Borough, is within every debt and other limit prescribed by said constitution or statutes.

IN WITNESS WHEREOF, THE KENAI PENINSULA BOROUGH, ALASKA, has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its Mayor and its corporate seal (or a facsimile thereof) to be hereunto impressed or otherwise reproduced hereon and attested by the manual or facsimile signature of its Clerk, all as of the ___ day of _____, 20__.

Specimen
Mayor

ATTEST:

Specimen _____
Borough Clerk

SECTION 7. Execution. The Bond shall be executed in the name of the Borough by the manual or facsimile signature of the Mayor, and its corporate seal (or a facsimile thereof) shall be impressed or otherwise reproduced thereon and attested by the manual or facsimile signature of the Borough Clerk or acting Borough Clerk. The execution of the Bond on behalf of the Borough by persons who at the time of the execution are duly authorized to hold the proper offices shall be valid and sufficient for all purposes, although any such person shall have ceased to hold office at the time of delivery of the Bond or shall not have held office on the date of the Bond.

SECTION 8. Payment of Principal and Interest. The Bond shall be payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts. When the Bond Bank is the Registered Owner of the Bond, payment of principal and interest on the Bond shall be made as provided in the Loan Agreement, as amended by the First Amendatory Loan Agreement and Second Amendatory Loan Agreement. When the Bond Bank is not the Registered Owner of the Bond, installments of principal and interest on the Bond shall be paid by check mailed by first class mail to the Registered Owner as of the record date for the installment payment at the address appearing on the Bond Register; provided that the final installment of principal and interest on the Bond shall be payable upon presentation and surrender of the Bond by the Registered Owner at the office of the Registrar.

SECTION 9. Registration. The Bond shall be issued only in registered form as to both principal and interest. The Registrar shall keep, or cause to be kept, the Bond Register at the principal office of the Borough. The Borough and the Registrar may treat the person in whose name any Bond shall be registered as the absolute owner of such Bond for all purposes, whether or not the Bond shall be overdue, and all payments of principal of and interest on the Bond made to the Registered Owner thereof or upon its order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Borough nor the Registrar shall be affected by any notice to the contrary.

SECTION 10. Transfer and Exchange. The Bond shall be transferred only upon the books for the registration and transfer of the Bond kept at the office of the Registrar. Upon surrender for transfer or exchange of any Bond at such office, with a written instrument of transfer or authorization for exchange in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or the duly authorized attorney of the Registered Owner, the Borough shall execute and deliver an equal aggregate principal amount of Bond of the same maturity of any authorized denominations, subject to such reasonable regulations as the Borough may prescribe and upon payment sufficient to reimburse it for any tax,

fee or other governmental charge required to be paid in connection with such transfer or exchange. A Bond surrendered for transfer or exchange shall be canceled by the Registrar.

SECTION 11. Bond Mutilated, Destroyed, Stolen or Lost. Upon surrender to the Registrar of a mutilated Bond, the Borough shall execute and deliver a new Bond of like maturity and principal amount. Upon filing with the Registrar of evidence satisfactory to the Borough that a Bond has been destroyed, stolen or lost and of the ownership thereof, and upon furnishing the Borough with indemnity satisfactory to it, the Borough shall execute and deliver a new Bond of like maturity and principal amount. The person requesting the execution and delivery of a new Bond under this section shall comply with such other reasonable regulations as the Borough may prescribe and pay such expenses as the Borough may incur in connection therewith.

SECTION 12. Tax Covenants. The Borough covenants to comply with any and all applicable requirements set forth in the Code in effect from time to time to the extent that such compliance shall be necessary for the exclusion of the interest on the Bond from gross income for federal income tax purposes. The Borough covenants that it will make no use of the proceeds of the Bond that will cause the Bond or the Refunded Bond to be “arbitrage bonds” subject to federal income taxation by reason of Section 148 of the Code. The Borough covenants that it will not take or permit any action what would cause the Bond to be a “private activity bond” as defined in Section 141 of the Code.

SECTION 13. Exchange of Bonds. The Bond shall be delivered to the Bond Bank in exchange for the Refunded Bond. The Borough has been advised by the Bond Bank that bond market conditions are fluctuating and that the most favorable market conditions for the sale of the Bond Bank Bonds may not occur on the date of a regular Assembly meeting. The Assembly has determined that it would be inconvenient to hold a special meeting on short notice to approve the terms of the Bond. Therefore, the Assembly hereby determines that it is in the best interest of the Borough to delegate the authority to approve the terms of the Bond as provided herein. Each of the Mayor and the Borough Finance Director is hereby authorized to determine the aggregate principal amount, amount per installment, interest rates, dated date and principal and interest payment dates and prepayment provisions, if any, for the Bond, so that such terms of the Bond conform to the terms of the Bond Bank Bonds, provided that (i) no principal installment of the Bond shall exceed the principal amount of the corresponding maturity of the Bond Bank Bonds allocated to the Borough, and (ii) the interest rate on each principal installment shall not exceed the interest rate on the corresponding maturity of the Bond Bank Bonds. Based on the foregoing determinations, the Mayor and the Borough Finance Director each is authorized to negotiate, execute and deliver the Second Amendatory Loan Agreement.

SECTION 14. Authority of Officers. The Borough Mayor, the Borough Finance Director, the Borough Clerk and the acting Borough Clerk are, and each of them hereby is, authorized and directed to do and perform all things and determine all matters not determined by this Resolution, to the end that the Borough may carry out its obligations under the Bond and this Resolution.

SECTION 15. Ongoing Disclosure. The Borough acknowledges that, under Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the Borough may now or in the future be an “obligated person” with respect to the Bond Bank Bonds. In accordance with the Rule and as the Bond Bank may require, the Borough shall undertake to provide certain annual financial information and operating date as reasonably requested by the Bond Bank.

SECTION 16. Miscellaneous.

- (a) All payments made by the Borough of, or on account of, the principal of or interest on the Bond shall be made on the Bond ratably and in proportion to the amount due thereon, respectively, for principal or interest as the case may be.
- (b) No recourse shall be had for the payment of the principal of or the interest on the Bond or for any claim based thereon or on this Resolution against any member of the Assembly or officer of the Borough or any person executing the Bond. The Bond are not and shall not be in any way a debt or liability of the State of Alaska or of any political subdivision thereof, except the Borough, and do not and shall not create or constitute an indebtedness or obligation, either legal, moral or otherwise, of said state or of any political subdivision thereof, except the Borough as set forth in this Resolution.

SECTION 17. Severability. If any one or more of the provisions of this Resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this Resolution and shall in no way affect the validity of the other provisions of this Resolution or of the Bond.

SECTION 18. Effective Date. This Resolution shall become effective immediately upon its passage and approval.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 21ST DAY OF JANUARY, 2025.

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Borough Mayor *PM*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: January 9, 2025

SUBJECT: Resolution 2025- 007, Authorizing the Kenai Peninsula Borough to Issue its South Peninsula Hospital Service Area General Obligation Refunding Bond to Refund Certain Outstanding South Peninsula Hospital Service Area General Obligation Refunding Bonds of the Borough, Fixed Certain Details of Such Bond and Authorizing its Sale, and Providing for Related Matters (Mayor)

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank (AMBB) has determined that a portion of the outstanding 2015 South Peninsula Hospital Service Area General Obligation Refunding Bond could be refinanced, with potential savings to the residents of the Kenai Peninsula Borough of approximately \$90,000-\$120,000 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: 06/19/07
Action: Adopted
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2007-043**

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS OF THE KENAI PENINSULA BOROUGH IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FOURTEEN MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$14,700,000) TO PAY THE COSTS OF HOSPITAL CAPITAL IMPROVEMENTS IN THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA, FIXING CERTAIN DETAILS OF SUCH BONDS, AND PLEDGING THE FULL FAITH AND CREDIT OF THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA TO THE PAYMENT THEREOF

WHEREAS, pursuant to Ordinance 2006-40 (Mayor) Substitute of the Kenai Peninsula Borough (the "Borough") passed and approved on January 16, 2007, the following question, referred to at the election held on May 8, 2007 as Proposition No. 1, ("Proposition No. 1") was passed and approved:

PROPOSITION NO. 1
HOSPITAL CAPITAL IMPROVEMENT GENERAL OBLIGATION BONDS

Shall the Kenai Peninsula Borough borrow up to \$14,700,000 through the issuance of South Kenai Peninsula Hospital Service Area general obligation bonds?

The bond proceeds of \$14,700,000 will be used to pay the costs of planning, designing, site preparation, constructing, acquiring, renovating, installing, and equipping the South Peninsula Hospital located within the South Kenai Peninsula Hospital Service Area.

The general obligation bond debt will be paid from operating revenues generated by the South Peninsula Hospital and from ad valorem taxes on all taxable property levied and collected in the South Kenai Peninsula Hospital Service Area. The South Kenai Peninsula Hospital Service Area will pledge its full faith and credit for payment of the general obligation bond debt.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed real and personal property value in the South Kenai Peninsula Hospital Service Area (based on the estimated 2006 tax year assessed valuation) an annual tax of approximately \$98 (an amount equal to .98 mills) to retire the proposed general obligation bond debt.

(Ordinance No. 2006-40)

WHEREAS, Section 29.47.410 of the Alaska Statutes provides that the Assembly by ordinance or resolution may provide for the form and manner of sale of bonds and notes; and

WHEREAS, it is necessary and in the best interest of the Borough and its residents that the Borough proceed to plan, design, do site preparation for, construct, acquire, renovate, install and equip the capital improvements within the Borough described in Proposition No. 1 (the "Project"), and issue not to exceed \$14,700,000 principal amount of the general obligation bonds referred to in Proposition No. 1, constituting all of the unsold general obligation bonds referred to therein, to pay a portion of costs of the Project; and

WHEREAS, a Loan Agreement would be entered into between the Alaska Municipal Bond Bank and the Borough, which provides for the Alaska Municipal Bond Bank to purchase the Bonds on the terms and conditions set forth therein and in this resolution, and it is in the best interest of the Borough that it sell the bonds to the Alaska Municipal Bond Bank under such terms and conditions;

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

SECTION 1. Definitions. The following terms shall have the following meanings in this resolution:

- (a) "Assembly" means the Assembly of the Borough, as the general legislative authority of the Borough, as the same shall be duly and regularly constituted from time to time.
- (b) "Bond" or "Bonds" means any of the Bonds of the Borough, the issuance and sale of which are authorized herein as the evidence of the indebtedness referred to in Proposition No. 1.
- (c) "Bond Bank" means the Alaska Municipal Bond Bank.
- (d) "Bond Register" means the registration books maintained by the Registrar, which include the names and addresses of the owners or nominees of the Registered Owners of the Bonds.
- (e) "Borough" means the Kenai Peninsula Borough, a municipal corporation of the State of Alaska, organized as a second class borough under Title 29 of the Alaska Statutes.
- (f) "Code" means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.
- (g) "Cost" or "Costs" means the cost of planning, designing, site preparation, constructing, acquiring, renovating, installing and equipping the Project,

including interest on the Bonds during the period of planning, designing, site preparation, constructing, acquiring, renovating, installing and equipping the Project, the cost whether incurred by the Borough, the Service Area or by another of field surveys and advance planning undertaken in connection with the Project properly allocable to the Project, the cost of acquisition of any land or interest therein required as the site or sites of the Project or for use in connection therewith, the cost of any indemnity and surety bonds and premiums on insurance incurred in connection with the Project prior to or during construction thereof, all related direct administrative and inspection expenses whether incurred by the Borough, the Service Area or by another in connection with the Project prior to or during construction thereof and allocation of portions of direct costs of the Borough or the Service Area, legal fees, costs of issuance of the Bonds by the Borough, including financing charges and fees and expenses of bond counsel, financial advisors and consultants in connection therewith, the cost of any bond insurance premium, the cost of audits, the cost of all machinery, apparatus and equipment, cost of engineering, architectural services, designs, plans, specifications and surveys, estimates of cost, the reimbursement of all moneys advanced from whatever source for the payment of any item or items of cost of the Project, and all other expenses necessary or incidental to determining the feasibility or practicability of the Project, and such other expenses not specified herein as may be necessary or incidental to the acquisition and development of the Project, the financing thereof and the putting of the same in use and operation.

- (h) "Loan Agreement" means the Loan Agreement between the Borough and the Bond Bank, dated as of the first day of the month in which the Bonds are delivered.
- (i) "Registered Owner" means the person named as the registered owner of a Bond in Bond Register.
- (j) "Registrar" means the Finance Director of the Borough, or any successor that the Borough may appoint by resolution.
- (k) "Service Area" means the South Kenai Peninsula Hospital Service Area located within the Borough.

SECTION 2. Authorization of Bonds and Purpose of Issuance. For the purpose of providing the funds required to pay a portion of the Costs of the Project, to provide for original issue premium or discount, if any, and to pay all costs incidental thereto and to the issuance of the Bonds, the Borough hereby authorizes and determines to issue and to sell the Bonds in the aggregate principal amount of not to exceed \$14,700,000. The Bonds shall be designated "Kenai Peninsula Borough, Alaska, South Kenai Peninsula Hospital Service Area General Obligation Bonds 2007."

The Borough has ascertained and hereby determines that each and every matter and thing as to which provision is made in this resolution is necessary in order to carry

out and effectuate the purpose of the Borough in accordance with the Constitution and the statutes of the State of Alaska and to incur the indebtedness and issue the Bonds as referred to in Proposition No. 1.

SECTION 3. Obligation of Bonds. The Bonds shall be direct and general obligations of the Service Area, and the full faith and credit of the Service Area is hereby pledged to the payment of the principal of and interest on the Bonds. The Borough hereby irrevocably pledges and covenants that it will levy and collect taxes upon all taxable property within the Service Area without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefor, to pay the principal of and interest on the Bonds as the same become due and payable.

SECTION 4. Date, Maturities, Interest Rates, and Other Details of Bonds. The Bonds shall be dated the date of delivery, shall be in the denomination of \$5,000 or any integral multiple thereof, or such other date and denominations as may be determined by the Mayor or Finance Director, and shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification.

The Bonds shall bear interest from the date thereof, payable and semiannually on such dates as may be determined by the Mayor or Finance Director. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. The Mayor or Finance Director is authorized to fix and determine the maturity dates and the rate of interest on each principal installment of the Bonds, provided that (i) no rate of interest on a principal installment shall exceed the rate of interest on the corresponding maturity of the bonds of the Bond Bank issued to provide funds to purchase the Bonds; (ii) the true interest cost of the Bonds shall not exceed 5.5% unless approved by resolution of the Assembly; and (iii) all of the Bonds shall mature on or before December 31, 2028.

SECTION 5. Place and Medium of Payment. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. For so long as all outstanding Bonds are registered in the name of the Alaska Municipal Bond Bank, payments of principal and interest thereon shall be made as provided in the Loan Agreement. In the event that the Bonds are no longer owned by the Alaska Municipal Bond Bank, payments of principal and interest on the Bonds will be made by check or draft mailed by first class mail to the Registered Owners of the Bonds at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the payment date, provided that the final installment of principal and interest on the Bonds will be payable at the principal office of the Registrar upon surrender of the Bond.

SECTION 6. Optional Redemption. The Bonds may be subject to redemption, at the Borough's option, as provided in the Loan Agreement.

SECTION 7. Form of Bond. Each Bond shall be in substantially the following form, subject to the

provisions of the Loan Agreement:

UNITED STATES OF AMERICA
STATE OF ALASKA

KENAI PENINSULA BOROUGH
(A Municipal Corporation of the State of Alaska)

NO. _____

\$ _____

KENAI PENINSULA BOROUGH, ALASKA SOUTH KENAI PENINSULA
HOSPITAL
SERVICE AREA GENERAL OBLIGATION BONDS 2007

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Kenai Peninsula Borough, Alaska (the "Borough"), a municipal corporation of the State of Alaska, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or its registered assigns, the Principal Amount indicated above in the following installments on _____ 1 of each of the following years, and to pay interest on such installments from the date hereof, payable on [____ 1, 20__] and semiannually thereafter on the first days of June and December of each year, at the rates per annum as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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For so long as this Bond is owned by the Alaska Municipal Bond Bank (the "Bank"), payment of principal and interest shall be made as provided in the Loan Agreement between the Bank and the Borough (the "Loan Agreement"). In the event that this Bond is no longer owned by the Bank, payment of principal of and interest on this Bond will be made by check or draft mailed by first class mail to the registered owner at the address appearing on the bond register of the Borough on the 15th day of the month preceding the payment date, provided that the final installment of principal and interest on this Bond will be payable at the office of the Borough Finance Director (the "Registrar") upon surrender of this Bond. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. Both principal of and interest on this bond are payable in lawful money of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is one of the South Kenai Peninsula Hospital Service Area General Obligation Bonds 2007 of like tenor and effect except as to interest rate, serial number and maturity, aggregating \$ _____ in principal amount, and

constituting bonds authorized for the purpose of paying the cost of the hospital improvements in the Borough, and is issued under Resolution 2007-__ of the Borough entitled:

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS OF THE KENAI PENINSULA BOROUGH IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FOURTEEN MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$14,700,000) TO PAY THE COSTS OF HOSPITAL IMPROVEMENTS IN THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA, FIXING CERTAIN DETAIL OF SUCH BONDS, AND PLEDGING THE FULL FAITH AND CREDIT OF THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA TO THE PAYMENT THEREOF

(herein called the "Resolution").

The Bonds will be subject to redemption at the option of the Borough as described in the Loan Agreement.

This Bond is transferable as provided in the Resolution, (i) only upon the bond register of the Borough, and (ii) upon surrender of this Bond together with a written instrument of transfer duly executed by the registered owner or the duly authorized attorney of the registered owner, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and maturity shall be issued to the transferee in exchange therefor as provided in the Resolution and upon the payment of charges, if any, as therein prescribed. The Borough may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price, if any, hereof and interest due hereon and for all other purposes whatsoever.

The full faith and credit of the South Kenai Peninsula Hospital Service Area is pledged for the payment of the principal of and interest on the Bond as the same shall become due.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts or things required by the constitution or statutes of the State of Alaska to exist, to have happened or to have been performed precedent to or in the issuance of this Bond, exist, have happened and have been performed, and that the series of Bonds of which this is one, together with all other indebtedness of the Borough, is within every debt and other limit prescribed by said constitution or statutes.

IN WITNESS WHEREOF, THE KENAI PENINSULA BOROUGH, ALASKA, has caused this Bond to be signed in its name and on its behalf by its Mayor and its corporate seal to be hereunto impressed or otherwise reproduced and attested by its Clerk, all as of the ____ day of _____, 2007.

John J. Williams
Mayor

ATTEST:

Sherry Biggs, Borough Clerk

SECTION 8. Execution. The Bonds shall be executed in the name of the Borough by the Mayor, and its corporate seal shall be impressed or otherwise reproduced thereon and attested by the Borough Clerk. The execution of a Bond on behalf of the Borough by persons that at the time of the execution are duly authorized to hold the proper offices shall be valid and sufficient for all purposes, although any such person shall have ceased to hold office at the time of delivery of the Bond or shall not have held office on the date of the Bond.

SECTION 9. Registration. (a) The Bonds shall be issued only in registered form as to both principal and interest. The Borough designates the Borough Finance Director or Acting Borough Finance Director as Registrar for the Bonds. The Registrar shall keep, or cause to be kept, the Bond Register at the principal office of the Borough.

(b) The Borough, in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes, and neither the Borough nor the Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 5, but such registration may be transferred as herein provided. All such payments made as described in Section 5 shall be valid and shall satisfy and discharge the liability of the Borough upon such Bond to the extent of the amount or amounts so paid.

(c) Bonds shall be transferred only upon the Bond Register kept by the Registrar. Upon surrender for transfer or exchange of any Bond at the office of the Registrar, with a written instrument of transfer or authorization for exchange in form and with guaranty of signature satisfactory to the Registrar, duly executed by the registered owner or its duly authorized attorney, the Borough shall execute and the Registrar shall deliver an equal aggregate principal amount of Bonds of the same maturity of any authorized denominations, subject to such reasonable regulations as the Registrar may prescribe and upon payment sufficient to reimburse it for any tax, fee or other governmental charge required to be paid in connection with such transfer or exchange. All Bonds surrendered for transfer or exchange shall be canceled by the Registrar. The Registrar shall not be required to transfer or exchange any Bond after the Bond has been called for redemption.

- (d) The Borough covenants that, until all Bonds have been surrendered and canceled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

SECTION 10. Mutilated, Destroyed, Stolen or Lost Bonds. Upon surrender to the Registrar of a Mutilated Bond, the Borough shall execute and deliver a new Bond of like maturity and principal amount. Upon filing with the Registrar of evidence satisfactory to the Borough that a Bond has been destroyed, stolen or lost and of the ownership thereof, and upon furnishing the Borough with identification satisfactory to it, the Borough shall execute and deliver a new Bond of like maturity and principal amount. The person requesting the authentication and delivery of a new Bond pursuant to this section shall comply with such other reasonable regulations as the Borough may prescribe and pay such expenses as the Borough may incur in connection therewith. Any Bonds issued pursuant to this section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Borough, whether or not the Bonds alleged to be destroyed, stolen or lost be at any time enforceable by anyone.

SECTION 11. Disposition of the Sale Proceeds of the Bonds. The sale proceeds of the Bonds representing accrued interest on the Bonds may be applied to pay a portion of the interest due on the Bonds on the first interest payment date. The remainder of the sale proceeds of the Bonds shall be applied to pay Costs. The sale proceeds of the Bonds shall be deposited in the appropriate funds or accounts of the Borough for such purposes.

SECTION 12. Tax Covenants. The Borough covenants to comply with any and all applicable requirements set forth in the Code in effect from time to time to the extent that such compliance shall be necessary for the exclusion of the interest on the Bonds from gross income for federal income tax purposes. The Borough covenants that it will make no use of the proceeds of the Bonds which will cause the Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Code. The Borough covenants that it will not take or permit any action that would cause the Bonds to be "private activity bonds" as defined in Section 141 of the Code.

SECTION 13. Sale of the Bonds; Loan Agreement. The sale for not to exceed \$14,700,000 aggregate principal amount of the Bonds, as provided in the Loan Agreement and this resolution, is hereby authorized and approved. The Mayor or Finance Director is hereby authorized to execute and deliver the Loan Agreement, and a Continuing Disclosure Certificate and such other documents as may be necessary to effectuate issuances of the Bonds on behalf of the Borough.

SECTION 14. Authority of Officers. The Mayor, the Finance Director, the Borough Clerk are, and each of them hereby is, authorized and directed to do and perform all things and determine all matters not determined by this resolution, or to be determined by a subsequent ordinance or resolution, to the end that the Borough may carry out its obligations under the Bonds and this resolution.

SECTION 15. Amendatory and Supplemental Resolutions. (a) The Assembly from time to time and at any time may adopt a resolution or resolutions supplemental hereof, which resolution or resolutions thereafter shall become a part of this resolution, for any one or more of the following purposes:

- (I) To add to the covenants and agreements of the Borough in this resolution, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the Borough.
- (ii) To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this resolution or in regard to matters or questions arising under this resolution as the Assembly may deem necessary or desirable and not inconsistent with this resolution and which shall not adversely affect the interest of the Registered Owner of the Bonds.

Any such supplemental resolution may be adopted without the consent of the Registered Owner of any of the Bonds at any time outstanding, notwithstanding any of the provisions of subsection (b) of this section.

- (b) With the consent of a bond insurer, if any, or the Registered Owners of not less than 60 percent in aggregate principal amount of the Bonds at the time outstanding, the Assembly may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this resolution or of any supplemental resolution; provided, however that no such supplemental resolution shall:
 - (I) extend the fixed maturity of any of the Bonds, or reduce the rate of interest thereon, or reduce the amount or change the date of any sinking fund installment, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the owners of each Bond so affected; or
 - (ii) reduce the aforesaid percentage of owners of Bonds required to approve any such supplemental resolution without the consent of the owners of all the Bonds then outstanding.

It shall not be necessary for the consent of the Registered Owners of the Bonds under this subsection to approve the particular form of any proposed supplemental resolution, but it shall be sufficient if such consent approves the substance thereof.

- (c) Upon the adoption of any supplemental resolution under this section, this resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this

resolution of the Borough and all Registered Owners of outstanding Bonds shall thereafter be subject in all respects to such modification and amendment, and all the terms and conditions of the supplemental resolution shall be deemed to be part of the terms and conditions of this resolution for any and all purposes.

- (d) Bonds executed and delivered after the execution of any supplemental resolution adopted under this section may bear a notation as to any matter provided for in such supplemental resolution, and if such supplemental resolution shall so provide, new Bonds modified so as to conform, in the opinion of the Borough, to any modification of this resolution contained in any such supplemental resolution may be prepared by the Borough and delivered without cost to the Registered Owner of the Bonds then outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

SECTION 16. Miscellaneous. (a) All payments made by the Borough of, or on account of, the principal of or interest on the Bonds shall be made on the several Bonds ratably and in proportion to the amount due thereon, respectively, for principal or interest as the case may be.

- (b) No recourse shall be had for the payment of the principal of or the interest on the Bonds or for any claim based thereon or on this resolution against any member of the Assembly or officer of the Borough or any person executing the Bonds. The Bonds are a debt only of the Service Area and are not and shall not be in any way a debt or liability of the Borough, the State of Alaska or of any political subdivision thereof, and do not and shall not create or constitute an indebtedness or obligation, either legal, moral or otherwise, of the Borough, the State or of any political subdivision thereof.

SECTION 17. Severability. If any one or more of the provisions of this resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

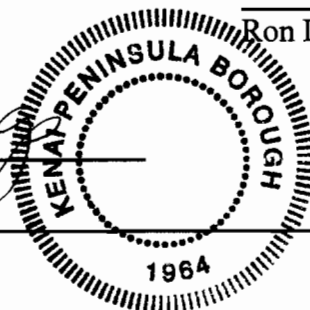
SECTION 18. Effective date. This resolution shall take effect immediately.

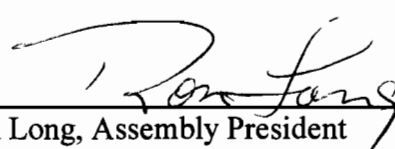
ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 19TH DAY OF JUNE 2007.

ATTEST:



Sherry Biggs, Borough Clerk





Ron Long, Assembly President

Yes: Fischer, Germano, Knopp, Martin, Merkes, Sprague, Superman, Long

No: None

Absent: Gilman

Introduced by: Mayor
Date: 04/07/15
Action: Adopted
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2015-019**

A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH TO ISSUE ITS SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA GENERAL OBLIGATION REFUNDING BOND TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE BOROUGH, FIXING CERTAIN DETAILS OF SUCH BOND AND AUTHORIZING ITS SALE AND PROVIDING FOR RELATED MATTERS

WHEREAS, the Kenai Peninsula Borough, Alaska (the "Borough") is a second class borough and is authorized to take the actions set forth in this resolution; and

WHEREAS, there is now outstanding the principal amount of \$10,845,000 of South Kenai Peninsula Hospital Service Area General Obligation Bonds, 2007, of the Borough maturing on or after September 1, 2015 (the "2007 Bonds") issued pursuant to Resolution 2007-043 of the Borough; and

WHEREAS, the Assembly finds that it is in the best interest of the Borough to provide for the refunding, including the payment of principal of and interest on, those maturities of the 2007 Bonds the refunding of which the Mayor or Borough Finance Director determines will produce a debt service savings (the "Refunded Bonds"), by the issuance of its general obligation refunding bond (the "Bond"); and

WHEREAS, the Assembly finds that it is necessary and appropriate to delegate to each of the Mayor and Borough Finance Director authority to determine the principal installments, interest rates and other details of the Bond, and to determine other matters pertaining to the Bond that are not provided for in this resolution; and

WHEREAS, the Alaska Municipal Bond Bank and the Borough intend to enter into an Amendatory Loan Agreement that amends the Loan Agreement dated as of August 1, 2007, between the Alaska Municipal Bond Bank and the Borough, to provide for the refunding of the Refunded Bonds through their exchange for the Bond, and related matters;

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

SECTION 1. Definitions. The following terms shall have the following meanings in this resolution:

- (A) "Amendatory Loan Agreement" means the Amendatory Loan Agreement between the Borough and the Bond Bank, amending the Loan Agreement to provide for the refunding of the Refunded Bonds through their exchange for the Bond, and related matters.
- (B) "Assembly" means the Assembly of the Kenai Peninsula Borough, as the general legislative authority of the Borough, as the same shall be duly and regularly constituted from time to time.
- (C) "Bond" means the "South Kenai Peninsula Hospital Service Area General Obligation Refunding Bond, 2015" of the Borough, the issuance and sale of which are authorized herein.
- (D) "Bond Bank" means the Alaska Municipal Bond Bank, a public corporation of the State of Alaska.
- (E) "Bond Bank Bonds" means the general obligation bonds to be issued by the Bond Bank, a portion of the proceeds of which will be used to refund the Refunded Bonds.
- (F) "Bond Register" means the registration books maintained by the Registrar, which include the name and address of the Registered Owner or its nominee.
- (G) "Borough" means the Kenai Peninsula Borough, a municipal corporation of the State of Alaska, organized as a second class borough under Title 29 of the Alaska Statutes.
- (H) "Borough Finance Director" means the Finance Director of the Borough.
- (I) "Code" means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.
- (J) "Loan Agreement" means the Loan Agreement between the Borough and the Bond Bank dated as of August 1, 2007, as amended by the Amendatory Loan Agreement.
- (K) "2007 Bonds" means the \$10,845,000 of South Kenai Peninsula Hospital Service Area General Obligation Bonds, 2007, of the Borough maturing on or after September 1, 2015, issued pursuant to Resolution 2007-043 of the Borough.
- (L) "Refunded Bonds" means the maturities of the 2007 Bonds the refunding of which the Mayor or Borough Finance Director determines will produce a debt service savings under Section 12.

- (M) “Registered Owner” means the person named as the registered owner of the Bond in the Bond Register.
- (N) “Registrar” means the Borough Finance Director.
- (O) “Resolution” means this Resolution of the Assembly.

SECTION 2. Authorization of Bond and Purpose of Issuance. For the purpose of effecting the refunding by exchange of the Refunded Bonds in the manner set forth in this Resolution and in the Amendatory Loan Agreement, the Borough hereby authorizes and determines to issue and sell the Bond.

SECTION 3. Obligation of Bond. The Bond shall be a direct and general obligation of the Borough, and the full faith and credit of the South Kenai Peninsula Hospital Service Area are hereby pledged to the payment of the principal of and interest on the Bond. The Borough hereby irrevocably pledges and covenants that it will levy and collect taxes upon all taxable property within the South Kenai Peninsula Hospital Service Area without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefor, to pay the principal of and interest on the Bond as the same become due and payable.

SECTION 4. Designation, Principal Installments, Interest Rates and Other Details of Bond. The Bond shall be designated “South Kenai Peninsula Hospital Service Area General Obligation Refunding Bond, 2015,” with such additional designation as the Registrar deems necessary for purposes of identification, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. Principal installments of the Bond shall be in the denomination of \$5,000 or any integral multiple thereof. The aggregate principal amount, amount per principal installment, interest rates, dated date and principal and interest payment dates of the Bond shall be determined at the time of execution of the Amendatory Loan Agreement under Section 16.

SECTION 5. Prepayment. The Bond shall be subject to prepayment prior to maturity as provided in the Loan Agreement.

SECTION 6. Form of Bond. The Bond shall be in substantially the following form, with such variations, omissions and insertions as may be required or permitted by this Resolution:

UNITED STATES OF AMERICA
STATE OF ALASKA

KENAI PENINSULA BOROUGH

NO. R- _____

\$ _____

SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA
GENERAL OBLIGATION REFUNDING BOND, 2015

REGISTERED OWNER: ALASKA MUNICIPAL BOND BANK

PRINCIPAL AMOUNT:

The Kenai Peninsula Borough, Alaska (the "Borough"), a municipal corporation of the State of Alaska, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner set forth above, or its registered assigns, the Principal Amount set forth above in the following installments on _____ 1 of each of the following years, and to pay interest on such installments from the date hereof, payable on _____ 1, and semiannually thereafter on _____ 1 and _____ 1 of each year, at the rates per annum as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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For so long as this bond is owned by the Alaska Municipal Bond Bank (the "Bond Bank"), payment of principal and interest shall be made as provided in the Loan Agreement between the Bond Bank and the Borough dated as of August 1, 2007 (as amended by the Amendatory Loan Agreement dated as of _____ 1, 2015, the "Loan Agreement"). In the event that this bond is no longer owned by the Bond Bank, installments of principal of and interest on this bond shall be paid by check or draft mailed by first class mail to the Registered Owner as of the close of business on the 15th day of the month preceding each installment payment date; provided, that the final installment of principal of and interest on this bond will be payable upon presentation and surrender of this bond by the Registered Owner at the office of the Registrar. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. Both principal of and interest on this bond are payable in lawful money of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This bond is the South Kenai Peninsula Hospital Service Area General Obligation Refunding Bond, 2015 of the Kenai Peninsula Borough, Alaska, authorized for the purpose of refunding certain general obligation bonds issued by the Borough, and is issued under Resolution 2015- 019 of the Borough entitled:

A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH TO
ISSUE ITS SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA
GENERAL OBLIGATION REFUNDING BOND TO REFUND CERTAIN

OUTSTANDING GENERAL OBLIGATION BONDS OF THE BOROUGH,
FIXING CERTAIN DETAILS OF SUCH BOND AND AUTHORIZING ITS
SALE AND PROVIDING FOR RELATED MATTERS.

(the "Resolution"). Reference is hereby made to the Resolution and any resolution supplemental thereto for a description of the rights of the Registered Owner and of the rights and obligations of the Borough thereunder, to all of the provisions of which the Registered Owner, by acceptance of this bond, assents and agrees.

This bond is subject to prepayment prior to maturity as provided in the Loan Agreement.

This bond is transferable as provided in the Resolution (i) only upon the Bond Register and (ii) upon surrender of this bond together with a written instrument of transfer duly executed by the Registered Owner or the duly authorized attorney of the Registered Owner, and thereupon a new fully registered Bond shall be issued to the transferee in exchange therefor as provided in the Resolution and upon the payment of charges, if any, as therein prescribed. The Borough and the Registrar may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest hereon and for all other purposes whatsoever.

This bond is a direct and general obligation of the Borough, and the full faith and credit of the South Kenai Peninsula Hospital Service Area are pledged to the payment of the principal of and interest on this bond. The Borough has irrevocably pledged and covenanted that it will levy and collect taxes upon all taxable property within the South Kenai Peninsula Hospital Service Area without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefor, to pay the principal of and interest on the Bond as the same become due and payable.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts or things required by the constitution or statutes of the State of Alaska or the ordinances or resolutions of the Borough to exist, to have happened or to have been performed precedent to or in the issuance of this bond, exist, have happened and have been performed, and that this bond, together with all other indebtedness of the Borough, is within every debt and other limit prescribed by said constitution, statutes, ordinances or resolutions.

IN WITNESS WHEREOF, THE KENAI PENINSULA BOROUGH, ALASKA, has caused this bond to be signed in its name and on its behalf by its Mayor and its corporate seal to be hereunto impressed or otherwise reproduced and attested by its Clerk, all as of the _____ day of _____, 2015.

_____/specimen/
Mayor

ATTEST:

_____/specimen/
Borough Clerk

SECTION 7. Execution. The Bond shall be executed in the name of the Borough by the Mayor and the corporate seal of the Borough shall be impressed or otherwise reproduced thereon and attested by the Borough Clerk. The execution of a Bond on behalf of the Borough by persons who at the time of the execution are duly authorized to hold the proper offices shall be valid and sufficient for all purposes, although any such person shall have ceased to hold office at the time of delivery of the Bond or shall not have held office on the date of the Bond.

SECTION 8. Payment of Principal and Interest. The Bond shall be payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts. As long as the Bond Bank is the Registered Owner, payment of principal of and interest on the Bond shall be made as provided in the Loan Agreement. If the Bond Bank is no longer the Registered Owner, installments of principal and interest on the Bond shall be paid by check mailed by first class mail to the Registered Owner as of the 15th day of the month preceding each installment payment date at the address appearing on the Bond Register; provided, that the final installment of principal and interest on the Bond shall be payable upon presentation and surrender of the Bond by the Registered Owner at the office of the Registrar.

SECTION 9. Registration. The Bond shall be issued only in registered form as to both principal and interest. The Borough designates the Borough Finance Director as Registrar. The Registrar shall keep, or cause to be kept, the Bond Register at the principal office of the Borough. The Borough covenants that, until the Bond has been surrendered and canceled, it will maintain a system for recording the ownership of the Bond that complies with the provisions of Section 149 of the Code. The Borough and the Registrar may treat and consider the person in whose name the Bond shall be registered as the absolute owner of the Bond for the purpose of receiving payment of, or on account of, the principal thereof and interest thereon and for all other purposes whatsoever. All payments of principal of and interest on the Bond made to the Registered Owner or upon its order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Borough nor the Registrar shall be affected by any notice to the contrary.

SECTION 10. Transfer and Exchange. The Bond may be transferred only upon the Bond Register. Upon surrender for transfer or exchange of the Bond, with a written instrument of transfer or authorization for exchange in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or the duly authorized attorney of the Registered Owner, the Borough shall execute and deliver a new Bond, subject to such reasonable regulations as the Borough may prescribe and upon payment sufficient to reimburse it for any tax, fee or other governmental charge required to be paid in connection

with such transfer or exchange. Each Bond surrendered for transfer or exchange shall be canceled by the Registrar.

SECTION 11. Bond Mutilated, Destroyed, Stolen or Lost. Upon surrender to the Registrar of a mutilated Bond, the Borough shall execute and deliver a new Bond. Upon filing with the Registrar of evidence satisfactory to the Borough that a Bond has been destroyed, stolen or lost and of the ownership thereof, and upon furnishing the Borough with indemnity satisfactory to it, the Borough shall execute and deliver a new Bond. The person requesting the execution and delivery of a new Bond under this Section shall comply with such other reasonable regulations as the Borough may prescribe and pay such expenses as the Borough may incur in connection therewith.

SECTION 12. Designation of Refunded Bonds. The Mayor and the Borough Finance Director each is authorized to designate which maturities of the 2007 Bonds shall be refunded, provided that the refunding of the 2007 Bonds so designated shall realize a debt service savings on a present value basis, net of all issuance costs and underwriting discount.

SECTION 13. Tax Covenants. The Borough covenants to comply with any and all applicable requirements set forth in the Code in effect from time to time to the extent that such compliance shall be necessary for the exclusion of the interest on the Bond from gross income for federal income tax purposes. The Borough covenants that it will make no use of the proceeds of the Bond that will cause the Bond or the Refunded Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Code. The Borough covenants that it will not take or permit any action that would cause the Bond to be a "private activity bond" as defined in Section 141 of the Code.

SECTION 14. Amendatory and Supplemental Resolutions.

- (A) The Assembly from time to time and at any time may adopt a resolution or resolutions supplemental hereto, which resolution or resolutions thereafter shall become a part of this resolution, for any one or more of the following purposes:
- (1) To add to the covenants and agreements of the Borough in this Resolution, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the Borough.
 - (2) To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this Resolution or in regard to matters or questions arising under this Resolution as the Assembly may deem necessary or desirable and not inconsistent with this Resolution and which shall not adversely affect the interests of the Registered Owner.

Any such supplemental resolution may be adopted without the consent of the Registered Owner, notwithstanding any of the provisions of subsection (B) of this Section.

- (B) With the consent of the Registered Owner, the Assembly may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Resolution or of any supplemental resolution. It shall not be necessary for the consent of the Registered Owner under this subsection to approve the particular form of any proposed supplemental resolution, but it shall be sufficient if such consent approves the substance thereof.
- (C) Upon the adoption of any supplemental resolution under this Section, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Borough and the Registered Owner shall thereafter be subject in all respects to such modification and amendment, and all the terms and conditions of the supplemental resolution shall be deemed to be part of the terms and conditions of this Resolution for any and all purposes.
- (D) Any Bond executed and delivered after the execution of any supplemental resolution adopted under this Section may bear a notation as to any matter provided for in such supplemental resolution, and if such supplemental resolution shall so provide, a new Bond modified so as to conform, in the opinion of the Borough, to any modification of this Resolution contained in any such supplemental resolution may be prepared by the Borough and delivered without cost to the Registered Owner, upon surrender for cancellation of the Bond.

SECTION 15. Defeasance. In the event money and/or non-callable direct obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America or an agency or instrumentality of the United States of America, maturing at such times and bearing interest to be earned thereon in amounts sufficient to redeem and retire any or all principal installments of the Bond in accordance with the terms of the Bond are set aside in a special trust account to effect such redemption or retirement and such money and the principal of and interest on such obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made to pay or secure the payment of the principal of and interest on such principal installments and such principal installments shall be deemed not to be outstanding.

SECTION 16. Exchange of Bonds; Amendatory Loan Agreement. The Bond shall be delivered to the Bond Bank in exchange for the Refunded Bonds. The Borough has been advised by the Bond Bank that bond market conditions are fluctuating and that the most favorable market conditions for the sale of the Bond Bank Bonds may not occur on the date of a regular Assembly meeting. The Assembly has determined that it would be inconvenient to hold a special meeting on short notice to approve the terms of the Bond. Therefore, the Assembly hereby determines that it is in the best interest of the Borough to delegate the authority to approve the terms of the Bond as provided herein. Each of the Mayor and the Borough Finance Director is hereby authorized to determine the aggregate principal amount, amount per principal installment, interest rates, dated date and principal and interest payment dates and prepayment provisions, if any, for the Bond, so that such terms of the Bond conform to the terms of the Bond Bank Bonds, provided that (i) no principal installment of the Bond shall exceed the principal amount of the corresponding maturity of the Bond Bank Bonds allocated to making a loan to the Borough and (ii) the interest rate on each principal installment shall not exceed the interest rate on the corresponding maturity of the Bond Bank Bonds. Based upon the foregoing determinations, the Mayor and the Borough Finance Director each is authorized to negotiate, execute and deliver the Amendatory Loan Agreement. The authority granted to the Mayor and Borough Finance Director by this Section shall expire 180 days after the effective date of this Resolution. If the Mayor or Borough Finance Director has not executed an Amendatory Loan Agreement within 180 days after the effective date of this Resolution, the Amendatory Loan Agreement may not be executed on behalf of the Borough without further authorization from the Assembly.

SECTION 17. Official Statement. The Mayor and Borough Finance Director each is hereby authorized to approve the form of the preliminary and the final Official Statement for the Bond Bank Bonds as each pertains to the Borough and the Bond.

SECTION 18. Authority of Officers. The Mayor, the Borough Finance Director and the Borough Clerk are, and each of them hereby is, authorized and directed to do and perform all things and determine all matters not determined by this Resolution, to the end that the Borough may carry out its obligations under the Bond and this Resolution.

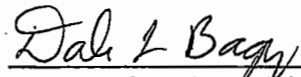
SECTION 19. No Recourse. No recourse shall be had for the payment of the principal of or the interest on the Bond or for any claim based thereon or on this Resolution against any member of the Assembly or officer of the Borough or any person executing the Bond. The Bond is not and shall not be in any way a debt or liability of the State of Alaska or of any political subdivision thereof, except the Borough, and does not and shall not create or constitute an indebtedness or obligation, either legal, moral or otherwise, of the State of Alaska or of any political subdivision thereof, except the Borough.

SECTION 20. Continuing Disclosure. The Borough hereby covenants and agrees that it will execute and carry out all of the provisions of a Continuing Disclosure Certificate in form and substance satisfactory to the Bond Bank. Notwithstanding any other provision of this Resolution, failure of the Borough to comply with the Continuing Disclosure Certificate shall not be considered a default of the Borough's obligations under this Resolution or the Bond; however, the beneficial owner of the Bond or any Bond Bank Bond may bring an action for specific performance, to cause the Borough to comply with its obligations under this Section.

SECTION 21. Severability. If any one or more of the provisions of this Resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this Resolution and shall in no way affect the validity of the other provisions of this Resolution or of the Bond.

SECTION 22. Effective Date. This resolution shall take effect upon adoption by the Borough Assembly.

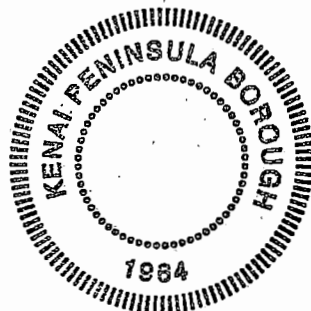
ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 7TH DAY OF APRIL, 2015.



Dale Bagley, Assembly President

ATTEST:


John Blankenship, MMC, Borough Clerk



Yes: Cooper, Haggerty, Gilman, Johnson, McClure, Ogle, Welles, Wolf, Bagley
No: None
Absent: None

Introduced by:
Date:
Action:
Vote:

Mayor
01/21/25

**KENAI PENINSULA BOROUGH
RESOLUTION 2025-008**

A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH TO ISSUE ITS CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA SPECIALTY CLINIC BUILDING REFUNDING REVENUE BOND TO REFUND CERTAIN OUTSTANDING CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA SPECIALTY CLINIC BUILDING REVENUE BONDS OF THE BOROUGH, FIXING CERTAIN DETAILS OF SUCH BOND AND AUTHORIZING ITS SALE, AND PROVIDING FOR RELATED MATTERS

- WHEREAS,** the Kenai Peninsula Borough, Alaska (the “Borough”), is a second class borough and is authorized to take the actions in this resolution; and
- WHEREAS,** the Borough owns a specialty clinic adjacent to its hospital located in the Central Kenai Peninsula Hospital Service Area as a revenue-producing enterprise; and
- WHEREAS,** the Borough authorized the issuance of its Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bonds in one or more series pursuant to Resolution No. 2013-072, as amended by Resolution No. 2014-008, adopted by the Borough Assembly on October 22, 2013 and January 7, 2014, respectively (the “Bond Legislation”); and
- WHEREAS,** the Borough, to finance specialty clinic building capital improvements, issued and sold its Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bond, 2014 Series A (Tax-Exempt), in the original principal amount of \$18,490,000 (the “2014A Bond”) to the Alaska Municipal Bond Bank (the “Bond Bank”), as authorized by the Bond Legislation, on terms and conditions set forth in the Bond Legislation and a loan agreement between the Borough and the Bond Bank dated February 1, 2014 (the “Loan Agreement”); and
- WHEREAS,** the Bond Bank issued and sold its General Obligation Bonds, 2014A Series One Bonds (the “Bond Bank Bonds”) to, in part, provide funds to purchase the 2014A 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 2014A Bond may be adjusted to reduce debt service on the 2014A 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 for the purpose, among others, of refunding a portion of the Bond Bank Bonds to achieve debt service savings; and

WHEREAS, there is now outstanding the principal amount of \$12,850,000 of the 2014A Bonds maturing March 1, 2025 through, and including, March 1, 2029; and

WHEREAS, the Assembly finds that it necessary and appropriate to approve the Borough’s participation in this refinancing and to provide for the refunding, including the payment of principal of and interest on those principal installments of the 2014A Bonds which the Mayor or Borough Finance Director determine will produce a debt service savings (the “Refunded Bond”), by the issuance of its Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Refunding Bond, 2025 (the “Bond”); and

WHEREAS, the Assembly finds that it is necessary and appropriate to delegate to each of the Borough Mayor and Borough Finance Director authority to determine the principal installments, interest rates and other details of the Bond, and to determine other matters pertaining to the Bond that are not provided for in this Resolution; and

WHEREAS, the Borough and the Bond Bank intend to enter into an Amendatory Loan Agreement that amends the Loan Agreement to provide for the refunding by exchange of the Refunded Bond through their exchange for the Bond, and related matters:

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

SECTION 1. Definitions. The terms used in this Resolution which are not defined in this Resolution shall have the meanings set forth in the Bond Legislation. In addition, the following terms shall have the following meanings in this Resolution:

- (A) “Assembly” means the Assembly of the Kenai Peninsula Borough, as the general legislative authority of the Borough, as the same shall be duly and regularly constituted from time to time.
- (B) “Amendatory Loan Agreement” means the agreement amending terms of the Loan Agreement.
- (C) “Bond” means the Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Refunding Bond, 2025 of the Borough, the issuance and sale of which are authorized herein.
- (D) “Bond Bank” means the Alaska Municipal Bond Bank, a public corporation of the State of Alaska.

- (E) “Bond Bank Bonds” means general obligation refunding bonds issued by the Bond Bank to be issued, a portion of the proceeds of which will be used to refund its General Obligation Bonds, 2014A Series One Bonds.
- (F) “Bond Legislation” means Resolution No. 2013-072, as amended by Resolution No. 2014-008, adopted by the Borough Assembly on October 22, 2013 and January 7, 2014, respectively.
- (G) “Borough” means the Kenai Peninsula Borough, a municipal corporation of the State of Alaska, organized as a second class borough under Title 29 of the Alaska Statutes.
- (H) “Borough Finance Director” means the Finance Director of the Borough.
- (I) “Code” means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.
- (J) “Government Obligations” means obligations that are either (i) direct obligations of the United States of America or (ii) obligations of an agency or instrumentality of the United States of America the timely payment of the principal of and interest on which are unconditionally guaranteed by the United States of America.
- (K) “Loan Agreement” means the Loan Agreement between the Borough and the Bond Bank, dated February 1, 2014.
- (L) “Refunded Bond” means the principal installments of the 2014A Bonds the refunding of which the Mayor or Borough Finance Director determines will produce a debt service savings under Section 2.
- (M) “Registrar” means the Borough Finance Director.
- (N) “Resolution” means this Resolution of the Assembly.
- (O) “2014A Bond” means the Kenai Peninsula Borough, Alaska, Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bond, Series 2014A (Tax-Exempt).
- (P) “2025 Debt Service Account” means the account of that name created in the Bond Fund by Section 13(a) hereof.
- (Q) “2025 Reserve Subaccount Account” means the account of that name created in the Bond Fund by Section 13(b) hereof.

SECTION 2. Authorization of Bonds and Purpose of Issuance. For purposes of effecting the refunding by exchange of the Refunded Bond in the manner set forth in this Resolution and to make any required deposit into the 2025 Reserve Subaccount, the Borough hereby authorizes and determines to issue and sell, as parity bonds under the Bond Legislation, the Bond.

The Borough hereby authorizes the Mayor and the Borough Finance Director to designate which principal installments of the 2014A Bond shall be refunded, provided the refunding of principal installments of the 2014A Bond so designated shall realize an aggregate debt service savings on a present value basis, net of all issuance costs and underwriting discount.

The Mayor or Borough Finance Director is hereby authorized to execute and deliver the Amendatory Loan Agreement on behalf of the Borough and to deliver the Bond executed in accordance with, and subject to Section 16 hereof.

SECTION 3. Obligation of Bond. The Bond shall be a special and limited obligation of the Bond Fund and shall be payable and secured as provided herein and in the Bond Legislation. The Bond shall be issued on a parity lien with other series of bonds issued, and future bonds issued, pursuant to the Bond Legislation. Neither the faith and credit nor the taxing power of the Borough is pledged for the payment of the Bond.

SECTION 4. Description of Bond. The Bond shall be designated “Kenai Peninsula Borough, Alaska, Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Refunding Bond, 2025,” with such designation as the Registrar deems necessary for purposes of identification, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. Principal installments of the Bond shall be in the denomination of \$5,000 or any integral multiple thereof. The aggregate principal amount, amount per principal installment, interest rates, dated date and principal and interest payment dates of the Bond shall be determined at the time of execution of the Amendatory Loan Agreement.

SECTION 5. Prepayment. The principal installments of the Bond shall be subject to prepayment prior to maturity as provided in the Amendatory Loan Agreement.

SECTION 6. Selection of Bond for Redemption; Notice of Redemption.

(a) Selection of Bond for Redemption. When the Bond Bank is the Registered Owner of the Bond, the selection of the principal installments of the Bond to be redeemed shall be made as provided in the Amendatory Loan Agreement. When the Bond Bank is not the Registered Owner of the Bond, the selection of principal installments of the Bond to be redeemed shall be made as provided in this subsection (a). If the Borough redeems at any one time fewer than all of the principal installments of the Bond having the same maturity date, the particular principal installments of the Bond, or portions of the Bond of such maturity to be redeemed, shall be selected by lot (or in such other manner determined by the Registrar) in increments of \$5,000. In the event that only a portion of the principal amount of the Bond is redeemed, upon surrender of such Bond at the office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the

principal sum thereof, at the option of the Registered Owner, a Bond or Bonds of like maturity and interest rate in any of the denominations authorized herein.

- (b) Notice of Redemption. When the Bond Bank is the Registered Owner of the Bond, notice of any intended redemption of the Bond shall be given as provided in the Loan Agreement or Amendatory Loan Agreement, as the case may be. When the Bond Bank is not the Registered Owner of the Bond, notice of any intended redemption of the Bond shall be made as provided in this subsection (b). Notice of redemption shall be mailed not less than 30 nor more than 45 days prior to the date fixed for redemption by first class mail to the Registered Owners of the principal installments of the Bond to be redeemed at their addresses as they appear on the Bond Register on the day the notice is mailed. Notice of redemption shall be deemed to have been given when the notice is mailed as herein provided, whether or not it is actually received by the Registered Owner. All notices of redemption shall be dated and shall state: (1) the redemption date; (2) the redemption price; (3) if fewer than all outstanding principal installments of the Bond is to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the principal installments of the Bond to be redeemed; (4) that on the redemption date the redemption price will become due and payable upon the Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (5) the place where the Bond is to be surrendered for payment of the redemption price, which place of payment shall be the office of the Registrar.

Official notice of redemption having been given as aforesaid, the Bond or portions of Bond to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date, such Bond or portions of Bonds shall cease to bear interest. Upon surrender of such Bond for redemption in accordance with said notice, such Bond shall be paid at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender of any Bond for partial redemption, there shall be prepared for the Registered Owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. The Bond which has been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

Each check or other transfer of funds issued to pay the redemption price of Bond shall bear the CUSIP number, if any, identifying, by maturity, the Bond being redeemed with the proceeds of such check or other transfer.

SECTION 7. Form of Bond. The Bond shall be in substantially the following form, with such variations, omissions and insertions as may be required or permitted by the Bond Legislation and this Resolution:

UNITED STATES OF AMERICA

STATE OF ALASKA

KENAI PENINSULA BOROUGH

(A Municipal Corporation of the State of Alaska)

NO. RB-

\$ _____

CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA

SPECIALTY CLINIC BUILDING REVENUE REFUNDING BOND, 2025

REGISTERED OWNER: Alaska Municipal Bond Bank

PRINCIPAL AMOUNT:

The Kenai Peninsula Borough, Alaska (“Borough”), a municipal corporation of the State of Alaska, hereby acknowledges itself indebted and for value received promises to pay (but only out of the sources mentioned herein) to the Registered Owner identified above, or its registered assigns, the principal amount shown above in the following installments on _____ 1 of each of the following years, and to pay interest on such installments from the date hereof, payable on _____ 1, 20__ and semiannually thereafter on the 1st days of _____ and _____ of each year, at the rates per annum as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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For so long as the Alaska Municipal Bond Bank (the “Bond Bank”) is the Registered Owner of the Bond, payment of principal and interest shall be made as provided in the Loan Agreement dated February 1, 2014, as amended by an Amendatory Loan Agreement dated as of _____ 1, 2025, between the Bond Bank and the Borough (together, the “Loan Agreement”). When and if this Bond is not owned by the Bond Bank, installments of principal and interest on this Bond shall be paid by check or draft mailed by first class mail to the Registered Owner as of the close of business on the _____ day of the month _____ each installment payment date; provided that the final installment of principal and interest on this Bond shall be payable upon presentation and surrender of this Bond by the Registered Owner at the office of the Registrar. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. Both principal of and interest on this Bond are payable in lawful money of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

Installments of principal of this Bond payable on and after _____, 20__, shall be subject to prepayment on and after _____, 20__, at the option of the Borough (subject to any applicable provisions of the Loan Agreement), in such principal amounts and from such principal instalments as the Borough may determine, and by lot within a maturity, at a redemption price equal to the principal amount to be prepaid, plus accrued interest to the date of prepayment.

This Bond is a special and limited obligation of the Borough and is one of a duly authorized issue of bonds of the Borough designated “Kenai Peninsula Borough, Alaska Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Refunding Revenue Bond”, issued and to be issued in various series pursuant to Resolution No. 2013-072, as amended by Resolution 2014-008, adopted on October 22, 2014 and January 7, 2014, respectively (together referred to herein as the “Bond Legislation”), and under Resolution 2025-__, adopted _____, 2025 (the “Bond Resolution”). Parity bonds may be issued from time to time pursuant to the Bond Legislation in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and, subject to the provisions thereof, may otherwise vary. The aggregate principal amount of bonds which may be issued is not limited, and all bonds issued and to be issued under said Bond Legislation are and will be equally and ratably secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Bond Legislation.

This Bond is one of a series of bonds issued in the aggregate principal amount of \$_____ under the Bond Legislation and Bond Resolution, for the purpose of refunding outstanding Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bonds issued on a tax-exempt basis.

This Bond shall be an obligation only of the Bond Account and shall be payable and secured as provided in the Bond Legislation and Bond Resolution. Neither the faith and credit nor the taxing power of the Borough is pledged for the payment of the Bond. The Borough has pledged to pay into the Bond Account Pledged Revenues, on or prior to the respective dates on which the same become due, such amounts as are required to pay the interest and principal to become due on this Bond. Said amounts so pledged are hereby declared to be a lien and charge upon Pledged Revenues superior to all other charges of any kind or nature whatsoever, except that the amounts so pledged are of equal lien to any lien and charge thereon which may hereafter be made to pay and secure the payment of the principal of and interest on any Parity Bonds or Future Parity Bonds.

IT IS HEREBY CERTIFIED and declared that this Bond is issued pursuant to and in strict compliance with the constitution or statutes of the State of Alaska, and that all acts, conditions and things required to happen, to be done, and to be performed precedent to and on the issuance of this Bond have happened, been done and been performed.

IN WITNESS WHEREOF, THE KENAI PENINSULA BOROUGH, ALASKA, has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its Mayor and its corporate seal (or a facsimile thereof) to be impressed or otherwise reproduced hereon and attested by the manual or facsimile signature of its Clerk, all as of the ___ day of ___ 2025.

KENAI PENINSULA BOROUGH

/specimen/

Mayor

ATTEST:

/specimen/
Borough Clerk

[SEAL]

SECTION 8. Execution. The Bond shall be executed in the name of the Borough by the manual or facsimile signature of the Mayor, and its corporate seal (or a facsimile thereof) shall be impressed or otherwise reproduced thereon and attested by the manual or facsimile signature of the Borough Clerk or acting Borough Clerk. The execution of the Bond on behalf of the Borough by persons who at the time of the execution are duly authorized to hold the proper offices shall be valid and sufficient for all purposes, although any such person shall have ceased to hold office at the time of delivery of the Bond or shall not have held office on the date of the Bond.

SECTION 9. Payment of Principal and Interest. The Bond shall be payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts. When the Bond Bank is the Registered Owner of the Bond, payment of principal and interest on the Bond shall be made as provided in the Loan Agreement, as amended by the Amendatory Loan Agreement. When the Bond Bank is not the Registered Owner of the Bond, installments of principal and interest on the Bond shall be paid by check mailed by first class mail to the Registered Owner of the record date for the installment payment at the address appearing on the Bond Register; provided that the final installment of principal and interest on the Bond shall be payable upon presentation and surrender of the Bond by the Registered Owner at the office of the Registrar.

SECTION 10. Registration. The Bond shall be issued only in registered form as to both principal and interest. The Registrar shall keep, or cause to be kept, the Bond Register at the principal office of the Borough. The Borough and the Registrar may treat the person in whose name any Bond shall be registered as the absolute owner of such Bond for all purposes, whether or not the Bond shall be overdue, and all payments of principal of and interest on the Bond made to the Registered Owner thereof or upon its order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Borough nor the Registrar shall be affected by any notice to the contrary.

SECTION 11. Transfer and Exchange. The Bond shall be transferred only upon the books for the registration and transfer of the Bond kept at the office of the Registrar. Upon surrender for transfer or exchange of any Bond at such office, with a written instrument of transfer or authorization for exchange in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or the duly authorized attorney of the Registered Owner, the Borough shall execute and deliver an equal aggregate principal amount of Bond of the same maturity of

any authorized denominations, subject to such reasonable regulations as the Borough may prescribe and upon payment sufficient to reimburse it for any tax, fee or other governmental charge required to be paid in connection with such transfer or exchange. A Bond surrendered for transfer or exchange shall be canceled by the Registrar.

SECTION 12. Bond Mutilated, Destroyed, Stolen or Lost. Upon surrender to the Registrar of a mutilated Bond, the Borough shall execute and deliver a new Bond of like maturity and principal amount. Upon filing with the Registrar of evidence satisfactory to the Borough that a Bond has been destroyed, stolen or lost and of the ownership thereof, and upon furnishing the Borough with indemnity satisfactory to it, the Borough shall execute and deliver a new Bond of like maturity and principal amount. The person requesting the execution and delivery of a new Bond under this section shall comply with such other reasonable regulations as the Borough may prescribe and pay such expenses as the Borough may incur in connection therewith.

SECTION 13. Bond Account. The Bond Legislation created a special restricted account of the Borough known as the “Specialty Clinic Building Revenue Bond Account” and referred to, and defined, therein as the “Bond Account” The Bond Account was created for the sole purpose of paying the principal of and interest and premium, if any, on all Parity Bonds and Future parity Bonds. The Bond Account consists of two subaccounts, the “Debt Service Subaccount” and the “Reserve Subaccount.”

- (a) 2025 Debt Service Subaccount. A 2025 Debt Service Subaccount (the “2025 Debt Service Subaccount”) is hereby created in the Debt Service Subaccount held in the Bond Account for the purpose of paying the principal of and interest on the Bond. The Borough hereby irrevocably obligates and binds itself for as long as the 2025 Bond remain outstanding to set aside and pay into the 2025 Debt Service Account from Pledged Revenues, on or prior to the respective dates on which the same become due (i) such amounts as are required to pay the interest scheduled to become due on principal installments on the Bond, and (ii) such amounts as are required to pay maturing principal of principal installments on the Bond.
- (b) 2025 Reserve Subaccount. A 2025 Reserve Subaccount is hereby created in the Reserve Subaccount held in Bond Account for the purpose of securing the payment of the principal of and interest on the Bond. On the date of issuance of the Bond, the Borough shall cause amounts held in the 2025 Reserve Subaccount to be equal to the least of (i) 10 percent of the initial principal of the outstanding Bond; (ii) 125 percent of the average Annual Det Service requirement of the Bond; and (iii) the maximum Annual Debt Service Requirement on the outstanding Bond.
- (c) Pledge and Lien. Said amounts so pledged to be paid into the 2025 Debt Service Subaccount and the 2025 Reserve Subaccount are hereby declared to be a lien and charge upon Pledge Revenues superior to all other charges of any kind or nature whatsoever, except that the amounts so pledged are of equal lien

to any lien and charge thereon which may hereafter be made to pay and secure the payment of the principal of and interest on any Parity Bonds or Future Parity Bonds.

SECTION 14. Tax Covenants. The Borough covenants to comply with any and all applicable requirements set forth in the Code in effect from time to time to the extent that such compliance shall be necessary for the exclusion of the interest on the Bond from gross income for federal income tax purposes. The Borough covenants that it will make no use of the proceeds of the Bond that will cause the Bond or the Refunded Bond to be “arbitrage bonds” subject to federal income taxation by reason of Section 148 of the Code. The Borough covenants that it will not take or permit any action what would cause the Bond to be a “private activity bond” as defined in Section 141 of the Code.

SECTION 15. Defeasance. In the event money and/or non-callable Government Obligations maturing at such times and bearing interest to be earned thereon in amounts sufficient to redeem and retire any or all of the Bond in accordance with their terms are set aside in a special trust account to effect such redemption or retirement and such moneys and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made to pay or secure the payment of the principal of and interest on such Bond and such Bond shall be deemed not to be Outstanding.

SECTION 16. Exchange of Bonds. The Bond shall be delivered to the Bond Bank in exchange for the Refunded Bond. The Borough has been advised by the Bond Bank that bond market conditions are fluctuating and that the most favorable market conditions for the sale of the Bond Bank Bonds may not occur on the date of a regular Assembly meeting. The Assembly has determined that it would be inconvenient to hold a special meeting on short notice to approve the terms of the Bond. Therefore, the Assembly hereby determines that it is in the best interest of the Borough to delegate the authority to approve the terms of the Bond as provided herein. Each of the Mayor and the Borough Finance Director is hereby authorized to determine the aggregate principal amount, amount per installment, interest rates, dated date and principal and interest payment dates and prepayment provisions, if any, for the Bond, so that such terms of the Bond conform to the terms of the Bond Bank Bonds, provided that (i) no principal installment of the Bond shall exceed the principal amount of the corresponding maturity of the Bond Bank Bonds allocated to the Borough, and (ii) the interest rate on each principal installment shall not exceed the interest rate on the corresponding maturity of the Bond Bank Bonds. Based on the foregoing determinations, the Mayor and the Borough Finance Director each is authorized to negotiate, execute and deliver the Amendatory Loan Agreement.

SECTION 17. Ongoing Disclosure. The Borough acknowledges that, under Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the Borough may now or in the future be an “obligated person” with respect to the Bond Bank Bonds. In accordance with the Rule and as the Bond Bank may require, the Borough shall undertake to provide certain annual financial information and operating data as reasonably

requested by the Bond Bank.

SECTION 18. Authority of Officers. The Borough Mayor, the Borough Finance Director, the Borough Clerk and the acting Borough Clerk are, and each of them hereby is, authorized and directed to do and perform all things and determine all matters not determined by this Resolution, to the end that the Borough may carry out its obligations under the Bond and this Resolution.

SECTION 19. Miscellaneous.

- (a) All payments made by the Borough of, or on account of, the principal of or interest on the Bond shall be made on the Bond ratably and in proportion to the amount due thereon, respectively, for principal or interest as the case may be.
- (b) No recourse shall be had for the payment of the principal of or the interest on the Bond or for any claim based thereon or on this Resolution against any member of the Assembly or officer of the Borough or any person executing the Bond. The Bond are not and shall not be in any way a debt or liability of the State of Alaska or of any political subdivision thereof, except the Borough, and do not and shall not create or constitute an indebtedness or obligation, either legal, moral or otherwise, of said state or of any political subdivision thereof, except the Borough as set forth in the Bond Legislation.

SECTION 20. Severability. If any one or more of the provisions of this Resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this Resolution and shall in no way affect the validity of the other provisions of this Resolution or of the Bond.

SECTION 21. Effective Date. This Resolution shall take effect immediately upon its passage and approval.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 21ST DAY OF JANUARY, 2025.

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Peter Ribbens Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Borough Mayor *PMU*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: January 9, 2025

SUBJECT: Resolution 2025- 008, Authorizing the Kenai Peninsula Borough to Issue its Central Peninsula Hospital Service Area Specialty Clinic Building Refunding Revenue Bond to Refund Certain Outstanding Central Peninsula Hospital Service Area Specialty Clinic Building Refunding Revenue Bonds of the Borough, Fixed Certain Details of Such Bond and Authorizing its Sale, and Providing for Related Matters (Mayor)

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank (AMBB) has determined that a portion of the outstanding 2015 Central Peninsula Hospital Service Area General Obligation Refunding Bond could be refinanced, with potential savings to the residents of the Kenai Peninsula Borough of approximately \$450,000-\$520,000 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: 10/22/13
Action: Adopted as Amended
Vote: 7 Yes, 2 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2013-072**

**A RESOLUTION PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED
\$43,000,000 SPECIALTY CLINIC BUILDING REVENUE BONDS OF THE BOROUGH,
IN ONE OR MORE SERIES, FOR THE PURPOSE OF PROVIDING AMOUNTS TO
ENGINEER, DESIGN, CONSTRUCT, AND EQUIP A SPECIALTY CLINIC BUILDING
IN THE CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA AND
PROVIDING FOR THE DETAILS OF THE BONDS**

WHEREAS, the Kenai Peninsula Borough, Alaska, (the "Borough") owns a hospital in the Central Kenai Peninsula Hospital Service Area and desires to design and construct a specialty clinic building near the hospital; and

WHEREAS, the Constitution and statutes of the State of Alaska permit the Borough to issue revenue bonds to finance any project which serves a public purpose which bonds are secured only by the revenues of the project and which do not constitute a debt or pledge of the faith and credit or taxing power of the Borough and which may be authorized by the Assembly; and

WHEREAS, it is necessary to establish the form, conditions, covenants, and method of sale of such bonds and to make provision for establishing the amount, maturities, interest rates, and redemption rights and other terms; and

WHEREAS, a portion of the Bonds, not to exceed \$21,500,000, in principal amount, may be issued on a tax-exempt basis to the extent the underlying agreements relating to the use of proceeds, and otherwise, are consistent with relevant provisions of the Internal Revenue Code relating to tax-exempt bonds; and

WHEREAS, a public hearing has been held in accordance with Section 147(f) of the Internal Revenue Code; and

WHEREAS, issuance of the bonds and construction of the specialty clinic building are subject to receipt of a Certificate of Need from the State of Alaska and successful negotiation of an agreement with an operator of the specialty clinic building, and approval of the agreement by the Assembly; and

WHEREAS, at its October 14, 2013, meeting the Central Kenai Peninsula Hospital Service Area Board recommended approval by unanimous consent;

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

SECTION 1. Purpose. The purpose of this resolution is to authorize the issuance and sale of not to exceed \$43,000,000 of specialty clinic building revenue bonds, to fix the form, covenants, and method of sale of the bonds, to provide for establishing the amount, maturities, interest rates, redemption rights, and other terms of the bonds, and to fix the conditions under which additional specialty clinic building revenue bonds may be issued on a parity with the bonds. The financing, construction, and operation of a specialty clinic building serve a public purpose.

SECTION 2. Definitions. As used in this resolution, unless a different meaning clearly appears from the context:

"Annual Debt Service Requirement" means, with respect to any particular Fiscal Year and to any specified bonds, an amount equal to (i) interest accruing during such Fiscal Year on such bonds, except to the extent such interest is to be paid from deposits in the Debt Service Subaccount from bond proceeds; (ii) the principal amount of such bonds due during such Fiscal Year for which no sinking fund installments have been established; plus (iii) the unsatisfied balance of any sinking fund installment for such bonds due during such Fiscal Year.

"Assembly" means the general legislative authority of the Borough, as the same may be constituted from time to time.

"Bond Account" means the Specialty Clinic Building Revenue Bond Account created by Section 12 of this resolution.

"Bond Register" means the registration books maintained by the Registrar containing the names and addresses of the owners of the Bonds.

"Bonds" means the Kenai Peninsula Borough, Alaska, Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bonds, 20XX.

"Borough" means the Kenai Peninsula Borough, Alaska, a municipal corporation organized and existing under the Constitution and laws of the State of Alaska.

"Code" means the Internal Revenue Code of 1986, as amended, and all applicable regulations thereunder.

"Consulting Engineer" means an independent consulting engineer or engineering firm licensed to practice in the State of Alaska, retained and appointed pursuant to Section 15(E).

"Debt Service Subaccount" means the Debt Service Subaccount created in the Bond Account by Section 12 hereof.

"Facility" means the Borough's specialty clinic building.

"Fiscal Year" means the 12-month period commencing on July 1 each year through and including June 30 of the following calendar year.

"Future Parity Bonds" means any specialty clinic building revenue bonds, notes, or other obligations of the Borough, other than the Bonds, issued under a resolution wherein the Borough pledges that the payments to be made out of the Pledged Revenues into the Bond Account and Reserve Subaccount therein to pay and secure the payment of the principal of and interest on such revenue bonds, notes, or other obligations will be on a parity with the payments required by this resolution to be made out of such Pledged Revenues into such Bond Account and Reserve Subaccount to pay and secure the payment of the principal of and interest on the Bonds.

"Loan Agreement" means the Loan Agreement between the Borough and the Alaska Municipal Bond Bank.

"Net Revenues" means all amounts received by the Borough for the specialty clinic and deposited in the Specialty Clinic Building Fund and interest and profits derived from the investment of moneys held in the Specialty Clinic Building Fund.

"Operator" means the operator or lessee of the Facility pursuant to an agreement to be approved by the Assembly.

"Parity Bonds" means the Bonds and any Future Parity Bonds.

"Pledged Revenues" means Net Revenues and interest received and profits derived from the investment of moneys obtained from moneys held in any fund solely to pay or secure the payment of any Parity Bonds issued under this resolution.

"Registered Owner" means the person named as the registered owner of a Parity Bond in the Bond Register.

"Registrar" means the Finance Director of the Borough.

"Reserve Subaccount" means the Reserve Subaccount created in the Bond Account by Section 12 hereof.

"Reserve Subaccount Requirement" means an amount equal to the least of (i) 10% of the initial principal amount of all outstanding Parity Bonds; (ii) 125% of the average Annual Debt Service Requirement for all outstanding Parity Bonds; and (iii) the maximum Annual Debt Service Requirement on all outstanding Parity Bonds.

SECTION 3. Authorization of Bonds and Purpose of Issuance. The Borough shall enter into the Loan Agreement and issue and sell revenue bonds, in one or more series, designated "Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bonds, 20XX" (the "Bonds") in the aggregate principal amount of not to exceed \$43,000,000. The proceeds of the Bonds shall be used to pay the costs of design, engineering, construction, installation, and equipping of the Borough's Facility. Issuance of the Bonds is subject to the prior approval by the Assembly of an agreement with an Operator of the Facility for operating the Facility and committing to pay all debt service on the Bonds when due. The said agreement shall clearly delineate the portion of the Facility which may be financed on a tax-exempt basis and the Bonds relating therein and the provisions of the agreement relating to that portion shall be subject to opinion of bond counsel that said provisions are consistent with appropriate provisions of the Code governing tax-exempt bonds.

Issuance of the Bonds is subject to confirmation that a Certificate of Need for the Facility has been issued by the State of Alaska.

SECTION 4. Date, Maturities, Interest Rates, and Other Details of the Bonds. The Bonds shall be dated on such dates, and mature on such dates not later than December 31, 2034, and be designated "Taxable Series" or "Tax-Exempt Series" and shall bear interest from their date payable on such dates, and at such rates, not exceeding 6% per annum, as the Finance Director may fix and determine at or prior to the time of sale of the Bonds. The Tax-Exempt Series of Bonds shall not exceed \$21,500,000 in principal amount.

The Bonds shall be fully registered as to both principal and interest, shall be in the denomination of \$5,000 each or any integral multiple thereof, and shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification.

SECTION 5. Place and Medium of Payment. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. For so long as all outstanding Bonds are registered in the name of the Alaska Municipal Bond Bank, payments of principal and interest thereon shall be made as provided in the Loan Agreement. In the event that the Bonds are no longer registered in the name of the Alaska Municipal Bond Bank, interest on the Bonds shall be paid to the Registered Owners of the Bonds at the addresses for such Registered Owners appearing on the Bond Register on the 20th day of the month preceding the interest payment date. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the Registered Owners at the principal office of the Registrar.

SECTION 6. Registration.

- A. **Bond Register.** The Bonds shall be issued only in registered form as to both principal and interest. The Registrar shall keep, or cause to be kept, a bond register.
- B. **Registered Ownership.** The Borough and the Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes, and neither the Borough nor the Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 5 hereof, but such registration may be transferred as herein provided. All such payments made as described in Section 5 shall be valid and shall satisfy and discharge the liability of the Borough upon such Bond to the extent of the amount or amounts so paid.
- C. **Transfer or Exchange.** Bonds shall be transferred only upon the Bond Register kept by the Registrar. Upon surrender for transfer or exchange of any Bond at the office of the Registrar, with a written instrument of transfer or authorization for exchange in form and with guaranty of signature satisfactory to the Registrar, duly executed by the registered owner or its duly authorized attorney, the Borough shall execute and the Registrar shall deliver an equal aggregate principal amount of Bonds of the same maturity of any authorized denominations, subject to such reasonable regulations as the Registrar may prescribe and upon payment sufficient to reimburse it for any tax, fee, or other governmental charge required to be paid in connection with such transfer or exchange. All Bonds surrendered for transfer or exchange shall be cancelled by the Registrar. The Registrar shall not be required to transfer or exchange Bonds subject to redemption during the 15 days preceding any principal or interest payment date or the date of mailing of notice of redemption of such Bonds, or any Bond after such Bond has been called for redemption.
- D. **Registration Covenant.** The Borough covenants that, until all Bonds have been surrendered and cancelled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

SECTION 7. Redemption. The Bonds maturing on or after November 1, 2024 are subject to redemption on or after November 1, 2023, and may be redeemed at the times and in the manner described in the Loan Agreement. When the Borough determines to redeem any Bonds not owned by the Bond Bank:

- A. The Borough shall give notice of such redemption, which notice shall state the redemption date and identify the Bonds to be redeemed by reference to their numbers and further state that on such redemption date there shall become due and payable upon each such Bond the principal amount thereof plus the applicable premium, if any (the "Redemption Price"), together with interest

accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue. Such notice shall be given at least 30 days but not more than 45 days prior to the redemption date by first class mail, postage prepaid, to the registered owner of any Bond to be redeemed at the address appearing on the Bond Register.

- B. Notice of Redemption having been given in the manner provided in this Resolution, the Bonds so called for redemption shall become due and payable on the redemption date stated in the notice at the applicable Redemption Price, plus interest, accrued and unpaid to the redemption date upon presentation and surrender thereof, together with a written instrument of transfer duly executed by the registered owner or the owner's duly authorized attorney.

SECTION 8. Form of Bonds. The form of the Bonds shall be substantially as follows:

No. _____ \$ _____

UNITED STATES OF AMERICA

KENAI PENINSULA BOROUGH, ALASKA
 CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA
 SPECIALTY CLINIC BUILDING REVENUE BOND, (TAXABLE
 SERIES/TAX-EXEMPT SERIES) 20XX

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Kenai Peninsula Borough, Alaska (the "Borough"), a municipal corporation of the State of Alaska, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or its registered assigns, from the sources stated herein, the Principal Amount indicated above in the following installments on _____ of each of the following years, and to pay, from the sources stated herein, interest on such installments from the date hereof, payable on _____, 20XX, and semiannually thereafter on the first days of each _____ and _____ of each year, at the rates per annum as follows:

Maturity <u>Date</u>	Principal <u>Amount</u>	Interest <u>Rate</u>
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For so long as this Bond is owned by the Alaska Municipal Bond Bank (the "Bond Bank"), payment of principal and interest shall be made as provided in the Loan Agreement between the Bond Bank and the Borough. In the event that this Bond is no longer owned by the Bond Bank, payment of principal of and interest on this Bond will be made by check or draft mailed by first class mail to the registered owner at the address appearing on the Bond Register of the Borough, provided that the final installment of principal and interest on this Bond

will be payable at the office of the Finance Director (the "Registrar") upon surrender of this Bond. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. Both principal of and interest on this Bond are payable in lawful money of the United States of America solely out of the special fund of the Borough known as the "Specialty Clinic Building Revenue Bond Account" created by Section 12 of Resolution No. 2013-XX.

This Bond is one of an issue of bonds (the "Bonds") of like date and tenor except as to number, rate of interest, and date of maturity, aggregating the principal sum of \$_____ and is issued pursuant to the Constitution and statutes of the State of Alaska and the duly adopted resolutions and ordinances of the Borough, including Resolution No. 2013-XX (the "Bond Resolution"). The definitions contained in the Bond Resolution shall apply to capitalized terms contained herein. The Bonds are being issued for the purpose of financing the design, engineering, construction, and equipping of the Borough's Central Kenai Peninsula Hospital Service Area Specialty Clinic Building.

Bonds owned by the Bond Bank, or its registered assigns, maturing on or after _____, 20XX, may be called for redemption on or after _____, 20XX on any date, in whole or in part, at the option of the Borough at a price equal to 100% of the principal amount thereof to be redeemed plus accrued interest to the date of redemption as described in the Loan Agreement.

Bonds not owned by the Bond Bank maturing on or after _____ 1, 2024 may be called for redemption by or on behalf of the Borough prior to maturity and upon notice as set forth in the Bond Resolution as a whole on any date or in part on or after _____ 1, 2023, at a redemption price of 100% of the principal amounts thereof, together with interest thereon to the redemption date.

The Borough does hereby pledge and bind itself to set aside out of Pledged Revenues of the Borough and to pay into the Bond Account the various amounts required by the Bond Resolution to be paid into and maintained in the Bond Account all within the times provided in the Bond Resolution.

The pledge of Pledged Revenues contained herein and in the Bond Resolution may be discharged by making provision, at any time, for the payment of the principal of and interest on this Bond in the manner provided in the Bond Resolution.

The pledge of amounts to be paid into the Bond Account is hereby declared to be a lien and charge upon the Pledged Revenues superior to all other charges of any kind or nature and equal in rank to the lien and charge thereon for amounts pledged to the payment of any Future Parity Bonds hereafter issued.

This Bond is a special, limited obligation of the Borough giving rise to no charge against the Borough's general credit, and is payable solely from, and constitute claims of the owners thereof against, only the revenues, funds, and assets of the Borough pledged under the Resolution. This Bond shall never constitute a debt or indebtedness of the State of Alaska within the meaning of any provision or limitation of the Constitution or statutes of the State of Alaska or the Borough, or of any political subdivision thereof, and shall never constitute nor give rise to a general pecuniary liability of the State or the Borough or a charge against their general credit or taxing powers.

This Bond is a special, limited obligation of the Borough, issued in order to provide funds to finance the acquisition, design, construction, and equipping of a specialty clinic building in the Central Kenai Peninsula Hospital Service Area.

No officer, agent, or employee of the Borough, and no officer, official, agent, or employee of the State of Alaska, nor any person executing this Bond, shall in any event be subject to any personal liability or accountability by reason of the issuance of this Bond.

The Borough has further bound itself to maintain the Facility in good condition and repair, to operate the same in an efficient manner and at a reasonable cost, and to establish, maintain, and collect fees for as long as any Parity Bonds are outstanding that will provide Pledged Revenues in an amount equal to at least 1.25 times the maximum Debt Service Requirement for such year on all outstanding Parity Bonds.

[For Tax-Exempt Series: This Bond is a "qualified 501(c)(3) bond" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code").]

It is hereby certified that all acts, conditions, and things required by the Constitution and statutes of the State of Alaska, and the resolutions of the Borough to be done precedent to and in the issuance of this Bond have happened, been done, and performed.

IN WITNESS WHEREOF, the Kenai Peninsula Borough, Alaska, has caused this Bond to be executed with the manual or facsimile signature of its Mayor and to be countersigned with the manual or facsimile signature of its Clerk and the official seal of the Borough to be impressed or imprinted hereon, as of this _____ day of _____, 20XX.

KENAI PENINSULA BOROUGH, ALASKA

Mike Navarre, Mayor

ATTEST:

Johni Blankenship, MMC, Borough Clerk

SECTION 9. Execution of Bonds. The Bonds shall be executed on behalf of the Borough with the manual or facsimile signature of the Mayor of the Borough, attested by the manual or facsimile signature of the Clerk. The official seal of the Borough shall be impressed or imprinted on each Bond. The execution of a Bond on behalf of the Borough by persons that at the time of the execution are duly authorized to hold the proper offices shall be valid and sufficient for all purposes, regardless of whether any such person shall have ceased to hold office at the time of issuance and delivery of the Bond, or shall not have held office on the date of the Bond.

SECTION 10. Mutilated, Destroyed, Stolen, or Lost Bonds. Upon surrender to the Registrar of a mutilated Bond, the Borough shall execute and deliver a new Bond of like maturity and principal amount. Upon filing with the Registrar of evidence satisfactory to the Borough that a Bond has been destroyed, stolen, or lost and of the ownership thereof, and upon furnishing the Borough with indemnity satisfactory to it, the Borough shall execute and deliver a new Bond of like maturity and principal amount. The person requesting the authentication and delivery of a new Bond pursuant to this section shall comply with such other reasonable regulations as the Borough may prescribe and pay such expenses as the Borough may incur. Any Bonds issued pursuant to this section in substitution for Bonds alleged to be destroyed, stolen, or lost shall constitute original additional contractual obligations on the part of the Borough, whether or not the Bonds alleged to be destroyed, stolen, or lost be at any time enforceable by anyone, and shall be equally and proportionately secured with all other Bonds issued hereunder.

SECTION 11. Priority of Use of Pledged Revenues. Pledged Revenues are hereby pledged to and shall be used only for the following purposes and in the following order of priority:

First, to make all payments, including sinking fund payments, required to be made into the Debt Service Subaccount for the payment of the principal of and interest on Parity Bonds;

Second, to make all payments required to be made into the Reserve Subaccount;

Third, to make all payments, including sinking fund payments, required to be made into a subordinate lien debt service account for the payment of the principal of and interest on any subordinate lien bonds; and

Fourth, to make all payments required to be made into a reserve account for subordinate lien bonds.

SECTION 12. Specialty Clinic Building Revenue Bond Account and Subaccounts. There is hereby created a special restricted account of the Borough known as the "Specialty Clinic Building Revenue Bond Account" (the "Bond Account"), which account is to be drawn upon for the sole purpose of paying the principal of and interest and premium, if any, on all Parity Bonds. The Bond Account consists of two subaccounts, the Debt Service Subaccount and the Reserve Subaccount. Amounts pledged to be paid into the Bond Account are hereby declared to be a lien and charge upon Pledged Revenues superior to all other charges of any kind or nature and equal in rank to the charge thereon to pay and secure the payment of the principal of and interest on all Parity Bonds.

From and after the time of issuance and delivery of the Bonds and as long thereafter as any of the same remain outstanding, the Borough hereby irrevocably obligates and binds itself to set aside and pay the following each month into the Debt Service Subaccount out of Pledged Revenues on or before the date due:

- A. Such amounts, in approximately equal monthly installments, as will be sufficient to accumulate the amount required to pay the interest scheduled to become due on Parity Bonds on the next interest payment date; and
- B. Such amounts, in approximately equal monthly installments, as will be sufficient to accumulate (i) the principal amount of all Parity Bonds due for which no sinking fund installments have been established; plus (ii) the unsatisfied balance of any sinking fund installment for Parity Bonds, in each case during the next 12 months.
- C. For so long as Parity Bonds are held by the Bond Bank, the Borough will pay such amounts into the Debt Service Subaccount out of Pledged Revenues as may be required by the Loan Agreement.

Moneys in the Debt Service Subaccount may be held in cash or invested in accordance with Borough policy such that investments will mature prior to the time such money is required for the payment of the principal of or interest on the Parity Bonds. All interest earned on and profits derived from such investments shall remain in and become a part of the Debt Service Subaccount.

In the event a portion of the Bonds are designated Tax-Exempt Series, the Finance Director is authorized to modify the foregoing provisions by establishing further subaccounts within the Bond Account and the Reserve Subaccount and otherwise as the Finance Director deems necessary or desirable in order that interest on the Tax-Exempt Series is tax exempt under the Code.

SECTION 13. Reserve Subaccount. The Borough hereby covenants and agrees that it will at the time of issuance of the Bonds cause amounts to be paid into the Reserve Subaccount such that the total amount in the Reserve Subaccount will be equal to the Reserve Subaccount Requirement.

The Borough further covenants and agrees that it will set aside and pay into the Reserve Subaccount amounts from Pledged Revenues, commencing with the first month following the closing and delivery of the Bonds, so that the amount on deposit in the Reserve Subaccount will at all times be at least equal to the Reserve Subaccount Requirement.

The Borough further covenants and agrees that in the event it issues any Future Parity Bonds hereafter it will provide in each resolution authorizing the same that at the time of issuance of such Future Parity Bonds payments will be made into the Reserve Subaccount such that the total amount of such payments together with the money already in the Reserve Subaccount will be equal to the Reserve Subaccount Requirement.

The Borough further covenants and agrees that it will at all times maintain therein an amount at least equal to the Reserve Subaccount Requirement until there is a sufficient amount in the Bond Account and Reserve Subaccount to pay the principal of, premium, if any, and interest on all outstanding Parity Bonds in the manner set forth in Section 16 hereof, at which time the money in the Reserve Subaccount may be used to pay such principal, premium, if any, and interest; provided, however, that moneys in the Reserve Subaccount may be withdrawn or set aside in a special account in the Bond Account pursuant to Section 16 of this resolution, to pay (with or without other available funds) the principal, premium, if any, and interest on all of the outstanding Parity Bonds of any single issue or series payable out of the Bond Account, so long as the moneys remaining on deposit in the Reserve Subaccount are at least equal to the Reserve Subaccount Requirement on all of the remaining outstanding Parity Bonds. The Borough may, from time to time, transfer from the Reserve Subaccount to the Debt Service Subaccount amounts in excess of the Reserve Subaccount Requirement.

In the event there shall be a deficiency in the Debt Service Subaccount for meeting maturing installments of either principal of or interest on Parity Bonds, such deficiency shall be made up from the Reserve Subaccount by the withdrawal of cash therefrom. Any deficiency created in the Reserve Subaccount by reason of any such withdrawal shall then be made up from Pledged Revenues first available therefor after making necessary provision for the required payments into the Debt Service Subaccount.

SECTION 14. Investment of Certain Accounts. Moneys held in the Bond Account and in the Reserve Subaccount shall be invested and reinvested to the fullest extent practicable in accordance with Borough policy, such investments to mature not

later than at such times as shall be necessary to provide moneys when needed for payments to be made from such Accounts.

Obligations purchased as an investment of moneys in any Account or Subaccount created under this resolution shall be deemed at all times to be a part of such Account or Subaccount and any profit realized from the liquidation of such investment shall be credited to such Account or Subaccount and any loss resulting from the liquidation of such investment shall be charged to the respective Account or Subaccount.

In the event a portion of the Bonds are designated "Tax-Exempt Series," the Finance Director is authorized to restrict investments in the subaccounts established within the Bond Account and the Reserve Account as the Finance Director deems necessary or desirable in order to ensure that interest on the Tax-Exempt Series is tax exempt under the Code.

SECTION 15. Specific Covenants. The Borough hereby covenants with the owners of each of the Parity Bonds for so long as any of the same remain outstanding as follows:

- A. The Borough will establish, maintain, and collect Net Revenues in each Fiscal Year that will provide Pledged Revenues in an amount equal to the amount of the Annual Debt Service Requirement for such year on all outstanding Parity Bonds. For so long as the Parity Bonds are held by the Alaska Municipal Bond Bank, the Borough will establish, maintain, and collect Net Revenues as required by the terms of the Loan Agreement.
- B. The Borough will require the Operator to at all times maintain, preserve, and keep the Facility and every part and parcel thereof in good repair, working order, and condition; will from time to time make or cause to be made all necessary and proper repairs, renewals, and replacements to the Facility, and will at all times operate the Facility in an efficient manner.
- C. The Facility, including the buildings, equipment, and property, shall be insured in such amounts and with such deductibles as under good business practice are ordinarily carried on such facilities.
- D. The Borough will require the Operator to keep and maintain proper books and accounts with respect to the operation of the Facility in such manner as prescribed by any authorities having jurisdiction over the Facility; will cause its books and accounts to be audited annually by a certified public accountant not later than 210 days following the end of each Fiscal Year, copies of which audits shall, upon request, be furnished to the owners of the Parity Bonds.
- E. The Borough will not sell or otherwise dispose of the Facility unless contemporaneously with such sale or disposal there shall be paid into the

Bond Account a sum sufficient to pay the principal of and interest on all Parity Bonds then outstanding to the date or dates on which they first may be redeemed, nor will it sell or otherwise dispose of any part of the Facility which is material to the production of Pledged Revenues unless, in the opinion of a Consulting Engineer, the remaining Facility will generate Pledged Revenues sufficient to enable the Borough to comply with the requirements of this resolution and each resolution authorizing the issuance of Future Parity Bonds.

- F. The Borough will require the Operator to not at any time create or permit to accrue or exist any lien or other encumbrance or indebtedness upon the Facility or the Pledged Revenues, or any part thereof, or upon any Account or Subaccount created hereunder, prior or superior to the lien thereon for the payment of the Parity Bonds, and will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials, or supplies which, if unpaid, might become a lien or charge upon the Pledged Revenue, or any part thereof, or upon any Account or Subaccount in the hands of the Borough, prior or superior to the lien of the Parity Bonds, or which might impair the security of the Parity Bonds.
- G. The Borough will require the Operator to not expend any of the Pledged Revenues or the proceeds of any indebtedness payable from Pledged Revenues for any additions, betterments, or improvements to the Facility which are not economically sound and which will not properly and advantageously contribute to the conduct of the business of the Facility in an efficient and economical manner.
- H. The Borough shall require the Operator to at any and all times, as far as it may be authorized by law, make, do, execute, acknowledge, and deliver all further resolutions, acts, deeds, conveyances, assignments, transfers, and assurances as may be necessary or desirable for better assuring, conveying, granting, pledging, assigning, and confirming all and singular the rights, revenues, and other funds, moneys, and securities pledged or assigned under the resolution, or intended so to be, or which the Borough may become bound to pledge or assign.
- I. The Borough is duly authorized under all applicable laws to create and issue the Bonds and to adopt this resolution and to pledge the Pledged Revenues and other funds, moneys, and securities purported to be pledged by this resolution in the manner and to the extent provided in this resolution. The Pledged Revenues and other funds, moneys, and securities so pledged are and will be free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and assignment created by this resolution, and all corporate or other action on the part of the Borough to that end has been and will be duly and validly taken. The Bonds and the provisions of this resolution are and will be the valid and legally enforceable obligations of

the Borough in accordance with their terms and the terms of this resolution.

- J. The Borough, through the Operator, will have so long as any Parity Bonds are outstanding, good, right, and lawful power to operate, maintain, and repair the Facility and to fix and collect rates, fees, and other charges related to the Facility.
- K. The Borough shall require the Operator to do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Borough under applicable laws and this resolution.
- L. In the event a portion of the Bonds are designated "Tax-Exempt Series," the Finance Director is authorized, on behalf of the Borough, to enter into such other covenants and agreements which may be inconsistent with the foregoing, as the Finance Director deems necessary or desirable in order to ensure that interest on the Tax-Exempt Series is tax exempt under the Code.

SECTION 16. Parity Bonds. As described in this Section 16, the Borough may issue Parity Bonds. The Borough hereby covenants with the owners of each of the Parity Bonds for so long as the same remain outstanding that it will not issue any bonds having a greater or equal lien on Pledged Revenues to pay and secure the payment of the principal of and interest on such bonds than the lien created thereon to pay and secure the payment of the principal of and interest on the Parity Bonds, except that the Borough reserves the right to issue future Parity Bonds as follows:

- A. For the purpose of acquiring, constructing, and installing additions, betterments, and improvements to and extensions of, acquiring necessary property, and equipment for, or making necessary replacements or repairs to the Facility, for funding interest and reserves, and for the purpose of refunding at or prior to their redemption or maturity any outstanding revenue bonds or notes of the Borough that have a lien on Pledged Revenues for the payment of the principal thereof and interest thereon junior and inferior to the lien on Pledged Revenues for the payment of the principal of and interest on the Bonds and upon compliance with the following conditions:
 - (1) The Borough will covenant in each resolution authorizing the issuance of Future Parity Bonds that it will pay into and maintain in the Reserve Subaccount the amounts required by Section 13 of this resolution to be paid into and maintained in the Reserve Subaccount in the event Future Parity Bonds are issued.
 - (2) At the time of the issuance of such Future Parity Bonds, the Borough shall have on file a certificate of the Finance Director showing that

the "annual income available for revenue bond debt service," as hereinafter set forth, shall be at least equal to 1.25 times the maximum Annual Debt Service Requirement on all outstanding Parity Bonds and the Future Parity Bonds being issued.

Such "annual income available for revenue bond debt service" shall be determined by adding the following:

- (i) The historical Pledged Revenues for any 12 consecutive months out of the 24 months immediately preceding the month of delivery of the Future Parity Bonds being issued.
- (ii) The estimated annual Pledged Revenues to be derived from the operation of any additions or improvements to or extensions of the Facility under construction but not completed at the time of such certificate and not being paid for out of the proceeds of sale of such Future Parity Bonds being issued, and which Pledged Revenues are not otherwise included in any of the sources of Pledged Revenues described in this subsection (2).
- (iii) The estimated Pledged Revenues to be derived from the operation of any additions and improvements to or extensions of the Facility being paid for out of the proceeds of sale of such Future Parity Bonds being issued.

The computation of "annual income available for revenue bond debt service" shall be adjusted to reflect the Facility fees or rents effective on the date of such certificate or approved by the regulatory authority with jurisdiction to become effective thereafter if there has been any change in such rates and charges put into effect or so approved during or after such 12 consecutive month base period.

Notwithstanding the preceding provisions of this subparagraph (2), the certificate referred to above shall not be required if one-half of Pledged Revenues, verified from certain financial statements of the Facility, for a period of any consecutive two out of the three Fiscal Years immediately preceding the issuance and delivery of such Future Parity Bonds, was equal to at least 1.25 times the maximum Annual Debt Service required to be paid in any Fiscal Year succeeding the date of issuance of such Future Parity Bonds on all outstanding Parity Bonds and the Future Parity Bonds being issued.

Further, notwithstanding the preceding provisions of this subparagraph (2), Future Parity Bonds may be issued if the Borough shall have on file a certificate stating that the Pledged Revenues for the next full Fiscal Year after the initial operation of any additions or improvements to or extensions of the Facility being paid for out of the proceeds of the Future Parity Bonds will be at

least equal to 1.25 times the maximum Annual Debt Service Requirement on all outstanding Parity Bonds and the Future Parity Bonds being issued; and that at the time of the issuance of such Future Parity Bonds there is no deficiency in the Debt Service Subaccount or Reserve Subaccount.

- B. For the purpose of refunding at or prior to their redemption or maturity, any part or all of the then outstanding Parity Bonds if the issuance of such refunding Future Parity Bonds does not require a greater amount to be paid out of Pledged Revenues for principal and interest over the life of such refunding Future Parity Bonds being refunded, and if the conditions required in subsections (A)(1) and (A)(2) of this section are complied with.

Proceeds of Parity Bonds to be used to fund interest or reserves shall be deposited in the Debt Service Subaccount or the Reserve Subaccount, as the case may be.

SECTION 17. Subordinate Lien Bonds. Nothing contained herein shall prevent the Borough from issuing revenue bonds or notes which are a charge upon Pledged Revenues subordinate or inferior to the payments required herein to be made therefrom into the Debt Service Subaccount and Reserve Subaccount, or from issuing specialty clinic building revenue bonds to refund maturing bonds for the payment of which moneys are not otherwise available.

SECTION 18. Defeasance. In the event that money and/or investments maturing at such time or times and bearing interest to be earned thereon in amounts sufficient to redeem and retire any or all of the Bonds in accordance with their terms are set aside in a special restricted account in the Bond Account to effect such redemption or retirement and such money and the principal of and interest on such obligations are irrevocably set aside and pledged for such purpose, then no further payments need to be made into the Bond Account for the payment of the principal of and interest on such Bonds, and such Bonds shall cease to be entitled to any lien, benefit, or security of this resolution, except the right to receive the funds so set aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder or under any other resolution authorizing the issuance of Future Parity Bonds.

SECTION 19. General Authorization to Municipal Officials. After the sale of the Bonds, the proper officials of the Borough are hereby authorized and directed to do everything necessary to complete such sale and to deliver the Bonds to the purchaser thereof upon payment of the purchase price thereof.

SECTION 20. Amendatory and Supplemental Resolutions.

- A. The Assembly from time to time and at any time may pass a resolution or resolutions supplemental hereof, which resolution or resolutions thereafter

shall become a part of this resolution, for any one or more of the following purposes:

- (1) To add to the covenants and agreements of the Borough contained in this resolution, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the Borough and, in the event any Tax-Exempt Bonds are outstanding, as the Borough acting through the Finance Director deems necessary or desirable to ensure that interest on the Tax-Exempt Series is tax exempt under the Code.
- (2) To make such provisions for the purpose of curing any ambiguities or of curing, correcting, or supplementing any defective provision contained in this resolution, or in regard to matters or questions arising under this resolution as the Assembly may deem necessary or desirable and not inconsistent with this resolution, and which shall not adversely affect the interest of the owners of Parity Bonds.

Any such supplemental resolution of the Assembly may be adopted without the consent of the owner of any Parity Bonds at any time outstanding, notwithstanding any of the provisions of subsection B of this section.

B. With the consent of the owners of not less than 60% in aggregate principal amount of Parity Bonds at the time outstanding, the Assembly may pass a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this resolution or of any supplemental resolution; provided, however, that no such supplemental resolution shall:

- (1) Extend the fixed maturity of any of the Parity Bonds, or reduce the rate of interest thereon, or reduce the amount or change the date of any sinking fund installment requirement, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the owner of each Parity Bond so affected; or
- (2) Reduce the percentage of owners of Parity Bonds required to approve any such supplemental resolution without the consent of the owners of all of the Parity Bonds then outstanding; or
- (3) Remove the pledge and lien of this resolution on Pledged Revenues.

It shall not be necessary for the consent of the owners of Parity Bonds under this subsection B to approve the particular form of any proposed supplemental

resolution, but it shall be sufficient if such consent shall approve the substance thereof.

- C. Upon the passage of any supplemental resolution pursuant to the provisions of this section, this resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations of the Borough under this resolution and all owners of Parity Bonds outstanding hereunder shall thereafter be determined, exercised, and enforced thereunder, subject in all respects to such modification and amendment, and all the terms and conditions of any such supplemental resolution shall be deemed to be part of the terms and conditions of this resolution for any and all purposes.
- D. Parity Bonds executed and delivered after the execution of any supplemental resolution adopted pursuant to the provisions of this section may bear a notation as to any matter provided for in such supplemental resolution, and if such supplemental resolution shall so provide, new Parity Bonds so modified as to conform, in the opinion of the Assembly, to any modification of this resolution contained in any such supplemental resolution, may be prepared by the Borough and delivered without cost to the owners of Parity Bonds then outstanding, upon surrender for cancellation of such Parity Bonds in equal aggregate principal amounts.

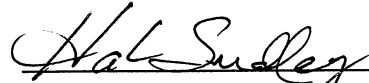
SECTION 21. Disposition of the Proceeds of Sale of the Bonds. The proceeds received from the sale of the Bonds (exclusive of accrued interest, if any, which shall be paid into the Debt Service Subaccount) shall be deposited into the fund of the Borough designated by the Finance Director and shall be used to pay all costs allocable to the issuance of the Bonds and to undertake improvements authorized by Section 3 of this resolution.

SECTION 22. Loan Agreement and Other Documents. The Finance Director is authorized to enter into a Loan Agreement or Loan Agreements with the Alaska Municipal Bond Bank providing for and relating to the sale of the Bonds to the Alaska Municipal Bond Bank, and the Finance Director is authorized to execute and deliver on behalf of the Borough any other documents reasonably.

SECTION 23. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the Borough shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements shall be null and void and shall be deemed separable from the remaining covenants and agreements in this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

SECTION 24. Effective Date. This resolution shall become effective immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS
22ND DAY OF OCTOBER, 2013.

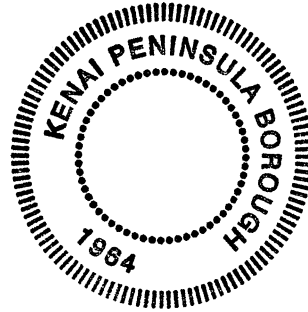


Hal Smalley, Assembly President

ATTEST:



John Blankenship, MMC, Borough Clerk



Yes: Bagley, Haggerty, Johnson, McClure, Pierce, Smith, Smalley

No: Ogle, Wolf

Absent: None

Introduced by: Mayor
Date: 01/07/14
Action: Adopted as Amended
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2014-008**

**A RESOLUTION AMENDING RESOLUTION 2013-072 WHICH AUTHORIZED THE
ISSUANCE OF NOT TO EXCEED \$43,000,000 SPECIALTY CLINIC BUILDING
REVENUE BONDS OF THE BOROUGH, TO INSERT ADDITIONAL TERMS
RELATING TO PLEDGED REVENUES FOR DEBT SERVICE REQUIREMENTS AND
COMPLIANCE WITH INTERNAL REVENUE CODE REQUIREMENTS, ADDING
DEFINITIONS, AND MAKING OTHER CLARIFICATIONS**

WHEREAS, the Kenai Peninsula Borough, Alaska, (the "Borough") owns a hospital in the Central Kenai Peninsula Hospital Service Area and desires to design and construct a specialty clinic building near the hospital; and

WHEREAS, the Borough Assembly adopted Resolution 2013-072 which authorized the issuance of not to exceed \$43,000,000 revenue bonds to fund the engineering, design, construction and equipping of a specialty clinic building in the Central Kenai Peninsula Hospital Service Area; and

WHEREAS, since then the Alaska Bond Bank Authority has requested that Resolution 2013-072 be amended to insert additional terms relating to revenues pledged for payment of the bonds, compliance with Internal Revenue Code provisions relating to tax exempt bonds, adding more defined terms and making other corrections and clarifications; and

WHEREAS, at a special meeting held January 6, 2014, the CKPHSA board recommended approval by unanimous consent;

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

SECTION 1. That the fourth Whereas clause in Resolution 2013-072 is amended as follows:

WHEREAS, a portion of the Bonds, not to exceed [\$21,500,000] \$25,800,000, in principal amount, may be issued on a tax-exempt basis to the extent the underlying agreements relating to the use of proceeds, and otherwise, are consistent with relevant provisions of the Internal Revenue Code relating to tax-exempt bonds; and

SECTION 2. That Section 2 of Resolution 2013-072, Definitions, is hereby amended by inserting the definition of "Medical Facilities" immediately after the definition of "Loan Agreement" and revising the definition of "Net Revenues" as follows:

"Medical Facilities" means all facilities operated by the Operator either directly or indirectly for the Borough.

"Net Revenues" means all amounts received by the Borough [FOR THE SPECIALTY CLINIC] from the operation of all Medical Facilities and the Facility and deposited in the Specialty Clinic Building Fund and interest and profits derived from the investment of moneys held in the Specialty Clinic Building [FUND] Bond Account as set forth in Section 12.

SECTION 3. That Section 4 of Resolution 2013-072 is hereby amended as follows:

SECTION 4. Date, Maturities, Interest Rates, and Other Details of the Bonds. The Bonds shall be dated on such dates, and mature on such dates not later than [DECEMBER 31, 2034] December 31, 2035, and be designated "Taxable Series" or "Tax-Exempt Series" and shall bear interest from their date payable on such dates, and at such rates, not exceeding 6% per annum, as the Finance Director may fix and determine at or prior to the time of sale of the Bonds. The Tax-Exempt Series of Bonds shall not exceed [\$21,500,000] \$25,800,000 in principal amount.

The Bonds shall be fully registered as to both principal and interest, shall be in the denomination of \$5,000 each or any integral multiple thereof, and shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification.

SECTION 4. That Section 7 of Resolution 2013-072 is hereby amended as follows:

SECTION 7. Redemption. The Bonds [MATURING ON OR AFTER NOVEMBER 1, 2024 ARE SUBJECT TO REDEMPTION ON OR AFTER NOVEMBER 1, 2023, AND] may be redeemed at the times and in the manner described in the Loan Agreement. When the Borough determines to redeem any Bonds not owned by the Bond Bank:

- A. The Borough shall give notice of such redemption, which notice shall state the redemption date and identify the Bonds to be redeemed by reference to their numbers and further state that on such redemption date there shall become due and payable upon each such Bond the principal amount thereof plus the applicable premium, if any (the "Redemption Price"), together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue. Such notice shall be given at least 30 days but not more than 45 days prior to the redemption date by first class mail, postage prepaid, to the registered owner of any Bond to be redeemed at the address appearing on the Bond Register.

B. Notice of Redemption having been given in the manner provided in this Resolution, the Bonds so called for redemption shall become due and payable on the redemption date stated in the notice at the applicable Redemption Price, plus interest, accrued and unpaid to the redemption date upon presentation and surrender thereof, together with a written instrument of transfer duly executed by the registered owner or the owner's duly authorized attorney.

SECTION 5. That Section 11 of Resolution 2013-072 is hereby amended as follows:

SECTION 11. Priority of Use of Pledged Revenues. Pledged Revenues are hereby pledged to and shall be used only for the following purposes and in the following order of priority:

First, to make all payments, including sinking fund payments, required to be made into the Debt Service Subaccount for the payment of the principal of and interest on Parity Bonds;

Second, to make all payments required to be made into the Reserve Subaccount;

Third, to make all payments, including sinking fund payments, required to be made into a subordinate lien debt service account for the payment of the principal of and interest on any subordinate lien bonds; [AND]

Fourth, to make all payments required to be made into a reserve account for subordinate lien bonds; and

Fifth, where the funds can be used for operation of the Medical Facilities and the Facility.

SECTION 6. That Section 15 of Resolution 2013-072 is hereby amended as follows:

SECTION 15. Specific Covenants. The Borough hereby covenants with the owners of each of the Parity Bonds for so long as any of the same remain outstanding as follows:

A. The Borough will establish, maintain, and collect Net Revenues in each Fiscal Year that will provide Pledged Revenues in an amount equal to the amount of the Annual Debt Service Requirement for such year on all outstanding Parity Bonds. For so long as the Parity Bonds are held by the Alaska Municipal Bond Bank, the Borough will establish, maintain, and collect Net Revenues as required by the terms of the Loan Agreement. The Borough will establish, maintain, and collect fees for as long as any Parity Bonds are outstanding that will provide Pledged Revenues in an amount equal to at least 1.25 times the maximum Annual Debt Service requirement for each fiscal year.

- B. The Borough will require the Operator to at all times maintain, preserve, and keep the Facility and every part and parcel thereof in good repair, working order, and condition; will from time to time make or cause to be made all necessary and proper repairs, renewals, and replacements to the Facility, and will at all times operate the Facility in an efficient manner.
- C. The Facility, including the buildings, equipment, and property, shall be insured in such amounts and with such deductibles as under good business practice are ordinarily carried on such facilities.
- D. The Borough will require the Operator to keep and maintain proper books and accounts with respect to the operation of the Facility in such manner as prescribed by any authorities having jurisdiction over the Facility; will cause its books and accounts to be audited annually by a certified public accountant not later than 210 days following the end of each Fiscal Year, copies of which audits shall, upon request, be furnished to the owners of the Parity Bonds.
- E. The Borough will not sell or otherwise dispose of the Facility unless contemporaneously with such sale or disposal there shall be paid into the Bond Account a sum sufficient to pay the principal of and interest on all Parity Bonds then outstanding to the date or dates on which they first may be redeemed, nor will it sell or otherwise dispose of any part of the Facility which is material to the production of Pledged Revenues unless, in the opinion of a Consulting Engineer, the remaining Facility will generate Pledged Revenues sufficient to enable the Borough to comply with the requirements of this resolution and each resolution authorizing the issuance of Future Parity Bonds.
- F. The Borough will require the Operator to not at any time create or permit to accrue or exist any lien or other encumbrance or indebtedness upon the Facility or the Pledged Revenues, or any part thereof, or upon any Account or Subaccount created hereunder, prior or superior to the lien thereon for the payment of the Parity Bonds, and will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials, or supplies which, if unpaid, might become a lien or charge upon the Pledged Revenue, or any part thereof, or upon any Account or Subaccount in the hands of the Borough, prior or superior to the lien of the Parity Bonds, or which might impair the security of the Parity Bonds.
- G. The Borough will require the Operator to not expend any of the Pledged Revenues or the proceeds of any indebtedness payable from Pledged Revenues for any additions, betterments, or improvements to the Facility which are not economically sound and which will not properly and advantageously contribute to the conduct of the business of the Facility in an efficient and economical manner.

- H. The Borough shall require the Operator to at any and all times, as far as it may be authorized by law, make, do, execute, acknowledge, and deliver all further resolutions, acts, deeds, conveyances, assignments, transfers, and assurances as may be necessary or desirable for better assuring, conveying, granting, pledging, assigning, and confirming all and singular the rights, revenues, and other funds, moneys, and securities pledged or assigned under the resolution, or intended so to be, or which the Borough may become bound to pledge or assign.
- I. The Borough is duly authorized under all applicable laws to create and issue the Bonds and to adopt this resolution and to pledge the Pledged Revenues and other funds, moneys, and securities purported to be pledged by this resolution in the manner and to the extent provided in this resolution. The Pledged Revenues and other funds, moneys, and securities so pledged are and will be free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and assignment created by this resolution, and all corporate or other action on the part of the Borough to that end has been and will be duly and validly taken. The Bonds and the provisions of this resolution are and will be the valid and legally enforceable obligations of the Borough in accordance with their terms and the terms of this resolution.
- J. The Borough, through the Operator, will have so long as any Parity Bonds are outstanding, good, right, and lawful power to operate, maintain, and repair the Facility and to fix and collect rates, fees, and other charges related to the Facility.
- K. The Borough shall require the Operator to do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Borough under applicable laws and this resolution.
- L. In the event a portion of the Bonds are designated "Tax-Exempt Series," the Finance Director is authorized, on behalf of the Borough, to enter into such other covenants and agreements which may be inconsistent with the foregoing, as the Finance Director deems necessary or desirable in order to ensure that interest on the Tax-Exempt Series is tax exempt under the Code.
- M. The Borough covenants to comply with any and all applicable requirements set forth in the Code to the extent that such compliance shall be necessary for the exclusion of the interest on the tax-exempt 2013 Bonds from gross income for federal income tax purposes. The Borough covenants that it will make no use of the proceeds of the Bonds that will cause any tax-exempt Bond to be an "arbitrage bond" subject to federal income taxation by reason of Section 148 of the Code.

SECTION 7. That Section 16 of Resolution 2013-072 is hereby amended as follows:

SECTION 16. Parity Bonds. As described in this Section 16, the Borough may issue Parity Bonds. The Borough hereby covenants with the owners of each of the Parity Bonds for so long as the same remain outstanding that it will not issue any bonds having a [GREATER OR EQUAL] lien on Pledged Revenues superior to the lien thereon of the bonds, [TO PAY AND SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS THAN THE LIEN CREATED THEREON TO PAY AND SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE PARITY BONDS,] except that the Borough reserves the right to issue future Parity Bonds as follows:

A. For the purpose of acquiring, constructing, and installing additions, betterments, and improvements to and extensions of, acquiring necessary property, and equipment for, or making necessary replacements or repairs to the Facility, for funding interest and reserves, and for the purpose of refunding at or prior to their redemption or maturity any outstanding revenue bonds or notes of the Borough that have a lien on Pledged Revenues for the payment of the principal thereof and interest thereon junior and inferior to the lien on Pledged Revenues for the payment of the principal of and interest on the Bonds and upon compliance with the following conditions:

- (1) The Borough will covenant in each resolution authorizing the issuance of Future Parity Bonds that it will pay into and maintain in the Reserve Subaccount the amounts required by Section 13 of this resolution to be paid into and maintained in the Reserve Subaccount in the event Future Parity Bonds are issued.
- (2) At the time of the issuance of such Future Parity Bonds, the Borough shall have on file a certificate of the Finance Director showing that the "annual income available for revenue bond debt service," as hereinafter set forth, shall be at least equal to 1.25 times the maximum Annual Debt Service Requirement on all outstanding Parity Bonds and the Future Parity Bonds being issued.

Such "annual income available for revenue bond debt service" shall be determined by adding the following:

- (i) The historical Pledged Revenues for any 12 consecutive months out of the 24 months immediately preceding the month of delivery of the Future Parity Bonds being issued.
- (ii) The estimated annual Pledged Revenues to be derived from the operation of any additions or improvements to or extensions of the Facility under construction but not completed at the time of such certificate and not being paid for out of the proceeds of sale of such Future Parity Bonds being issued,

and which Pledged Revenues are not otherwise included in any of the sources of Pledged Revenues described in this subsection (2).

(iii) The estimated Pledged Revenues to be derived from the operation of any additions and improvements to or extensions of the Facility being paid for out of the proceeds of sale of such Future Parity Bonds being issued.

The computation of "annual income available for revenue bond debt service" shall be adjusted to reflect the Facility fees or rents effective on the date of such certificate or approved by the regulatory authority with jurisdiction to become effective thereafter if there has been any change in such rates and charges put into effect or so approved during or after such 12 consecutive month base period.

Notwithstanding the preceding provisions of this subparagraph (2), the certificate referred to above shall not be required if one-half of Pledged Revenues, verified from certain financial statements of the Facility, for a period of any consecutive two out of the three Fiscal Years immediately preceding the issuance and delivery of such Future Parity Bonds, was equal to at least 1.25 times the maximum Annual Debt Service Requirement [REQUIRED TO BE PAID IN ANY FISCAL YEAR SUCCEEDING THE DATE OF ISSUANCE OF SUCH FUTURE PARITY BONDS] on all outstanding Parity Bonds and the Future Parity Bonds being issued.

Further, notwithstanding the preceding provisions of this subparagraph (2), Future Parity Bonds may be issued if the Borough shall have on file a certificate stating that the Pledged Revenues for the next full Fiscal Year after the initial operation of any additions or improvements to or extensions of the Facility being paid for out of the proceeds of the Future Parity Bonds will be at least equal to 1.25 times the maximum Annual Debt Service Requirement on all outstanding Parity Bonds and the Future Parity Bonds being issued; and that at the time of the issuance of such Future Parity Bonds there is no deficiency in the Debt Service Subaccount or Reserve Subaccount.

B. For the purpose of refunding at or prior to their redemption or maturity, any part or all of the then outstanding Parity Bonds if the issuance of such refunding Future Parity Bonds does not require a greater amount to be paid out of Pledged Revenues for principal and interest over the life of such refunding Future Parity Bonds being refunded, and if the conditions required in subsections (A)(1) and (A)(2) of this section are complied with.

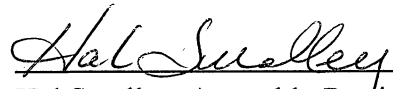
Proceeds of Parity Bonds to be used to fund interest or reserves shall be deposited in the Debt Service Subaccount or the Reserve Subaccount, as the case may be.

SECTION 8. That Section 22 of Resolution 2013-072 is hereby amended as follows:

SECTION 22. Loan Agreement and Other Documents. The Finance Director is authorized to enter into a Loan Agreement or Loan Agreements with the Alaska Municipal Bond Bank providing for and relating to the sale of the Bonds to the Alaska Municipal Bond Bank, and the Finance Director is authorized to execute and deliver on behalf of the Borough any other documents reasonably required, including a continuing disclosure undertaking in accordance with Rule 15c-2-12 of the Securities and Exchange Commission.

SECTION 9. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 7TH DAY OF JANUARY, 2014.

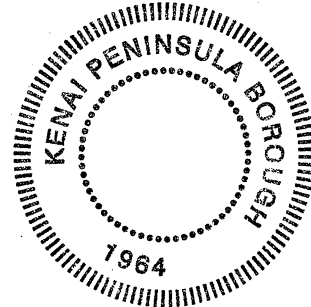


Hal Smalley, Assembly President

ATTEST:



John Blankenship, MMC, Borough Clerk



Yes: Bagley, Haggerty, Johnson, McClure, Ogle, Pierce, Smith, Wolf, Smalley
No: None
Absent: None

Introduced by: Ribbens at the Request of
the Borough Clerk
Date: 01/21/25
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2025-009**

**A RESOLUTION APPROVING A QUARTERLY UPDATE TO THE
BOROUGH RETENTION SCHEDULE**

WHEREAS, sound administrative practices require the borough to keep the retention schedule updated and current; and

WHEREAS, KP.B 2.52.030(F) provides for the review and quarterly update of the retention schedule; and

WHEREAS, the records manager continues to address inconsistencies and updates throughout the schedule;

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

SECTION 1. The revisions to the Kenai Peninsula Borough Records Retention Schedule, as shown in the accompanying revision requests, amend the schedule in an effort to meet current business practices as well as state and federal laws.

SECTION 2. That the accompanying revision requests are approved for adoption into the current Kenai Peninsula Borough Records Retention Schedule.

SECTION 3. This resolution is effective immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 21ST DAY OF JANUARY, 2025.

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

KPB RECORDS RETENTION SCHEDULE REVISION REQUEST

Is request for a New Record Series Number? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If no, provide record series number you wish to revise)	Record Series Number: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">RDS.MTN.08</div>
---	--

Years Retained: <input checked="" type="checkbox"/> 1 Office <input type="checkbox"/> 2 Record Center <input type="checkbox"/> 3 Total	Media: <input type="checkbox"/> (A) Audio Tapes <input checked="" type="checkbox"/> (P) Paper <input type="checkbox"/> (V) Video Tapes <input type="checkbox"/> (F) Film <input type="checkbox"/> (M) Microfiche <input type="checkbox"/> (E) Electronic
---	---

Department of Record: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Road Service Area</div>	Record Title: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Abandoned Vehicles</div>
---	--

Description:
Citations, returned certified mail, files of vehicle owners, Alaska Court System documents, pre-date ordinance documents.

Requested by: Elaine Agosti, Roads Admin Assistant Date: 01/03/2025

DEPARTMENT DIRECTOR/MANAGER USE ONLY

<input checked="" type="checkbox"/> Approved (Departmental needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Director/Manager Name: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Scott Griebel, Roads Director</div> <small style="text-align: center;">(Print Name)</small>
---	--

Comments:

Signature: Approved via email Date: 1/09/25 *(AM)*

BOROUGH ATTORNEY USE ONLY

<input checked="" type="checkbox"/> Approved (Legal needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Borough Attorney: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;"><i>Sean Kelley</i></div> <small style="text-align: center;">(Print Name)</small>
--	--

Comments:

Signature: *SK* Date: 1-10-25

RECORDS MANAGEMENT USE ONLY

Resolution Number _____	Records Management Software Updated _____
Date Approved by Assembly _____	Revised Retention Schedule Distributed _____

Comments:	Records Manager: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Robin Horne</div> <small style="text-align: center;">(Print Name)</small>
-----------	--

Signature: _____ Date: _____

KPB RECORDS RETENTION SCHEDULE REVISION REQUEST

Is request for a New Record Series Number? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If no, provide record series number you wish to revise)	Record Series Number: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">RDS.MTN.09</div>
---	--

Years Retained: <input checked="" type="checkbox"/> 2 Office <input type="checkbox"/> 8 Record Center <input type="checkbox"/> 10 Total	Media: <input checked="" type="checkbox"/> (A) Audio Tapes <input checked="" type="checkbox"/> (P) Paper <input type="checkbox"/> (V) Video Tapes <input type="checkbox"/> (F) Film <input type="checkbox"/> (M) Microfiche <input type="checkbox"/> (E) Electronic
--	--

Department of Record: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Road Service Area</div>	Record Title: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Minor Offense Citations – Litigation Case Files</div>
---	---

Description:
Minor offense violations for abandoned vehicles and parking violations. Including citations, backup documents, judgments, fine payment records and road inspectors original citation books

C = when file is closed.

Requested by: Elaine Agosti, Roads Admin Assistant Date: 01/03/2025

DEPARTMENT DIRECTOR/MANAGER USE ONLY

<input checked="" type="checkbox"/> Approved (Departmental needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Director/Manager Name: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Scott Griebel, Roads Director</div> <small style="text-align: center;">(Print Name)</small>
---	--

Comments:

Signature: Approved via email Date: 1/09/25 (N/W)

BOROUGH ATTORNEY USE ONLY

<input checked="" type="checkbox"/> Approved (Legal needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Borough Attorney: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Sean Kelley</div> <small style="text-align: center;">(Print Name)</small>
--	---

Comments:

Signature: [Signature] Date: 1-10-25

RECORDS MANAGEMENT USE ONLY

Resolution Number _____ Date Approved by Assembly _____	Records Management Software Updated _____ Revised Retention Schedule Distributed _____
Comments:	Records Manager: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Robin Horne</div> <small style="text-align: center;">(Print Name)</small>
Signature: _____	Date: _____

KPB RECORDS RETENTION SCHEDULE REVISION REQUEST

Is request for a New Record Series Number? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> NO (If no, provide record series number you wish to revise)	Record Series Number: <u>ACC</u> <u>FIN.ADM.10</u>
--	---

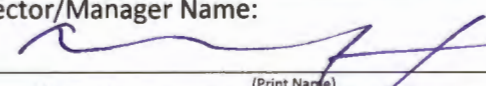
Years Retained: <input checked="" type="checkbox"/> <u>1</u> Office <input checked="" type="checkbox"/> <u>3</u> Record Center <input type="checkbox"/> <u>4</u> Total	Media: <input type="checkbox"/> (A) Audio Tapes <input checked="" type="checkbox"/> (P) Paper <input type="checkbox"/> (V) Video Tapes <input type="checkbox"/> (F) Film <input type="checkbox"/> (M) Microfiche <input checked="" type="checkbox"/> (E) Electronic
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Department of Record: <u>Finance Department</u>	Record Title: <u>Accounts Payable Warrants & Backup</u>
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Description:
 Warrants, invoices, purchase orders, miscellaneous back up.

Requested by: Michele Turner, Borough Clerk Date: _____


DEPARTMENT DIRECTOR/MANAGER USE ONLY

<input checked="" type="checkbox"/> Approved (Departmental needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Director/Manager Name: <u></u> <u>12/19/24</u> <small>(Print Name)</small> <u>BRANDI HARBAUGH</u>
---	--

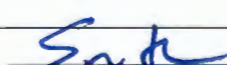
Comments:

Signature:  Date: 12/19/24

BOROUGH ATTORNEY USE ONLY

<input checked="" type="checkbox"/> Approved (Legal needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Borough Attorney: <u></u> <small>(Print Name)</small> <u>Sean Kelly</u>
--	--

Comments:

Signature:  Date: 1-10-25



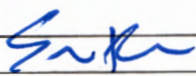
RECORDS MANAGEMENT USE ONLY

Resolution Number _____ Date Approved by Assembly _____	Records Management Software Updated _____ Revised Retention Schedule Distributed _____
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Comments: Updating media type from paper record to electronic record. Archived electronically in Content Manager.	Records Manager: <u>Robin Horne</u> <small>(Print Name)</small>
--	---

Signature: _____ Date: _____

KPB RECORDS RETENTION SCHEDULE REVISION REQUEST

Is request for a New Record Series Number? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> NO (If no, provide record series number you wish to revise)	Record Series Number: <p style="text-align: center; font-size: 1.2em;">RSK.ADM.39</p>
Years Retained: <input type="checkbox"/> Office <input type="checkbox"/> Record Center <input checked="" type="checkbox"/> Total	Media: <input type="checkbox"/> (A) Audio Tapes <input type="checkbox"/> (P) Paper <input type="checkbox"/> (V) Video Tapes <input type="checkbox"/> (F) Film <input type="checkbox"/> (M) Microfiche <input checked="" type="checkbox"/> (E) Electronic
Department of Record: [INFORMATION TECHNOLOGY] Risk Management	Record Title: Video Security System (VSS) Recordings
Description: Consists of Video Security Systems (VSS) recordings created to monitor activities occurring both inside and outside of KPB facilities. C = Up to thirty (30) days depending on system resources unless a recording segment is retained for legal or claim matters in accordance with another record series.	
Requested by: <u>Ben Hanson, IT Director</u> Date: <u>01/03/25</u>	
DEPARTMENT DIRECTOR/MANAGER USE ONLY	
<input checked="" type="checkbox"/> Approved (Departmental needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Director/Manager Name: <u>Ben Hanson, IT Director & Sovala Kisenä, Risk Manager</u> <small>(Print Name)</small>
Department Comments: IT Signature:  Date: <u>01/09/2025</u> Risk Signature:  Date: <u>01/09/2025</u>	
BOROUGH ATTORNEY USE ONLY	
<input checked="" type="checkbox"/> Approved (Legal needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Borough Attorney: <u>Sean Kelley</u> <small>(Print Name)</small>
Comments: Signature:  Date: <u>1-10-25</u>	
RECORDS MANAGEMENT USE ONLY	
Resolution Number _____ Date Approved by Assembly _____	Records Management Software Updated _____ Revised Retention Schedule Distributed _____
Comments: Moving "Security Recordings" from IT to Risk Management.	Records Manager: <p style="text-align: center; font-size: 1.2em;">Robin Horne</p> <small>(Print Name)</small>
Signature: _____ Date: _____	

KPB RECORDS RETENTION SCHEDULE REVISION REQUEST

Is request for a New Record Series Number? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If no, provide record series number you wish to revise)	Record Series Number: <div style="text-align: center; border-bottom: 1px solid black; margin-top: 5px;">ASG.ADM.07</div>
---	---

Years Retained: <input type="checkbox"/> Office <input type="checkbox"/> Record Center <input checked="" type="checkbox"/> PERM Total	Media: <input type="checkbox"/> (A) Audio Tapes <input checked="" type="checkbox"/> (P) Paper <input type="checkbox"/> (V) Video Tapes <input type="checkbox"/> (F) Film <input type="checkbox"/> (M) Microfiche <input type="checkbox"/> (E) Electronic
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Department of Record: <div style="text-align: center; border-bottom: 1px solid black; margin-top: 5px;">Assessing</div>	Record Title: <div style="text-align: center; border-bottom: 1px solid black; margin-top: 5px;">Property Cards</div>
--	---

Description:
 Records and photos* listing improvements, statistics and value of parcels on Land, Residential and Commercial.
*Note: Most current 10 years are retained.

Requested by: Adeena Wilcox, Borough Assessor Date: _____

DEPARTMENT DIRECTOR/MANAGER USE ONLY

<input checked="" type="checkbox"/> Approved (Departmental needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Director/Manager Name: <div style="text-align: center; border-bottom: 1px solid black; margin-top: 5px;">Adeena Wilcox</div> <small style="text-align: center;">(Print Name)</small>
---	---

Comments:

Signature: *Adeena Wilcox* Date: 12-18-24

BOROUGH ATTORNEY USE ONLY

<input checked="" type="checkbox"/> Approved (Legal needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Borough Attorney: <div style="text-align: center; border-bottom: 1px solid black; margin-top: 5px;"><i>S. K.</i></div> <small style="text-align: center;">(Print Name)</small>
--	---

Comments:

Signature: _____ Date: _____

RECORDS MANAGEMENT USE ONLY

<input type="checkbox"/> Resolution Number <input type="checkbox"/> Date Approved by Assembly	<input type="checkbox"/> Records Management Software Updated <input type="checkbox"/> Revised Retention Schedule Distributed
--	---

Comments:	Records Manager: <div style="text-align: center; border-bottom: 1px solid black; margin-top: 5px;">Robin Horne</div> <small style="text-align: center;">(Print Name)</small>
-----------	---

Signature: _____ Date: _____

KPB RECORDS RETENTION SCHEDULE REVISION REQUEST

Is request for a New Record Series Number? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If no, provide record series number you wish to revise)	Record Series Number: <div style="text-align: center; border-bottom: 1px solid black; margin: 5px 0;">ASG.ADM.14</div>
Years Retained: <input checked="" type="checkbox"/> 2 Office <input checked="" type="checkbox"/> 3 Record Center <input type="checkbox"/> 5 Total	Media: <input type="checkbox"/> (A) Audio Tapes <input checked="" type="checkbox"/> (P) Paper <input type="checkbox"/> (V) Video Tapes <input type="checkbox"/> (F) Film <input type="checkbox"/> (M) Microfiche <input type="checkbox"/> (E) Electronic
Department of Record: <div style="text-align: center; border-bottom: 1px solid black; margin: 5px 0;">Assessing</div>	Record Title: <div style="text-align: center; border-bottom: 1px solid black; margin: 5px 0;">Property Cards – Portable Structures</div>

Description:
 Property record cards and photos* detailing improvements and values for non-land assessed real property, collected as personal property according to KPB 5.12.060 (example: mobile homes)
*Most current 10 years are retained.

Requested by: Adeena Wilcox, Borough Assessor Date: _____

DEPARTMENT DIRECTOR/MANAGER USE ONLY

<input checked="" type="checkbox"/> Approved (Departmental needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Director/Manager Name: <div style="text-align: center; border-bottom: 1px solid black; margin: 5px 0;">Adeena Wilcox</div> <small style="text-align: center;">(Print Name)</small>
---	---

Comments:

Signature: Adeena Wilcox Date: 12-18-24

BOROUGH ATTORNEY USE ONLY

<input checked="" type="checkbox"/> Approved (Legal needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Borough Attorney: <div style="text-align: center; border-bottom: 1px solid black; margin: 5px 0;">Sean Keller</div> <small style="text-align: center;">(Print Name)</small>
--	--

Comments:

Signature: SK Date: 1-13-25

RECORDS MANAGEMENT USE ONLY

<input type="checkbox"/> Resolution Number <input type="checkbox"/> Date Approved by Assembly	<input type="checkbox"/> Records Management Software Updated <input type="checkbox"/> Revised Retention Schedule Distributed
Comments:	Records Manager: <div style="text-align: center; border-bottom: 1px solid black; margin: 5px 0;">Robin Horne</div> <small style="text-align: center;">(Print Name)</small>

Signature: _____ Date: _____

KPB RECORDS RETENTION SCHEDULE REVISION REQUEST

Is request for a New Record Series Number? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If no, provide record series number you wish to revise)	Record Series Number: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">CLK.ADM.08</div>
--	--

Years Retained: <input type="checkbox"/> Office <input checked="" type="checkbox"/> [1] Record Center <input checked="" type="checkbox"/> Total	Media: <input type="checkbox"/> (A) Audio Tapes <input checked="" type="checkbox"/> (P) Paper <input type="checkbox"/> (V) Video Tapes <input type="checkbox"/> (F) Film <input type="checkbox"/> (M) Microfiche <input checked="" type="checkbox"/> (E) Electronic
---	---

Department of Record: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Clerk's Office</div>	Record Title: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Public Records Requests – Non-Confidential</div>
---	---

Description:
 Written requests for non-confidential public records, relative correspondence and copies of the records produced. Written requests for confidential records, routing/assignment to the appropriate department(s) and their completion of request. Copies of relative correspondence and records produced for confidential requests are kept with the responding department, see PER.ADM.22 and SAB.FES.13.

C = [KEEP CURRENT YEAR IN OFFICE] Current and previous calendar year retained.

Requested by: Michele Turner, Borough Clerk Date: _____

DEPARTMENT DIRECTOR/MANAGER USE ONLY

<input checked="" type="checkbox"/> Approved (Departmental needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Director/Manager Name: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Michele Turner</div> <small style="text-align: center;">(Print Name)</small>
--	--

Comments:

Michele Turner

Signature: _____ Date: 12/19/2024

BOROUGH ATTORNEY USE ONLY

<input checked="" type="checkbox"/> Approved (Legal needs are met) <input type="checkbox"/> Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Borough Attorney: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Sean Kelley</div> <small style="text-align: center;">(Print Name)</small>
---	--

Comments:

Signature: SK Date: 1-13-25

RECORDS MANAGEMENT USE ONLY

Resolution Number _____ Date Approved by Assembly _____	Records Management Software Updated _____ Revised Retention Schedule Distributed _____
Comments:	Records Manager: <div style="text-align: center; border-bottom: 1px solid black; width: 150px; margin: 0 auto;">Robin Horne</div> <small style="text-align: center;">(Print Name)</small>

Signature: _____ Date: _____

KPB RECORDS RETENTION SCHEDULE REVISION REQUEST

Is request for a New Record Series Number? Yes _____ X No (If no, provide record series number you wish to revise)	Record Series Number: <p style="text-align: center; margin-left: 100px;"><u>ASG.ADM.33</u></p>
--	---

Years Retained: <u>C</u> Office <u>5</u> Record Center [PERM] <u>5</u> Total	Media: _____ (A) Audio Tapes <u>X</u> (P) Paper _____ (V) Video Tapes _____ (F) Film _____ (M) Microfiche _____ (E) Electronic
---	---

Department of Record: <p style="text-align: center; margin-left: 100px;"><u>Assessing</u></p>	Record Title: <p style="text-align: center; margin-left: 100px;"><u>Real and Personal Property - Exemptions</u></p>
--	--

Description:
 Real property exemption forms for residents, volunteer firefighters/emergency medical service (EMS), seniors, veterans and disabled persons, religious, charitable, community purpose, armed forces, economic development, cemetery, low-income housing tax credit, fire control system, hospital, farm deferment, and conservation easement. Also includes Kenai River Habitat Tax Credit.

C = Until expiration of exemption

Requested by: Adeena Wilcox, Borough Assessor Date: _____

DEPARTMENT DIRECTOR/MANAGER USE ONLY

<input checked="" type="checkbox"/> Approved (Departmental needs are met) _____ Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Director/Manager Name: <p style="text-align: center; margin-left: 100px;"><u>Adeena Wilcox</u></p> <p style="text-align: right; font-size: small;">(Print Name)</p>
--	--

Comments:

Signature: Adeena Wilcox Date: 12-18-24

BOROUGH ATTORNEY USE ONLY

_____ Approved (Legal needs are met) _____ Denied <input type="checkbox"/> Insufficient Retention <input type="checkbox"/> Excessive Retention	Borough Attorney: <p style="text-align: center; margin-left: 100px;"><u>Sean Kelley</u></p> <p style="text-align: right; font-size: small;">(Print Name)</p>
---	---

Comments:

Signature: SK Date: 1-13-25

RECORDS MANAGEMENT USE ONLY

_____ Resolution Number _____ Date Approved by Assembly	_____ Records Management Software Updated _____ Revised Retention Schedule Distributed
--	---

Comments:	Records Manager: <p style="text-align: center; margin-left: 100px;"><u>Robin Horne</u></p> <p style="text-align: right; font-size: small;">(Print Name)</p>
-----------	--

Signature: _____ Date: _____

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

**KENAI PENINSULA BOROUGH
ORDINANCE 2024-19-24**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 6. That the Mayor is authorized to execute any and all documents necessary to purchase the Blueberry Hill Parcel described in Section 1 in accordance with the terms and conditions contained in this ordinance, the accompanying Purchase Agreement, and the accompanying First Addendum to the Purchase Agreement consistent with the applicable provisions of KPB Chapter 17.10.

SECTION 7. That the appropriation from the Land Trust Investment Account is within KPB 5.20.200(B) and does not exceed 10 percent of the *market value* of the Land Trust Investment Fund in any year or 25 percent in any five-year period.

SECTION 8. That \$1,200,000 is appropriated from the Land Trust Investment Fund balance to Account No. 252.21200.25MHT.49999 for the purchase of the Blueberry Hill Parcel located in Seward, Alaska, and estimated due-diligence costs and closing fees.

SECTION 9. That \$50,000 is appropriated from the Land Trust Fund balance to Account No. 250.21210.25MHT.49999 for the Study, additional due-diligence costs and closing fees related to the purchase of the Blueberry Hill Parcel located in Seward, Alaska.

SECTION 10. That appropriations made in this ordinance are of project nature and as such do not lapse at the end of the particular fiscal year.

SECTION 11. That this ordinance shall be effective immediately.

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

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BT*
Robert Ruffner, Planning Director *RR*

FROM: Aaron Hughes, Land Management Officer *AH*

DATE: January 9, 2025

RE: Ordinance . 2024-19- 24 Authorizing the Acquisition of 80 Acres of Real Property Located in Seward, Appropriating Funds from the Land Trust Investment Fund and Land Trust Fund for the Purchase, and Authorizing a Memorandum of Agreement for the Completion of a Road Access Feasibility Study (Mayor)

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

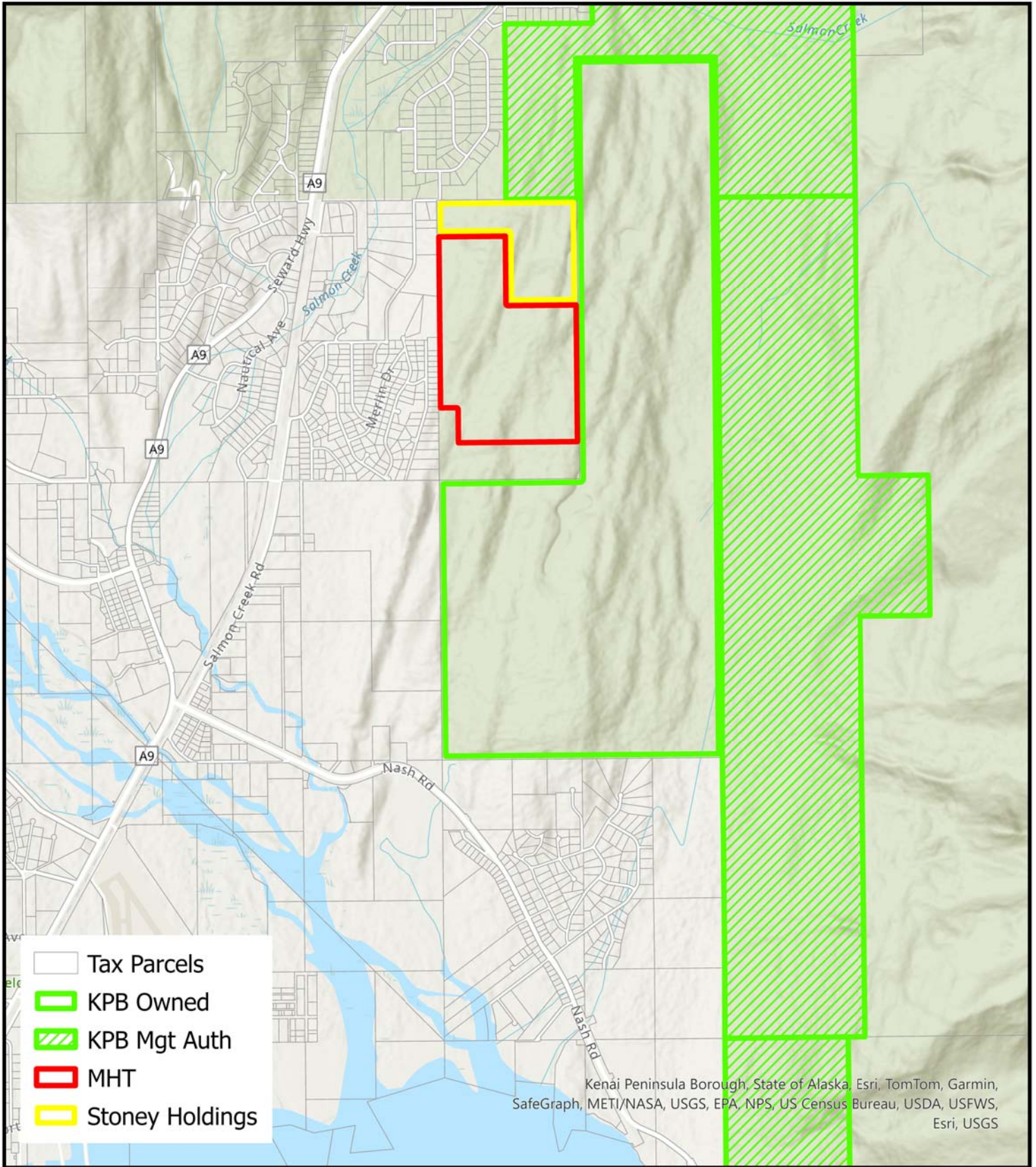
The Alaska Mental Health Trust Authority (MHT) owns land adjacent to the Blueberry Hill Parcel, and MHT also will benefit from the Study. Accordingly, MHT has agreed to participate by incorporating MHT-owned lands into the Study and by paying one half of the cost, not to exceed \$25,000.

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

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

Your consideration is appreciated.

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



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

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

ARTICLE 1. PARTIES

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

ARTICLE 2. PURPOSE

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

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

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

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

ARTICLE 3. EFFECTIVE DATE AND PERIOD OF AGREEMENT

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

ARTICLE 4. RESPONSIBILITIES OF KPB

KPB will:

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

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

ARTICLE 5. RESPONSIBILITIES OF MHT

MHT will:

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

ARTICLE 6. COMPLIANCE WITH LAWS AND PERMITS

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

ARTICLE 7. APPLICABLE LAW

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

ARTICLE 8. CHANGES AND AMENDMENTS

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

ARTICLE 9. PAYMENT FOR SERVICES

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

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

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

ARTICLE 10. NOTICES

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

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

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

ARTICLE 11. INDEMNIFICATION AND HOLD HARMLESS

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

ARTICLE 12. ENTIRE AGREEMENT

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

supersede the terms of this MOA to the extent of any inconsistency.

ARTICLE 13. CONFLICT OF LAWS

Nothing in this MOA is intended to conflict with federal, state, or local laws or regulations. In the event of any conflict, this MOA will be amended at the first opportunity to obtain consistency with the conflicting laws or regulations.

ARTICLE 14. COUNTERPARTS

This MOA may be executed in counterpart and may be executed by way of facsimile or electronic signature in compliance with AS 09.80, and if so, each of which will be considered an original, all of which together will constitute one and the same instrument.

ARTICLE 15. TERMINATION

In addition to the provisions of Article 3. Effective Date and Period of Agreement, either Party may terminate this MOA for any reason upon thirty (30) days' notice to the other Party prior to the award of the Study contract.

Signed and sealed by the Parties on the dates shown:

KENAI PENINSULA BOROUGH

ALASKA MENTAL HEALTH TRUST AUTHORITY

Peter A. Micciche, Mayor

[Authorized representative]

Date: _____

Date: _____

ATTEST:

Approved as to form and legal sufficiency:

Borough Clerk

Date

TREG TAYLOR
ATTORNEY GENERAL

Approved as to form and legal sufficiency by:

By: _____

Date
Assistant Attorney General

A. Walker Steinhage Date
Deputy Borough Attorney

Attachment 1

Kenai Peninsula Borough Owned and Managed Lands:

Owned:

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

Management Authority:

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

Attachment 2

Alaska Mental Health Trust Property:

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

PURCHASE AGREEMENT

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

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

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

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

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

1. PURCHASE PRICE

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

2. EXPIRATION OF OFFER

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

3. TITLE

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

4. ESCROW AND CLOSING COSTS

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

5. CLOSING

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

6. POSSESSION

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

7. KENAI PENINSULA BOROUGH ASSEMBLY APPROVAL

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

8. EXCHANGE

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

9. DISCLOSURES

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

9. CONTINGENT ON INSPECTION / REVIEW

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

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

10. HAZARDOUS MATERIAL

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

11. ENVIRONMENTAL CONTINGENCY

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

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

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

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

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

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

12. ENTIRE AGREEMENT

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

13. BREACH REMEDY

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

14. MISCELLANEOUS

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

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

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

KENAI PENINSULA BOROUGH:

SELLERS: Stoney Holdings, LLC

Peter A. Micciche, Mayor (Date)

Mark S. Wildermuth 8/8/2024

Mark S. Wildermuth, Member (Date)

Laura L. Caillet 8/8/2024

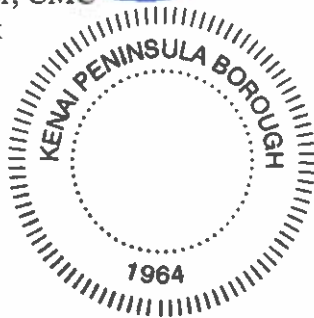
Laura L. Caillet, Member (Date)

ATTEST:

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Michele Turner, CMC
Borough Clerk

A. Walker Steinhage
Deputy Borough Attorney



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

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

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

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

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

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

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

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

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

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

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

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

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

MSW LLC

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

Buyer:
KENAI PENINSULA BOROUGH:

Peter A. Micciche
Peter A. Micciche, Mayor

Date: 12/12/24

Seller:
STONEY HOLDINGS, LLC

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

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

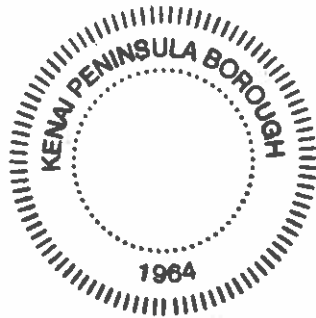
ATTEST:

Michele Turner
Michele Turner, CMC, Borough Clerk

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

A. Walker Steinhage
A. Walker Steinhage
Deputy Borough Attorney

Date: 12/11/2024



Introduced by: Mayor
Date: 01/21/24
Hearing: 02/04/25
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2024-19-25**

**ACCEPTING AND APPROPRIATING GRANT FUNDS FROM
SOUTHERN REGION EMERGENCY MEDICAL SERVICES, INC. ON
BEHALF OF BEAR CREEK FIRE SERVICE AREA FOR FY2023 ALASKA
CODE BLUE GRANT**

WHEREAS, the Bear Creek Fire Service Area (BCFSA) applied for State of Alaska Code Blue Grants through Southern Region Emergency Medical Services Council, Inc. (“Southern Region”) in FY2023; and

WHEREAS, BCFSA received notification April 14, 2023 that Southern Region approved the application and funded \$45,000 toward the purchase of an ambulance which is quoted at \$289,023 purchase price; and

WHEREAS, this leaves a remaining balance of \$244,023, from which \$250,000 was appropriated and is in account 442.51210.23422.48514 as local match for the ambulance project; and

WHEREAS, the Bear Creek Fire Service Area Board, at its meeting of January 14, 2025, recommended _____;

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

SECTION 1. That the Mayor is hereby authorized to enter into an agreement with the Southern Region Emergency Medical Services, Inc. and execute all other documents deemed necessary to accept the grant funds and fulfill the intents and purposes of this ordinance.

SECTION 2. Grant funds of \$45,000 are appropriated to the Bear Creek Fire Service Area Operating Fund Balance to account 442.51210.23422.49999 for the purchase of (1) 2026 North Star 147-1 Ambulance on a 450 Ambulance Prep Chassis

SECTION 3. That 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 4. This ordinance shall be effective immediately.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF * 2025.**

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Grants Administration

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BT*
Richard Brackin, Chief, Bear Creek Fire Service Area *RB*

FROM: Elizabeth Hardie, Grants Administrator and Community Liaison *EH*

DATE: January 9, 2025

RE: Ordinance 2024-19- 25, Accepting and Appropriating Grant Funds from Southern Region Emergency Medical Services, Inc. on Behalf of Bear Creek Fire Service Area for FY2023 Alaska Code Blue Grant (Mayor)

The Bear Creek Fire Service Area (BCFSA) applied for State of Alaska Code Blue Grant through Southern Region Emergency Medical Services Council, Inc. (“Southern Region”) in FY2023 for the purchase of one 2026 North Star 147-1 Ambulance on a 450 Ambulance Prep Chassis for a total cost of \$289,023.

BCFSA received notification April 14, 2023, that Southern Region approved the application for funding in the amount of \$45,000. BCFSA previously appropriated \$250,000 to the ambulance project, which meets the remaining balance of \$244,023.00 for purchase of the asset.

The BCFSA Board will consider this ordinance at its January 14, 2025 meeting and provide its recommendations to the Assembly.

Your consideration is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>442.51210.23422.49999</u>
Amt	<u>\$ 45,000.00</u>
By: <u> <i>EH</i> </u>	Date: <u> 1/8/2025 </u>

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

**KENAI PENINSULA BOROUGH
ORDINANCE 2024-19-26**

**AN ORDINANCE ACCEPTING AND APPROPRIATING FUNDS FROM
THE DEPARTMENT OF ENERGY, ENERGY EFFICIENCY AND
CONSERVATION BLOCK GRANT PROGRAM TOWARD PURCHASE
OF A BUILDING AUTOMATION SYSTEM FOR PORT GRAHAM
SCHOOL**

WHEREAS, the Kenai Peninsula Borough (“ KPB”) applied for funding in the form of an equipment rebate voucher from the Department of Energy-Conservation Block Grant Program (“DOE EECBG”); and

WHEREAS, the Borough received a Notice of Award on December 17, 2024 from DOE EECBG for \$76,770 to provide for the Port Graham School building automation system project; and

WHEREAS, a sole source purchase of a Siemens building automation system is allowed pursuant to KPB 5.28.280(B) and Resolution 2023-045 which provided for KPB’s standardization of Siemens Controls systems in all borough-owned facilities; and

WHEREAS, the Port Graham School is classified as a disadvantaged community in the DOE Economic Justice mapping tool and, therefore, qualifies as a recipient for the equipment rebate voucher program; and

WHEREAS, there is no match requirement;

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

SECTION 1. The Mayor is hereby 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 and the grant program.

SECTION 2. Said DOE EECBG grant funds in the amount of \$76,770 will be appropriated to account 400.71110.25ENG.49999 for the Port Graham School building automation system project

SECTION 3. That appropriations made in this ordinance are project length in nature and as such do not lapse at the end of any particular fiscal year.

SECTION 4. That upon enactment this ordinance is effective retroactive to December 17, 2024.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF * 2025.

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Grants Administration

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BT*
John Hedges, Purchasing and Contractor Director *JH*
Kevin Lyon, KPBSD Director of Planning & Operations *KL*

FROM: Elizabeth Hardie, Grants Administrator & Community Liaison *EH*

DATE: December 20, 2024

RE: Ordinance 2024-19- 26 , Accepting and Appropriating Funds from the Department of Energy, Energy Efficiency and Conservation Block Grant Program Toward Purchase of a Building Automation System for Port Graham School (Mayor)

The Kenai Peninsula Borough (KPB) has been awarded an equipment rebate voucher in the amount of \$76,770 from the Department of Energy, Energy Efficiency and Conservation Block Grant Program. The KPB, in concurrence with Kenai Peninsula Borough School District (KPBSD), determined that Port Graham School is a needed recipient of the funds for the purchase of a Siemens building automation system for its school building facility. The sole source purchase of the Siemens system is allowed pursuant to KPB 5.28.280(B) and the KPB approved standardization of the use of Siemens Control Systems in all borough-owned facilities under Resolution 2023-045. This system will enable remote troubleshooting, energy use analysis, and control of energy and mechanical systems. The anticipated benefits include reduced maintenance, travel costs, and energy usage, contributing to the school’s operational efficiency.

The funding mechanism allows for reimbursement after purchase and installation of the equipment. There is no required match.

This project addresses energy reduction strategies and will be accomplished in collaboration with KPBSD.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Account:	<u>400.71110.25ENG.49999</u>
Amount:	<u>\$ 76,770</u>
By: <i>EH</i>	Date: <u>1/9/2025</u>

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

**KENAI PENINSULA BOROUGH
ORDINANCE 2024-19-27**

**AN ORDINANCE APPROPRIATING FUNDS FOR THE DESIGN OF
REPAIRS TO KENAI CENTRAL HIGH SCHOOL VOCATIONAL
EDUCATION FACILITY**

WHEREAS, on March 18, 2022, the Kenai Central High School Vocational Education Facility experienced a structural failure to several roof trusses; and

WHEREAS, this facility is critical to the vocational educational program at Kenai Central High School; and

WHEREAS, a temporary repair was installed to ensure continued operation while insurance and engineering processes evaluated the best path forward; and

WHEREAS, upon completion of the design, an additional appropriation will be required to fund the construction repairs; and

WHEREAS, it is in the best interests of the KPB and KPBSD to complete these repairs in the construction season of 2025;

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

SECTION 1. That \$180,000 is appropriated from General Fund fund balance to be transferred to Account No. 400.73020.25ROF.49999 for the Kenai Central High School roof repair project for design and associated costs.

SECTION 2. That appropriations made in this ordinance are of project nature and as such do not lapse at the end of the particular fiscal year.

SECTION 3. That this ordinance shall be effective immediately.

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

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Purchasing and Contracting

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*

FROM: John Hedges, Purchasing and Contractor Director *JH*

DATE: January 9, 2025

RE: Ordinance 2024-19- 27 , Appropriating Funds for the Design of Repairs to the Kenai Central High School Vocational Education Facility (Mayor)

On March 18, 2022, the Kenai Central High School Vocational Education Facility experienced a structural failure to several roof trusses. In response to that failure, a temporary repair was installed while insurance and engineering evaluation processes addressed the best possible path forward. The cost of the design services is estimated at a not to exceed amount of \$180,000.

Upon completion of the construction document phase of the design services, an additional appropriation will be required to fund construction repairs.

The existing facility is critical to the vocational educational program at Kenai Central High School and it is in the best interest of the KPB and KPBSD to complete these repairs in the construction season of 2025.

This ordinance appropriates funds from the General Fund for design of the Kenai Central High School Vocational Education Facility Roof Repair.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Account:	<u>100.27900</u>
Amount:	<u>\$180,000</u>
By: <i>CH</i>	Date: <u>1/9/2025</u>

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

**KENAI PENINSULA BOROUGH
ORDINANCE 2025-02**

**AN ORDINANCE AUTHORIZING THE DISPOSAL OF REAL
PROPERTY LOCATED IN KENAI NECESSARY TO RESOLVE TITLE
MATTERS RELATED TO THE ERRONEOUS RECORDING OF A 1977
TAX FORECLOSURE DEED**

WHEREAS, the Kenai Peninsula Borough (KPB), a second-class borough, is authorized to conduct tax foreclosure proceedings pursuant to AS 29.45.290 et seq. to dispose of real property deeded to KPB for delinquent payment of taxes; and

WHEREAS, in 1970 a KPB tax bill was generated in error for a parcel of real property under ownership of the United States Department of the Interior and encumbered by a leasehold interest, and which is the Parcel particularly described in Section 1 below; and

WHEREAS, the 1970 tax delinquency was not resolved by the lessee resulting in a delinquent tax foreclosure action against the Parcel; and

WHEREAS, KPB applied for and was awarded a clerk's tax foreclosure deed as a result of that tax foreclosure action identified as Civil Case No. 72-5056 in the Superior Court for the State of Alaska, Third Judicial District on October 23, 1975, and recorded as document 1975-004602-0, Kenai Recording District; and

WHEREAS, the Parcel was sold by KPB at a tax foreclosure land sale on April 23, 1977, for \$740.00 to Fred Sturman and Mac Chesney, and financed by KPB for a ten-year term; and

WHEREAS, a tax foreclosure deed was issued to Fred Sturman and Mac Chesney (the 1977 Tax Foreclosure Deed) as a result of that sale; and

WHEREAS, on January 12, 1984, Mac Chesney conveyed his interest in the Parcel to Fred Sturman by quitclaim deed recorded as document 1984-000385, Kenai Recording District; and

WHEREAS, on June 1, 1984, the State of Alaska received patent to the Parcel from the United States Department of the Interior; and

WHEREAS, on July 16, 1984, KPB selected the Parcel as part of its municipal entitlement selection from the State of Alaska under ADL 220458; and

WHEREAS, on February 14, 1985, KPB released the seller financing originally obtained by Fred Sturman and Mac Chesney as part of their 1977 tax foreclosure land sale purchase; and

WHEREAS, on October 9, 1985, KPB submitted a request to the State of Alaska Department of Natural Resources, Division of Mining, Land, and Water to consider the municipal entitlement selection for the Parcel a priority necessary to resolve the title cloud created by the 1977 Tax Foreclosure Deed; and

WHEREAS, on January 23, 2015, the State of Alaska issued a final finding and decision document to KPB approving the selection of the Parcel under ADL 2220458; and

WHEREAS, on September 16, 2021, a personal representative's deed was recorded as document No. 2021-010329-0, Kenai Recording District, conveying interest from the Estate of Fred Sturman, as grantor, to Mary A. Sturman, as grantee; and

WHEREAS, as a condition of KPB receiving its municipal entitlement conveyance to the Parcel, and in order to resolve the clouded title created by the 1977 Tax Foreclosure Deed, a subsequent conveyance from KPB as grantor, to Mary A. Sturman, or her successors and/or assigns, as grantee is necessary; and

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

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

SECTION 1. That pursuant to KPB 17.10.100, the Assembly finds the disposal of the following described 1.9-acre parcel, is in KPB's best interest as it serves to resolve a title cloud created by the 1977 Tax Foreclosure Deed:

GOVERNMENT LOT 21, WITHIN SECTION 14, TOWNSHIP 6 NORTH, RANGE 12 WEST, SEWARD MERIDIAN, KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (PARCEL NO. 01714006) (the Parcel).

SECTION 2. That resolution of the title cloud will satisfy the initial intent of KPB's municipal selection and any remaining requirements from the State of Alaska DNR necessary to issue patent to the KPB, perfecting title to the Parcel initially conveyed in error.

SECTION 3. That the assembly makes an exception to KPB 17.10.080 requiring classification prior to disposal. This exception is based on the following findings of fact pursuant to KPB 17.10.230:

1. "That special circumstances or conditions exist":

a. KPB 17.10.080(A) states, classification of property is for review, plan implementation and management purposes. The classification system designates the most appropriate uses for land and thereby guides KPB management of such lands and implementation action to provide for the identified uses. This ordinance serves to set the management plan and future intent of the identified property.

b. Conveyance of the Parcel will resolve the title cloud resulting from the 1977 Tax Foreclosure Deed, and classification of the Parcel is therefore unnecessary to designate the most appropriate use for the Parcel at this point.

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”:

The preservation of a substantial property right is applicable to this case. Exception to classification, which has no impact on land uses upon disposal, provides the most practical and cost-effective manner to resolve the title cloud.

3. “That the granting of the exception will not be detrimental to the public or injurious to other property in the area”:

The title cloud created by that 1977 Tax Foreclosure Deed is specific to the Parcel. Resolution of the title cloud will benefit the Parcel by providing a clear chain of title increasing the Parcel’s future utility and value, which will potentially provide indirect benefit to other property in the area.

SECTION 4. The Assembly makes an exception to KPB 17.10.100. This exception is based on the following findings of fact pursuant to KPB 17.10.230:

1. “That special circumstances or conditions exist”:

The purpose of KPB 17.10.100 (Methods of Disposition) is to identify means for a public opportunity to purchase or lease KPB land. The disposal of the Parcel is for the sole purpose of resolving a cloud on title created by the erroneous recording of the 1977 Tax Foreclosure Deed.

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”:

This exception will serve to preserve and improve a substantial private property right through the resolution of a title cloud.

3. “That the granting of the exception will not be detrimental to the public welfare or injurious to other property in the area”:

The title cloud created by that 1977 Tax Foreclosure Deed is specific to the Parcel. Resolution of the title cloud will benefit the Parcel by providing a clear

chain of title increasing the Parcel's future utility and value, which will potentially provide indirect benefit to other property in the area.

SECTION 5. The assembly makes an exception to KPB 17.10.110 (notice of disposition). This exception is based on the following findings of fact pursuant to KPB 17.10.230:

1. "Special circumstances or conditions exist":

The purpose of KPB 17.10.110 advertising requirement is to notify the public of an opportunity to purchase or lease KPB land. Advertising this conveyance to the general public will not serve a useful purpose, as the disposal is only being authorized to cure a title defect.

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":

For this proposed disposal, the notice requirement is impractical, and compliance is not in the best interests of the KPB. Notice will only serve to cause unnecessary delay, expense, and potential confusion in this case which is specific and necessary for the purposes of resolving a cloud on title.

3. "That the granting of the exception will not be detrimental to the public welfare or injurious to other property in the area":

The proposed disposition is advertised by publication of the ordinance as required in KPB code and on KPB's web page. Notice of the proposed disposition is also published by the Planning Commission agenda, and a public hearing is held at the Planning Commission level. Additional notice is not necessary to comply with the intent of KPB 17.10 nor to protect the public welfare.

SECTION 6. The Mayor is authorized to sign any documents necessary to effectuate this ordinance within 180 days of Assembly approval.

SECTION 7. That this ordinance shall be effective immediately.

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

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PAM*
Robert Ruffner, Planning Director *RR*

FROM: Aaron Hughes, Land Management Officer *AH*

DATE: January 9, 2025

RE: Ordinance 2025-02, Authorizing the Disposal of Real Property Located in Kenai Necessary to Resolve Title Matters Related To The Erroneous Recording Of A 1977 Tax Foreclosure Deed (Mayor)

In 1970, the Kenai Peninsula Borough (KPB) generated a tax bill in error for property owned by the United States Department of the Interior and under lease by a private entity (the Parcel). Believing the Parcel to be in private ownership, KPB applied for a tax foreclosure clerk's deed in 1972. After the clerk's deed was granted in 1975, KPB sold the Parcel at a tax foreclosure land sale in 1977. A deed was issued to the purchasers of the Parcel as a result of that land sale (the 1977 Tax Foreclosure Deed).

In 1984, the State of Alaska received patent to the Parcel from the United States Department of the Interior. KPB selected the Parcel as part of KPB's municipal entitlement selection. In order to expedite the resolution of the title cloud created by the 1977 Tax Foreclosure Deed, KPB requested that the State of Alaska consider the Parcel as a priority for conveyance in 1985. KPB was awarded management authority of the Parcel in 2015.

The Land Management Division applied for patent to the Parcel in 2023. As part of the final title review process, the State of Alaska Division of Mining, Land, and Water Conveyance Section has requested that KPB agree to convey its interest in the Parcel to the current property owner as a condition of the patent being issued. Approval of the Ordinance will satisfy that request. The recording of the patent from the State of Alaska and subsequent recording of a quitclaim deed from KPB to the current property owner will resolve the title cloud and perfect title to the Parcel on behalf of the current property owner.

Your consideration is appreciated.





KENAI PENINSULA BOROUGH

BOX 850 • SOLDOTNA, ALASKA 99669
PHONE 262-4441

DON GILMAN
MAYOR

September 21, 1977

Fred Sturman and Mac Chesney
P. O. Box 513
Soldotna, AK 99669

Dear Messrs. Sturman and Chesney:

It gives us great pleasure to enclose the original of that recorded TAX FORECLOSURE DEED #K77-6.

Please call on us for any assistance concerning the point in question.

Sincerely,

Carolyn Nugent
Land Management Agent
Assessing Department

CN:lrh

Enclosure

PS Form 3811, Mar. 1976

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
 Show to whom and date delivered..... 15¢
 Show to whom, date, & address of delivery.. 35¢
 RESTRICTED DELIVERY. Show to whom and date delivered..... 65¢
 RESTRICTED DELIVERY. Show to whom, date, and address of delivery 85¢

2. ARTICLE ADDRESSED TO:
 Fred Sturman & Mac Chesney
 P. O. Box 513
 Soldotna, AK 99669

3. ARTICLE DESCRIPTION:
 REGISTERED NO. | CERTIFIED NO. | INSURED NO.
 | 05658 |

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE Addressee Authorized agent

4. DATE OF DELIVERY: 9-23 POSTMARK: SEP 23 1977

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:
 017-190-0600
 173-040-1400

CLERK'S INITIALS

INDEX
7-2-87

TAX FORECLOSURE DEED
#K77-6

The GRANTOR, KENAI PENINSULA BOROUGH, for and in consideration of the sum of ONE DOLLAR (\$1.00) and other good and sufficient consideration, does hereby convey to the GRANTEES, FRED STURMAN AND MAC CHESNEY, whose address is Box 513, Soldotna, Alaska 99669, all of its right, title and interest in the tax foreclosed parcel of real property, more particularly described as follows:

Government Lot 21, within Section 14, Township 6 North, Range 12 West, Seward Meridian, in the Kenai Recording District, Third Judicial District, State of Alaska;

also identified as Kenai Peninsula Borough Tax Parcel No. 017-140-0600.

TO HAVE AND TO HOLD without warranty or representation of any kind, and subject to any and all restrictions of record, zoning ordinances, and any and all plat requirements and covenants, and including government patents and oil and mineral reservations, if any, and the conditions of this deed.

This conveyance is made by the Grantor to the Grantees, on the condition that the premises shall not be subdivided or sold for subdivision or otherwise sold, alienated, or disposed of in whole or in part, until and on the further condition that each and every payment will be made on a certain promissory note which has been given as a part of the consideration for the conveyance of this tax foreclosure deed by the Grantor to the Grantees, and on the further condition that Grantees assume and agree to pay all future real property taxes assessed against the parcel conveyed as

ANDREW R. SARISKY
BOROUGH ATTORNEY
KENAI PENINSULA BOROUGH
BOX 450
SOLDOTNA, AK. 99669
262-4441

BOOK 112 PAGE 863
Kenai Recording District

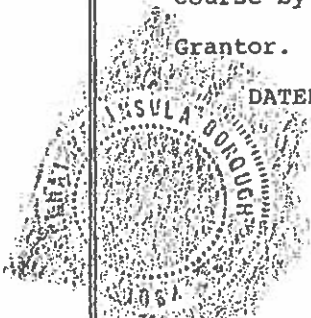
they become due and payable.

The Grantor reserves a reversionary interest on condition broken, and in the event that any or all of these conditions be broken by the Grantees, the right, title and interest under this conveyance shall immediately revert to and revest the interest under this deed in the Grantor without any further proceedings in a court of law, subject only to the filing with the appropriate district recorder of an instrument entitled "Reverter of Reversionary Interest on Condition Broken", without further or any recourse by the Grantees, or any claim whatsoever against the Grantor.

DATED: August 19, 1977

KENAI PENINSULA BOROUGH

By: Donald E. Gilman
Donald E. Gilman, Mayor



ATTEST:

Francis R. Brymer
Borough Clerk

APPROVED AS TO LEGAL FORM AND SUFFICIENCY:

Andrew R. Sarisky
Andrew R. Sarisky
Borough Attorney

STATE OF ALASKA)
THIRD JUDICIAL DISTRICT) ss.

THIS IS TO CERTIFY that on this 19th day of August, 1977, DONALD E. GILMAN, being personally known to me or having produced evidence of identification, appeared before me and acknowledged the voluntary execution of the foregoing instrument for the municipality named and in the capacity indicated in the execution thereof.

Carolyn Nugent
Notary Public in and for Alaska
My Commission Expires: 11-4-79

ANDREW R. SARISKY
BOROUGH ATTORNEY
KENAI PENINSULA BOROUGH
204 338
KENAI, AK 99549
262-4441

77-005413

REC'D
AUG 22 10 11 AM '77
KPB



KENAI PENINSULA BOROUGH

BOX 850 • SOLDOTNA, ALASKA 99669
PHONE 262-4441

STAN THOMPSON
MAYOR

October 9, 1985

Arlan DeYong
Municipal Entitlements
State of Alaska - DNR
Division of Land & Water Management
3601 C Street
Pouch 7-005
Anchorage, Ak 99510-7005

RE: Municipal Selection Priorities

Dear Arlan:

On September 12, 1985, Tom Hawkins sent a letter to the KPB regarding our request for priority conveyance of the Granite Point selections together with seven (7) other selections of lesser priority.

We have looked at these seven (7) other priorities and found that some are of greater importance than others. The selections which have been made for future school facilities or expansion of existing facilities are of the greatest importance. These are:

- 1. Municipal Selection ADL 55732
T5N, R9W, S.M.
Sec. 19: E1/2NW1/4 80 acres
- 2. .810 Application ADL 220460
T5N, R10W, S.M.
Sec. 30: SE1/4SW1/4 40 acres
- 3. .810 Application ADL 220818
T3N, R11W, S.M.
Sec. 31: W1/2 Lot 4 & Lot 15 31.25 acres

An application of equal importance, although not related to a school project is:

- 4. Municipal Selection ADL 220458
T6N, R12W, S.M.
Sec. 14: Lot 21 2.5 acres

Arlan DeYong
RE: Priorities/Selections
October 9, 1985
Page 2 of 2

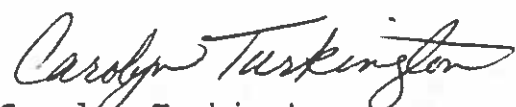
It is necessary that the KPB receive patent to the above Lot 21 in order to clear up a title problem which was created when the KPB believed the parcel to be in private ownership, foreclosed on it for delinquent taxes, sold it at a tax foreclosure sale and issued a deed to the purchaser.

The remaining three selections are the lowest in priority.

- 5. .810 Application ADL 220459
T1N, R1W, S.M.
Sec. 22: SW1/4SE1/4, SE1/4SW1/4 80 acres
- 6. Municipal Selection ADL 220785
T7N, R11W, S.M.
Sec. 30: Lots 8, 9 & 10 73.95 acres
- 7. .810 Application ADL 206472
T10N, R1W, S.M.
Sec. 33: Uplands of SE1/4 80 acres (m/l)

Please contact me if you have any questions.

Sincerely,



Carolyn Turkington
Land Management Officer

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

**KENAI PENINSULA BOROUGH
ORDINANCE 2025-03**

**AN ORDINANCE AMENDING KPB CHAPTER 21.20 RELATING TO
HEARINGS AND APPEALS TO A HEARING OFFICER**

WHEREAS, various KPB Code provisions provide for appeals of a quasi-judicial staff decision to be heard by the Planning Commission without setting forth an appeal procedure to allow for such appeals; and

WHEREAS, this ordinance amends KPB Chapter 21.20 to provide that the Planning Commission will sit as the Hearing Officer for appeals of the Planning Director and/or staff decisions; and

WHEREAS, this ordinance further amends KPB 21.20 to provide for administrative consolidation when multiple appeals are filed on the same decision, and adds a section regarding standing, specifies filing and transcript fees, updates hearing procedure, timelines, and other clarifying edits to improve administration of KPB Chapter 21.20; and

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

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

SECTION 1. That KPB Chapter 21.20, Hearings and Appeals, is hereby amended as follows:

CHAPTER 21.20. - HEARINGS AND APPEALS

21.20.210. Definitions.

A. For the purposes of this chapter, the following definitions [shall] apply unless the context clearly indicates or requires a different meaning:

[1.] "Aggrieved party or person" means a party of record adversely impacted by the decision of the hearing officer who participated before the hearing officer either by written or oral presentation.

[2.] The "appellant" is the party who files the notice of appeal and pays the

filing and transcription fees [AND INITIALLY FILES THE NOTICE OF APPEAL].

[3.]The "applicant" is the party that made application with the planning department for a permit, plat, variance or other entitlement subject to a quasi-judicial process under KPB Title 20 or 21.

[4.]"Ex parte" means by or for one party; done for, on behalf of, or on the application of, one party only.

"Good cause" means adequate grounds based on a serious condition or event beyond a party's control to justify a party's request or failure to act; or, the party was not provided a prior opportunity to act.

[5.]"Party of record" means:

- a. The applicant [BEFORE THE PLANNING COMMISSION],
- b. Any party or person aggrieved by the decision where the decision has or could have a[N] material adverse effect on value, use or enjoyment of real property [OWNED BY THEM] in which they have a vested private property interest within the notification radii and who appeared before the planning commission with either an oral or written presentation, and who owns lands within the notification radii. A signature on a petition does not qualify the signatory as a party of record.
- c. A government agency affected by the decision which appeared before the planning commission with either a written or oral presentation.

[6.]"Quasi-judicial decisions" are those decisions where general law or policy are applied or affect an individual's property interests. Such decisions include but are not limited to preliminary and final plat approvals, conditional use permits, and exception and variance applications.

[7.]"Substantial evidence" means relevant evidence a reasonable mind might accept as adequate to support a conclusion.

21.20.225. – Standing.

A. Only the following have standing to appeal a quasi-judicial staff decision to the Planning Commission:

1. The applicant;

2. A government agency affected by the decision and which has received notice of the application or decision required by relevant borough code or other; and

3. Any party or person who: 1) was affected by the decision where the decision has or could have an adverse effect on value, use, or enjoyment of real property in which they have a vested private property interest; and 2) has received notice of the application or decision required by relevant borough code or other applicable law.

B. Only a “party of record” as defined in KPB 21.20.210 has standing to appeal a final decision of the Planning Commission to a hearing officer.

C. Standing to appeal the final decision of a hearing officer is governed by KPB 21.20.360.

21.20.220. Hearing officer—Established.

[A. *ESTABLISHED.*] The hearing officer performs the appellate functions required by AS 29.40.050.

[B. *QUALIFICATIONS.* THE HEARING OFFICER SHALL HAVE THE QUALIFICATIONS SET FORTH IN KPB 21.50.110.]

21.20.230. Jurisdiction.

A. Unless a different appellate procedure is provided by this Code, the hearing officer is authorized to hear and decide appeals from quasi-judicial planning commission decisions.

B. Unless a different appellate procedure is provided by this Code, the planning commission is authorized to hear and decide appeals from quasi-judicial staff decisions. For purposes of this chapter, the term “hearing officer” includes the planning commission when the planning commission sits as a body to decide appeals from staff decisions. The procedure set forth under this chapter applies when the planning commission sits as the hearing officer under this section and the chair of the planning commission will serve as presiding officer and will sign the decision.

21.20.240. Conflict of interest—Ex parte contact.

A. Conflict. A hearing officer may not hear or decide a case:

1. In which the hearing officer:

a. Has a direct or indirect financial interest in the property that is the subject of the case, or that is located within 500 feet of property that is the subject of the case;

b. Is related by blood, adoption, or marriage to any party to the case or to an owner of property that is the subject of the case,

or who resides at or owns property within 500 feet of property that is the subject of the case.

2. In which either:
 - a. A party demonstrates that, due to factors external to the case, the ability of the hearing officer to make an impartial decision is actually impaired, or
 - b. Reasonable persons would conclude the ability of the hearing officer to make an impartial decision is impaired due to circumstances of the proceeding, including without limitation instances in which the hearing officer or an immediate family member is a party, material witness or represents a party.
- B. Ex parte contact. A hearing officer shall be impartial in all administrative decisions, both in fact and in appearance. A hearing officer may not receive or otherwise engage in ex parte contact with any party of record, or members of the public, concerning an application filed pursuant to KPB Title 20 or 21 from the time the application is submitted through any period of time the matter is submitted for decision or subject to reconsideration before the hearing officer.

21.20.250. Appeal of planning commission decision to hearing officer.

- A. *Time; fees; preparation of record and transcript.* Any party of record may file an appeal of a decision of the planning commission or planning department within 15 days of the date of the notice of the decision with the borough clerk on the forms provided, and by paying the filing, transcription, and records preparation fees in the amounts listed in the most current Kenai Peninsula Borough Schedule of Rates, Charges and Fees. An appeal may be filed by personal delivery or mail as long as it is complete and received in the clerk's office by 5:00 p.m. on the day the notice of appeal is due. Unless the borough and the appellant agree otherwise, or the hearing officer orders otherwise, the appellant must pay the borough for preparation of the record and transcripts of the proceedings. The borough will notify the appellant of the total cost. The appellant must pay the fee for record and transcript preparation within thirty days of the borough's notice of cost, otherwise the appeal may be dismissed.
- B. An application to proceed with an appeal as an indigent may be filed with the borough clerk's office on a form provided by the borough clerk in lieu of the filing fee and fee for record and transcript preparation. The hearing officer may allow an applicant who qualifies as an indigent a reduced filing fee, a payment plan, or a waiver of the filing fee where the hearing officer is able to make a written finding, based on information provided by the applicant, that payment of the appeal fee would be a financial hardship for

the appellant. Based upon the information provided, the fee may be reduced or waived in accordance with the following schedule:

Annual income as a Percent of current Health and Human Services (HHS) Poverty Guidelines for Alaska	Percent of fee reduced
1—100%	100% Waiver
101—149%	75% Waiver
150—174%	50% Waiver
175—199%	25% Waiver
200% plus	No Waiver

Any appellants with income equal to or less than 200 percent of the HHS poverty guidelines for Alaska for the year in which the appeal is filed may apply for a payment plan in which the filing fee shall be paid in full within in six months of the date of filing.

- C. All appeals ~~[SHALL]~~will be to the hearing officer, and ~~[SHALL]~~will be conducted in accordance with the provisions of this chapter, unless otherwise provided by the Kenai Peninsula Borough Code.
- D. *Notice of appeal.* The notice of appeal must:
 - 1.~~[1]~~ State the decision from which the appeal is taken;
 2. state the grounds for standing as a party of record as defined in this chapter to bring the appeal;
 - 2)~~3~~ State, with specificity, the errors asserted in the findings of fact or conclusions of law;
 - 3)~~4~~ State the relief sought on appeal, including a statement of whether the decision should be reversed, modified, or remanded for further proceedings; and
 5. Provide an e-mail address for electronic service of pleadings, notices, and orders.
- E. Dismissal by Hearing Officer. Upon motion by a party to the appeal, an appeal must be dismissed by the hearing officer if the notice of appeal:
 1. Fails to satisfy the grounds for standing as a party of record as defined in this chapter to bring the appeal;
 2. Fails to identify specific errors in the findings of fact, conclusions of law;
or
 3. Fails to identify the reason the decision is contrary to applicable law.

[E]E. *Entry of appearance.* The borough clerk [SHALL]will e-mail, mail or otherwise deliver copies of the notice of appeal to all parties of record in the proceeding appealed within 15 days of the date of [FILING THE NOTICE OF APPEAL] the deadline to file an appeal under KPB 21.20.250(A) above. All parties of record must provide an e-mail address that may be used for electronic service of pleadings, notices, and orders. Proof of service upon each party [SHALL]will accompany the notice of appeal. Any party desiring to participate in the appeal process must file an entry of appearance containing that party's name and address and signature, or the name and address of the party and the name and address and signature of the party's representative, within 15 days of the date of mailing of the notice of appeal by the borough clerk. If borough staff is not participating in the appeal beyond providing the required staff overview, a notice of non-participation will be filed with the borough clerk. Proof of service of the entry of appearance upon each party [shall]will be made in the manner prescribed in KPB 21.20.280(D). Any party filing an entry of appearance may file additional designations of error or other alternative requests for modification or reversal of the decision.

G. Consolidation. In the event multiple appeals are filed on the same decision and involve a common question of law or fact, the borough clerk will administratively consolidate the appeals. For consolidated appeals, the records preparation and transcription fee under KPB 21.20.250(A) will be prorated according to the number of appellants. Upon motion by a party, to avoid prejudice or to economize, the hearing officer may separate the appeals or separate the hearing on appeal.

21.20.260. Stay on appeal.

Upon commencement of an appeal, any entitlement granted is stayed until a final decision is issued by the hearing officer. If an entitlement has conditions associated with it that must be performed within a certain time period, the time frame for performance or compliance does not start until the hearing officer's final decision is distributed or as otherwise specified by the hearing officer.

21.20.270. Record on appeal.

- A. *Record; contents.* For the purposes of appeal, the record shall include:
1. The filed application or complaint which initiated the proceedings before staff or the planning commission;
 2. All informational materials supplied to staff or the commission or relied upon by the planning director or staff in making its report or recommendations to the planning commission;
 3. All informational materials which were entered into the record or minutes of the proceeding before the commission;

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4. The report of the initial investigation by the planning department, and where applicable the enforcement order or decision of the planning director;
 5. All testimony and all documents or other evidence received by the planning commission from the parties or other witnesses during the proceedings;
 6. The decision of the planning commission;
 7. The planning commission's findings of fact; and
 8. The minutes of the planning commission and a verbatim transcript of the planning commission hearing.
- B. *Record; preparation.* The planning department [SHALL]will complete and file the transcript with the borough clerk within 30 days after the deadline for filing entries of appearance. The planning director [shall] must certify the paginated and indexed record and minutes on appeal within 30 days after the deadline for filing entries of appearance. [ONE COPY OF THE RECORD SHALL] BE PROVIDED A PARTY PAYING THE RECORD PREPARATION AND TRANSCRIPTION FEE. AN ELECTRONIC COPY SHALL ALSO BE PROVIDED TO THE APPLICANT IF THE APPLICANT IS NOT THE APPELLANT] A notice of certification of record and electronic copy of the record [SHALL]will be provided to all parties who have timely entered an appearance in the case. For records too large to send by e-mail, the record will be posted online or made available through a file sharing service. A paper copy [Copies] of the record may be provided [to other parties or any other persons] upon request and payment of a \$100 flat labor fee and [HANDLING CHARGE]per page charge for copies in the amount listed in the most current Kenai Peninsula Borough Schedule of Rates, Charges and Fees.
- C. *Appeal on the record; new evidence.* Appeals to the hearing officer [SHALL]will be on the record and based on the information and evidence before the original decisionmaker. No new evidence, or illustrative documents or attachments to written statements, may be filed without prior approval of the hearing officer after a showing by the moving party that there exists cause for supplementing the record and that even with due diligence the new evidence could not have been provided at the public hearing before the planning commission and a reasonable opportunity is provided for all other parties of record to submit comments on the request prior to the hearing officer's decision. Evidence or documentary information submitted to the borough clerk upon filing the notice of the appeal will not be accepted.

21.20.280. Written statements.

- A. Appellant's Opening statement. Appellant(s) must submit a written statement to the hearing officer as an opening statement within 30 days of

the borough clerk's notice of certification of record. All other parties of record who entered an appearance in the appeal must submit a written response statement to the hearing officer [WHICH SHALL BE FILED WITH THE BOROUGH CLERK] within [20]15 days of the date of submission of the appellant's opening statement. [CLERK ISSUING NOTICE THAT A COMPLETED RECORD AND TRANSCRIPT HAVE BEEN FILED]. The written statement may include a statement of facts as derived from the record on appeal, a statement of the party's perception of the correctness of the [PLANNING COMMISSION] original decisionmaker, a list of asserted errors, and any citations to applicable statutes, ordinances, regulations or other legal authority for the position taken by the party to the appeal. Failure to timely submit [the]a written opening or response [WRITTEN] statement will result in dismissal of that party from the appeal. Multiple parties may preserve their party status by filing a single written statement; however, the written statement must clearly identify all parties filing the single statement. The hearing officer may waive irregularities in the content of the notice of appeal or written statements. In appeals where staff does not enter an appearance, the staff overview may be provided in writing when opening statements are due.

- B. *Reply statement.* [EACH PARTY FILING AN OPENING STATEMENT] Appellant(s) may submit a reply statement within [2]10 days of the [FILING DEADLINE FOR THE INITIAL WRITTEN STATEMENTS] filing of the [OPPOSING]response statements. The reply [SHALL]must be limited to response to matters specifically raised in the other parties' response[OPENING] statement. A party may only file a single reply statement[IN RESPONSE TO ALL OPENING STATEMENTS FILED].
- C. *Extension.* The hearing officer, upon good cause shown, may grant a motion for an extension of time to any party or legal representative for the completion of any act required under this section, except for the filing of the notice of appeal, where the remaining parties will not appear to be unduly prejudiced by the delay. [AN EXTENSION PERMITTED ONE PARTY SHALL BE EXTENDED TO ALL PARTIES BY NOTICE FROM THE BOROUGH CLERK. MOTIONS FOR EXTENSIONS SHALL COMPLY WITH THE PROVISIONS OF KPB 21.20.280(D) AND 21.20.300.]
- D. *Service.* [SERVICE OF WRITTEN STATEMENTS SHALL BE MADE ON ALL PARTIES OF RECORD FOR BRIEFS AND ON PARTIES PERMITTED TO FILE MOTIONS AND RESPOND TO MOTIONS BY KPB 21.20.300. SERVICE SHALL BE MADE BY THE BOROUGH CLERK EITHER BY MAIL OR PERSONAL DELIVERY WITHIN TWO BUSINESS DAYS OF THE FILING DEADLINE. SERVICE BY EMAIL OR FACSIMILE IS PERMITTED WHEN THE PARTY TO BE SERVED HAS AFFIRMED IN WRITING THE ACCEPTANCE OF ALTERNATE FORMS OF SERVICE.] All notices, orders, or service of other documents required under this chapter will be served by electronic mail (email). All parties must provide an email address for service and parties will be considered to have received documents sent to the email address they provide. Parties are responsible

for serving documents filed with the borough clerk or the hearing officer on all other parties who have entered in appearance in the case. Any document, pleading, or written statement filed with the borough clerk or the hearing officer must be served by the filing party on all other parties to the appeal by email delivery. The filing party must certify on the document that the document and all attachments have been served on the other parties. Certificates of service must be signed by the individual who cause the document to be served on the party as provided. The following certificate of service may be used:

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of this document including a total of ___ pages was served via email delivery on the following parties and at the email address listed below:

{list all parties and corresponding email address for the parties}

{Signature or electronic signature of filing party}

- E. *Additional written statements.* Unless the hearing officer requests supplemental written statements from the parties of record or staff, no additional written statements [SHALL] may be accepted. If the hearing officer requests supplemental written statements after the hearing, the hearing officer will provide a deadline for submission of the supplemental written statements. The time for decision under KPB 21.20.340(C) will toll for the duration of time from the hearing to the deadline for submission of supplemental written statements.

[21.20.290. RESERVED.]

21.20.300. Motions.

- A. *Parties.* Motions for continuances, shortened time, or other matters may be filed by a party who timely enters an appearance in the matter. [THE FOLLOWING PARTIES AND SERVED IN THE MANNER PRESCRIBED BY KPB 21.20.280(D):
1. THE APPELLANT;
 2. THE APPLICANT IF THAT PARTY IS NOT THE APPELLANT;
 3. A BOROUGH OFFICIAL IF BOROUGH STAFF ENTERS AN APPEARANCE IN THE MATTER.]
- B. *Response.* Any nonmoving party may file a response to a motion within 5 business days of the motion being filed. The response must be served in the manner prescribed by KPB 21.20.280(D). The hearing officer may shorten

or extend the time to file a response for good cause. [THE HEARING OFFICER SHALL ALLOW A TIME FOR RESPONSE TO A MOTION BY THE NONMOVING PARTIES SET FORTH IN KPB 21.20.300(A). ANY RESPONSE SHALL BE IN WRITING AND MADE WITHIN THE TIME FRAME REQUIRED BY THE HEARING OFFICER. THE RESPONSE SHALL BE SERVED IN THE MANNER PRESCRIBED BY KPB 21.20.280(D).]

C. Reply

D. Ruling. The hearing officer [SHALL]will consider and rule on the motion within 30 days of the reply statement being due or on the scheduled hearing date, whichever occurs first.

21.20.310. Hearing procedure.

A. *Time.* [THE HEARING OFFICER SHALL ESTABLISH THE DATE FOR CONSIDERATION OF THE APPEAL ON A DATE THAT IS NOT LESS THAN 40 DAYS NOR MORE MORE THAN 90 DAYS AFTER THE SERVICE OF THE NOTICE OF CERTIFICATION OF THE RECORD. THE HEARING OFFICER MAY FOR GOOD CAUSE SHORTEN OR EXTEND THE HEARING DATE.] The hearing officer will set the hearing date. The hearing date must be set for a date within 90 days of the date the appellant's opening statement is due. The hearing officer may extend the hearing date for good cause.

B. *Participants.* The hearing officer [SHALL]will permit oral argument by any party who either filed the appeal or an entry of appearance and has filed a written argument. [IF MORE THAN ONE APPEAL IS FILED FROM THE SAME PLANNING COMMISSION DECISION THE APPEALS SHALL BE CONSOLIDATED AS A SINGLE APPELLATE PROCEEDING. EACH PARTY SHALL BE ENTITLED TO FILE MOTIONS, WRITTEN STATEMENTS, AND PRESENT ARGUMENTS AS SET FORTH IN KPB 21.20.280-310.]

C. *Agenda.* Argument [SHALL]will be conducted in the following order:

[1. STAFF OVERVIEW—EXPLANATION OF PROCEEDINGS AND DECISION BEFORE THE PLANNING COMMISSION, 10 MINUTES.]

[2]1. Appellant, 15 minutes.

[3]2. KPB, if participating in the appeal, 10 minutes.

[4]3. Applicant, if the applicant is not an appellant, 15 minutes.

[5]4. [Persons filing entries of appearance supporting applicant's position]All other parties, 5 minutes each.

[6]5. Applicant rebuttal, if the applicant is not an appellant, 5 minutes

[7]6. Appellant's rebuttal, 5 minutes.

D. *Agenda flexible.* The hearing officer may question any party at any time. [BUT THE TIME FOR QUESTIONS AND ANSWERS SHALL NOT COUNT AGAINST

THE TIME ALLOTTED TO THAT PARTY FOR ARGUMENT. THE HEARING OFFICER MAY REVISE THE AGENDA SET FORTH IN SECTION C. FOR GOOD CAUSE] The time for questions and answers will not count against the time allotted to that party of argument. The hearing officer may revise the agenda for good cause, fairness to the parties, and so long as all the parties are provided an opportunity to be heard. The hearing officer may limit argument by any person to reduce cumulative or repetitive argument. [THE HEARING OFFICER FOR GOOD CAUSE SHOWN MAY GRANT ADDITIONAL TIME FOR ORAL ARGUMENT TO THE APPELLANT OR APPLICANT. IN SUCH EVENT, THE OPPOSING PARTY, IF ANY, SHALL BE GRANTED EQUAL ADDITIONAL TIME. FAILURE TO OBSERVE THE PROCEDURES SET FORTH IN SECTION C. MAY NOT AFFECT THE VALIDITY OF THE HEARING OFFICER'S DECISION SO LONG AS THE PARTIES HAVE HAD REASONABLE OPPORTUNITY TO BE HEARD.]

- E. *Deliberations.* The hearing officer may undertake deliberations immediately upon the conclusion of the hearing on appeal or may take the matter under advisement. Deliberations and development of findings may be done by or in consultation with legal counsel.

21.20.320. Scope of appellate review.

After the hearing the hearing officer shall apply the following rules to its decision:

1. The hearing officer may exercise independent judgment on matters that relate to the interpretation or construction of ordinances or other provisions of law; however, due consideration shall be given to the expertise and experience of the planning commission in its interpretations of KPB titles 20 and 21.
2. The hearing officer shall defer to the judgment of the planning commission regarding findings of fact if they are supported in the record by substantial evidence.
3. The hearing officer may revise and supplement the planning commission's findings of fact. Where the hearing officer decides that a finding of fact made by the planning commission is not supported by substantial evidence, the hearing officer may make a different finding on the factual issue, based upon the evidence in the record developed before the planning commission if it concludes a different finding was supported by substantial evidence, or may remand the matter to the planning commission as provided in KPB 21.20.330(B).

21.20.330. Remand by hearing officer.

- A. *Changed circumstances.* An appeal alleging changed circumstances or new relevant evidence, which with due diligence could not have been presented to the planning commission, shall be remanded to the planning commission.
- B. *Lack of findings.* Appeals from planning commission decisions which lack findings of fact and conclusions by the planning commission or contain findings of fact and conclusions which are not supported by substantial evidence shall be remanded to the planning commission with an order to make adequate findings of fact and conclusions.
- C. *Findings for remand.* The hearing officer shall make findings of fact and conclusions setting forth the basis for the remand and shall include instructions to the planning commission regarding whether additional evidence, notice, hearing or findings are required.

21.20.340. Decision.

- A. *Scope of decision.* The hearing officer shall base the hearing officer's decision upon the record. The hearing officer may remand, affirm, or reverse, or modify, in whole or in part, the appealed decision or order. The decision, where appropriate, may include further instructions to staff or the planning commission to affect the hearing officer's decision. If the hearing officer does not remand the decision or order appealed, the decision or order of the hearing officer is final.
- B. *Written decision.* The hearing officer's decision shall be in writing and shall state that it is a final decision, include the hearing officer's findings of fact and conclusions, and notify the parties of their right to appeal. The findings shall be reasonably specific so as to provide the parties, and where appropriate, reviewing authorities, a clear and precise understanding of the reason for the decision.
- C. *Time.* The decision shall be filed with the borough clerk within ~~[15]~~45 calendar days after the completion of the hearing.
- D. *Service.* The hearing officer's decision ~~[SHALL BE MAILED OR PERSONALLY DELIVERED, WITHIN 10 DAYS AFTER THE WRITTEN DECISION IS SIGNED BY THE HEARING OFFICER, TO THE PARTIES OF RECORD WHO FILED A WRITTEN ARGUMENT]~~will be emailed to all parties who entered an appearance and filed an opening statement in the matter.
- E. *Similar petitions.* An applicant aggrieved by a hearing officer's decision may not submit a substantially similar petition to the lower level decision maker as that which was appealed to the hearing officer unless a significant change of circumstances has occurred. The mere passage of time is not a change in circumstances.

21.20.350. Reconsideration by hearing officer.

- A. Within 14 days of issuance of the written decision a party that participated in the hearing may request reconsideration of a hearing officer's decision based only on the following criteria:
 - 1. The hearing officer overlooked, misapplied, or failed to consider a code provision directly controlling;
 - 2. The hearing officer overlooked or misconceived a material fact;
 - 3. The hearing officer overlooked or misconceived a material question in the case; or
 - 4. Fraud or misrepresentation by a party.
- B. Motions for reconsideration are prohibited more than 14 days after the hearing officer's written decision is issued.
- C. The hearing officer shall rule on a motion for reconsideration or request the other party to respond within 10 days after the date of filing the motion with the borough clerk. If 10 days pass without the hearing officer issuing a decision on the motion or providing the other parties an opportunity to respond, the motion is considered denied. The motion for reconsideration shall not be granted without giving the parties not filing the motion an opportunity to respond to the motion. Where an opposition to the motion for reconsideration has been requested by the hearing officer and filed with the borough clerk by the respondent, the hearing officer shall issue a written decision on the matter within 10 days of the deadline for filing an opposition or the date the opposition is filed, whichever occurs first.
- D. The filing of a motion for reconsideration suspends the time in which an appeal must be taken to superior court. The time period in which to file an appeal shall begin when the hearing officer issues the decision on reconsideration or 10 days after the motion for reconsideration is filed if the hearing officer does not issue a decision on the motion.
- E. An appeal from a hearing officer decision under this section may be filed in the superior court within 30 days after the date of distribution of the hearing officer decision to the parties, and is governed by Part 6 of the Alaska Rules of Appellate Procedure. A hearing officer decision remains in effect while an appeal is pending unless stayed by the superior court.

21.20.360. Appeal from hearing officer.

- A. Pursuant to AS 29.40.060, appeals by an aggrieved party from the final written decisions of the hearing officer shall be filed with the State of Alaska Superior Court at Kenai, Alaska, and shall conform with the Rules of Appellate Procedure of the State of Alaska, Part VI.

- B. The borough clerk shall estimate the cost of preparing the transcript of the proceeding and compiling the record on appeal. The appellant to the court shall deposit the estimated costs with the clerk in advance. Upon completion of the record on appeal, the clerk shall refund any excess deposit or charge the appellant for costs exceeding the deposit. The record may not be released to the appellant until full payment is made.

SECTION 6. That this ordinance shall be effective immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF * 2025.

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Legal Department

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*
Robert Ruffner, Planning Director *RR*
Sean Kelley, Borough Attorney *SK*

FROM: A. Walker Steinhage, Deputy Borough Attorney *AW*

DATE: January 9, 2025

SUBJECT: Ordinance 2025-03, Amending KPB Chapter 21.20 Relating to Hearings and Appeals to a Hearing Officer (Mayor)

The Ordinance amends KPB Chapter 21.20, Hearings and Appeals.

A new section (KPB 21.20.225) establishes the criteria for standing to appeal quasi-judicial decisions of Planning Department Staff and/or the Planning Director, the Planning Commission, and the hearing officer. Additionally, the Ordinance provides a process for appealing quasi-judicial decisions of Planning Department Staff and/or the Planning Director to the Planning Commission. Presently, KPB Code lacks a process even though various KPB Code provisions mandate such an appeal.

Other Code changes reflected in the Ordinance require the appellant to pay a record transcription fee; authorize the hearing officer to dismiss an appeal upon motion by an appeal party if the appellant's notice of appeal is deficient for lack of standing, specificity, or reasoning; and provide the KPB clerk the authority to administratively consolidate appeals filed on the same decision and which involve a common question of law or fact.

The Ordinance also replaces the current model of filing simultaneous opening and reply statements with a staggered, more traditional appellant opening/appellee response/appellant reply format. Finally, the current time period for the hearing officer to file a decision with the clerk is extended from fifteen to forty-five days.

Your consideration is appreciated.

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members of the Borough Assembly

FROM: Peter A. Micciche, Borough Mayor *PAM*

DATE: January 9, 2025

RE: Appointment to Resilience and Security Advisory Commission

Pursuant to Ordinance 2020-25, commissioners shall be appointed by the Mayor and confirmed by the Assembly.

I hereby submit my recommendation for confirmation.

RESILIENCE AND SECURITY ADVISORY COMMISSION

AT-LARGE SEAT

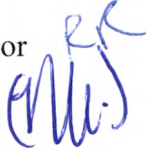
Randy Arndt

Term Expires 09/30/2027

Thank you for your consideration.

Kenai Peninsula Borough
Office of the Borough Clerk

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor
THRU: Robert Ruffner, Planning Director
FROM: Michele Turner, Borough Clerk 
DATE: January 9, 2025
RE: Verification of Resilience and Security Advisory Commission Applicant

A notice of vacancy for the At-Large Seat on the Resilience and Security Advisory Commission was posted in the Borough Administration Building, KPB's Facebook page and KPB's website. The filing period closed on December 9, 2024.

Per Ordinance 2020-25, appointed members shall have experience in at least one of the ten areas defining the scope of the commission. Sustainability commissioners shall submit a resume with their application to be appointed by the mayor and approved by the assembly.

The attached application is submitted herewith for your consideration.

AT-LARGE SEAT

Randy Arndt

cc: Land Management

Kenai Peninsula Borough Planning Department

Resilience & Security Advisory Commission Application Submitted 2025-01-09 13:49:43

Seat: At-Large Borough-Wide - Term Expires 09/30/2027

Name: Randy Arndt
Mailing Address: PO Box 1477 Homer, AK 99603
Residential Address (if different from mailing address): 58231 Glacierview Rd S Homer, AK 99603
Email: Randyarndt@acsalaska.net
Mobile: 907-399-1799
Home Phone: 907-399-1799
How long have you lived in the area served by this Resilience & Security Advisory Commission? 65 Years
In which of the 10 areas defining the scope of the commission do you have experience? Most all areas; Original member of RSAC when formed
Comments (areas of interest, additional experience or qualifications, etc.): Very interested in the continuing direction of KPB

Introduced by: Mayor
Date: 01/07/25
Hearing: 02/04/25
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2025-01**

AN ORDINANCE AMENDING KPB CHAPTER 5.19, UNIFORM REMOTE SELLER SALES TAX CODE, IN ACCORDANCE WITH UPDATES AND CHANGES ADOPTED BY THE ALASKA REMOTE SELLER SALES TAX COMMISSION

WHEREAS, in 2024, the Alaska Remote Sellers Sales Tax Commission (“Commission”) unanimously approved updates to the code aimed to reduce duplicate language, remove the number of transactions to reduce the burden on small sellers, and clean-up general grammatical or other housekeeping items; and

WHEREAS, per the governing intergovernmental agreement, to retain full membership status the KPB must adopt the amendments approved by the Commission; and

WHEREAS, all the incorporated cities within the KPB are also members of the Commission and signatories to the Agreement; and

WHEREAS, the incorporated cities have opted to adopt KPB Chapter 5.19 by reference;

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

SECTION 1. That KPB Chapter 5.19, Uniform Remote Seller Sales Tax Code, is amended as follows:

CHAPTER 5.19. - UNIFORM REMOTE SELLER SALES TAX CODE

5.19.010. – Interpretation.

A. In order to prevent evasion of the sales taxes and to aid in its administration, it is presumed that all sales and services by a person or entity engaging in business are subject to the sales tax.

...

5.19.020. – Title to collected sales tax.

Upon collection by the remote seller or marketplace facilitator, title to collected sales tax vests in the Commission for remittance to the member jurisdiction. The remote seller or marketplace facilitator remits collected sales tax to the Commission on

behalf of the member jurisdiction, from whom that power is delegated, in trust for the member jurisdiction and is accountable to the Commission and member jurisdiction.

5.19.030. Collection—Rate.

A. To the fullest extent permitted by law, the sales tax levied and assessed by the member jurisdiction shall be collected on all remote sales where delivery is made within member jurisdiction, within the state of Alaska.

B. The applicable tax shall be added to the sales price as provided in the member jurisdiction's sales tax code, based on Point of Delivery and based on the date the property or product was sold or the date the service rendered was received.

[C. THE TAX RATE ADDED TO THE SALE PRICE SHALL BE THE TAX RATE FOR THE MEMBER JURISDICTION(S) WHERE THE PROPERTY OR PRODUCT IS SOLD, OR SERVICE THAT WAS RENDERED IS RECEIVED, AND BASED ON THE DATE THE PROPERTY OR PRODUCT WAS SOLD OR THE DATE THE SERVICE RENDERED WAS RECEIVED.]

[D]C. An Address and Tax Rate Database will be made available to remote sellers and marketplace facilitators, indicating the appropriate tax rate to be applied.

[E]D. The tax assessed shall be consistent with relevant jurisdictional tax caps, single unit sales, and exemptions.

[F]E. When a sale is made on an installment basis, the applicable sales tax shall be collected at each payment, calculated at the sales tax rate in effect, and with the cap applied, at the time of the original sale or the date the service is rendered, based on the member jurisdictions' Code(s).

[G]F. When a sales transaction involves placement of a single order with multiple deliveries made at different points in time that are separately invoiced, the applicable sales tax shall be collected on each separately invoiced delivery, calculated at the sales tax rate in effect, and with the cap applied, at the time of the original sale or the date the service is rendered.

G. The sales tax levied and assessed by the member jurisdiction may be included in the sales price on taxable sales where buyer and seller convenience would be substantially enhanced, provided the seller clearly communicates to the buyer that sales tax is being imposed.

5.19.040. Obligation to collect tax—Threshold criteria.

A. Any remote seller or marketplace facilitator must collect and remit sales tax in compliance with all applicable procedures and requirements of law, provided the remote seller or marketplace facilitator has met one of the following Threshold Criteria ("Threshold Criteria") in the current or previous calendar year:

1. The remote seller's statewide gross sales, including the seller's marketplace facilitator's statewide gross sales, from the sale(s) of property, products or services delivered in the state meets or exceeds one hundred thousand dollars (\$100,000);]; OR

2. THE REMOTE SELLER, INCLUDING THE SELLER'S MARKETPLACE FACILITATOR, SOLD PROPERTY, PRODUCTS, OR SERVICES DELIVERED IN THE STATE IN TWO HUNDRED (200) OR MORE SEPARATE TRANSACTIONS.]

B. For purposes of determining whether the Threshold Criteria are met, remote sellers or marketplace facilitators shall include all gross sales, from all sales of goods, property, products, or services rendered within the state of Alaska.

C. The following marketplace facilitators are excluded from the obligation to collect tax outlined in this section:

1. Delivery network companies that deliver tangible personal property on behalf of a marketplace seller that is engaged in business in a member jurisdiction,

2. Marketplaces facilitating the rental of transient lodging accommodations in hotels, commercial transient lodging facility, homes, apartments, cabins or other residential dwelling units, and

3. Marketplaces that facilitate or perform travel agency services.

5.19.050. Reporting and remittance requirements for local and remote sales.

A. Sellers with a physical presence in a member jurisdiction conducting only local sales shall report and remit to, and comply with standards of, including audit authority, the member jurisdiction.

B. Sellers with a physical presence in a member jurisdiction that also have remote or internet-based sales where the Point of Delivery is in a different Member Jurisdiction shall (i) report and remit the remote or internet sales to the Commission; and ii) report and remit the local sales to the Member Jurisdiction.

C. Sellers with a physical presence in a Member Jurisdiction that also have remote or internet-based sales where the Point of Delivery is in the same Member Jurisdiction shall report and remit those remote sales to the Member Jurisdiction.

D. Sellers and marketplace facilitators that do not have a physical presence in a Member Jurisdiction must report and remit to the Commission all remote sales where the Point of Delivery is in a Member Jurisdiction.

E. A marketplace facilitator is considered the remote seller for each sale facilitated through its marketplace and shall collect, report, and remit sales tax to the Commission. [A MARKETPLACE FACILITATOR IS NOT CONSIDERED TO BE THE REMOTE SELLER FOR EACH SALE OR RENTAL OF LODGING FACILITATED THROUGH ITS MARKETPLACE, WHEREIN THE SELLER IS CONSIDERED TO HAVE A PHYSICAL PRESENCE IN THE MEMBER JURISDICTION.]

F. The following marketplace facilitators shall report and remit to, and comply with standards of, including audit authority, the member jurisdiction:

1. Delivery network companies that deliver tangible personal property on behalf of a marketplace seller that is engaged in business in a member jurisdiction,

2. Marketplaces facilitating the rental of transient lodging accommodations in hotels, commercial transient lodging facility, homes, apartments, cabins or other residential dwelling units, and

3. Marketplaces that facilitate or perform travel agency services.

5.19.060. Bundled Transactions.

A. If the sales price of a bundled transaction is attributable to products or services that are taxable and products or services that are nontaxable, the portion of

the sales price attributable to the nontaxable products may be subject to tax unless the seller can identify the nontaxable portion by reasonable and verifiable standards using its books or records that are kept in the regular course of business for other purposes, including, but not limited to, non-tax purposes.

B. A bundled transaction as defined in Section 270 does not qualify for exemption under a member jurisdiction's single item cap or single service cap exemption.

1. A seller may separate the respective portions of a bundle for purposes of applying a member jurisdiction's single item or single service tax cap to each respective portion.

2. The seller should identify the sales price attributed to each portion by reasonable and verifiable standards using its books or records that are kept in the regular course of business for other purposes, including, but not limited to, non-tax purposes.

5.19.0[6]70. No retroactive application.

The obligations to collect and remit sales tax required by this chapter are applicable at the effective date of the member jurisdiction's ordinance adopting the Alaska Remote Seller Sales Tax Code.

5.19.0[7]80. Payment and collection.

Pursuant to this Code, taxes imposed shall be due and paid by the buyer to the remote seller or marketplace facilitator at the time of the sale of property or product or date service is rendered, or with respect to credit transactions, at the time of collection. It shall be the duty of each remote seller or marketplace facilitator to collect the taxes from the buyer and to hold those taxes in trust for the taxing authority of the member jurisdiction. Failure by the remote seller or marketplace facilitator to collect the tax shall not affect the remote seller's, or marketplace facilitator's, responsibility for payment to the Commission.

5.19.0[8]90. Remote seller and marketplace facilitator registration requirement.

A. If a remote seller's gross statewide sales meet or exceed the Threshold Criteria under KPB 5.19.040, the remote seller shall register with the Commission. If the remote seller is a marketplace seller and only makes sales in Alaska through a marketplace, the marketplace seller is not required to register with the Commission. The marketplace seller must submit an affidavit attesting to these facts on a form provided by the Commission.

B. If a marketplace facilitator's gross statewide sales meet or exceed the Threshold Criteria under KPB 5.19.040, the marketplace facilitator shall register with the Commission. This requirement does not apply to the following marketplace facilitators:

1. Delivery network companies that deliver tangible personal property on behalf of a marketplace seller that is engaged in business in a member jurisdiction.

2. Marketplaces facilitating the rental of transient lodging accommodations in hotels, commercial transient lodging facility, homes, apartments, cabins or other residential dwelling units, and

3. Marketplaces that facilitate or perform travel agency services.

C. A remote seller or marketplace facilitator meeting the Threshold Criteria shall apply for a certificate of sales tax registration within thirty (30) calendar days of the effective date of this Code or within thirty (30) calendar days of meeting the Threshold Criteria whichever occurs second. Registration shall be to the Commission on forms prescribed by the Commission.

D. An extension may be applied for and granted based on criteria established by the Commission, based on evidence produced to describe time necessary to update software or other technical needs, not to exceed ninety (90) days.

E. Upon receipt of a properly executed application, the Commission shall confirm registration, stating the legal name of the remote seller or marketplace facilitator, the primary address, and the primary sales tax contact name and corresponding title. The failure of the Commission to confirm registration does not relieve the remote seller or marketplace facilitator of its duty to collect and remit sales tax.

F. Each business entity shall have a sales tax registration under the advertised name.

G. The sales tax certificate is non-assignable and non-transferable.

H. The sales tax certificate satisfies a member jurisdiction's requirement to obtain a municipal business license, provided the remote seller does not have a physical presence in that member jurisdiction.

5.19.[09]100. Tax filing schedule.

A. All remote sellers or marketplace facilitators subject to this Code shall file a return on a form or in a format prescribed by the Commission and shall pay the tax due.

B. Filing of sales tax returns are due monthly; quarterly or less frequent filing is optional upon application and approval by the Commission, consistent with the code of the member jurisdiction.

C. A remote seller or marketplace facilitator who has filed a sales tax return will be presumed to be making sales in successive periods unless the remote seller or marketplace facilitator files a return showing a termination or sale of the business in accordance with this Code.

D. The completed and executed return, together with the remittance in full for the tax due, shall be transmitted to and must be received by the Commission on or before midnight Alaska Standard Time on the due date. Monthly returns are due the last day of the immediate subsequent month. Quarterly returns are due as follows:

Quarter 1 (January—March): April 30

Quarter 2 (April—June): July 31

Quarter 3 (July—September): October 31

Quarter 4 (October—December): January 31

[E. IF THE LAST DAY OF THE MONTH FOLLOWING THE END OF THE FILING PERIOD FALLS ON A SATURDAY, SUNDAY, FEDERAL HOLIDAY OR ALASKA STATE HOLIDAY, THE DUE DATE WILL BE EXTENDED UNTIL THE NEXT BUSINESS DAY IMMEDIATELY FOLLOWING.]

[F]E. Any remote seller or marketplace facilitator holding a remote seller registration shall file a sales tax return even though no tax may be due. This return shall show why no tax is due. If the remote seller or marketplace facilitator intends to continue doing business a return shall be filed reflecting no sales and a confirmation of the intent to continue doing business and shall continue to do so each filing period until the entity ceases doing business or sells the business. If the remote seller or marketplace facilitator intends to cease doing business, a final return shall be filed along with a statement of business closure.

[G]F. The remote seller or marketplace facilitator shall prepare the return and remit sales tax to the Commission on the same basis, cash or accrual, which the remote seller or marketplace facilitator uses in preparing its federal income tax return. The remote seller or marketplace facilitator shall sign the return, and transmit the return, with the amount of sales tax and any applicable penalty, interest or fees that it shows to be due, to the Commission.

[H]G. Remote sellers and marketplace facilitators failing to comply with the provisions of this Code shall, if required by the Commission and if quarterly filing has been chosen, file and transmit collected sales taxes more frequently until such time as they have demonstrated to the Commission that they are or will be able to comply with the provisions of this Code. Six (6) consecutive on-time sales tax filings, with full remittance of the sales taxes collected, shall establish the presumption of compliance and return to quarterly filing.

[I]H. The preparer of the sales tax return shall keep and maintain all documentation supporting any and all claims of exempted sales and purchases. Documentation for exempted sales should include the number of the exemption authorization card presented by the buyer at the time of the purchase; the date of the purchase; the name of the person making the purchase; the organization making the purchase; the total amount of the purchase; and the amount of sales tax exempted. This documentation shall be made available to the Commission upon request. Failure to provide such documentation may invalidate that portion of the claim of exemption for which no documentation is provided.

5.19.1[0]10. Estimated tax.

A. In the event the Commission is unable to ascertain the tax due from a remote seller or marketplace facilitator by reason of the failure of the remote seller or marketplace facilitator to keep accurate books, allow inspection, or file a return, or by reason of the remote seller or marketplace facilitator filing a false or inaccurate return, the Commission may make an estimate of the tax due based on any evidence in their possession.

...

5.19.1[1]20. Returns—Filing contents.

- A. Every remote seller or marketplace facilitator required by this chapter to collect sales tax shall file with the Commission upon forms furnished by the Commission a return setting forth the following information:
1. Gross sales [ROUNDED TO THE NEAREST DOLLAR];
 2. The nontaxable portions separately stating the amount of sales revenue attributable to each class of exemption[, ROUNDED TO THE NEAREST DOLLAR];
 3. Computation of taxes to be remitted;
 4. Calculated discount (if applicable) based on member jurisdiction's code; and
 5. Such other information as may be required by the Commission.

...

5.19.1[2]30. Refunds.

- A. Upon request from a buyer or remote seller or marketplace facilitator the Commission shall provide a determination of correct tax rate and amount applicable to the transaction. In the case of an overpayment of taxes, the remote seller or marketplace facilitator shall process the refund and amend any returns accordingly.
- B. A claim for refund of sales taxes collected in error shall be denied unless:
1. The claimant files a claim for refund with the Commission within one year of the date of sale, on the form prescribed by the Commission; and
 2. If the claimant is a remote seller or marketplace facilitator, and the tax refund is owed to any buyer, the remote seller or marketplace facilitator submits, and the Commission approves, a refund plan to all affected buyers.
- C. Interest will not be paid on tax refund requests filed with the Commission.
- [D. THE MEMBER JURISDICTIONS MAY ALLOW A BUYER TO REQUEST A REFUND DIRECTLY FROM THE MEMBER JURISDICTION.]

5.19.1[3]40. Amended returns.

- A. A remote seller or marketplace facilitator may file an amended sales tax return, with supporting documentation, and the Commission may accept the amended return, but only in the following circumstances:
1. The amended return is filed within one (1) year of the original due date for the return for amended returns reducing the originally reported tax due; and
 2. The remote seller or marketplace facilitator provides a written justification for requesting approval of the amended return; and
 3. The remote seller or marketplace facilitator agrees to submit to an audit upon request of the Commission.
 4. An amended return that increases the tax due from the amount originally reported can be submitted by a remote seller or marketplace facilitator at any time.

B. The Commission shall notify the remote seller or marketplace facilitator in writing (by email or otherwise) whether the Commission accepts or rejects an amended return, including the reasons for any rejection.

C. The Commission may adjust a return for a remote seller or marketplace facilitator if, after investigation, the Commission determines the figure included in the original returns are incorrect; and the Commission adjusts the return within three (3) years of the original due date for the return.

D. A remote seller or marketplace facilitator may file a supplemental sales tax return, with supporting documentation, and the Commission may accept the supplemental return, but only in the following circumstances:

1. The remote seller or marketplace facilitator provides a written justification for requesting approval of the supplemental return; and
2. The remote seller or marketplace facilitator agrees to submit to an audit upon request of the Commission.

5.19.1[4]50. Extension of time to file tax return.

Upon written application of a remote seller or marketplace facilitator, stating the reasons therefor, the Commission may extend the time to file a sales tax return but only if the Commission finds each of the following:

...

5.19.1[5]60. Audits.

A. Any remote seller or marketplace facilitator who has registered with the Commission, who is required to collect and remit sales tax, or who is required to submit a sales tax return is subject to a discretionary sales tax audit at any time. The purpose of such an audit is to examine the business records of the remote seller or marketplace facilitator in order to determine whether appropriate amounts of sales tax revenue have been collected by the remote seller or marketplace facilitator and remitted to the Commission.

B. The Commission is not bound to accept a sales tax return as correct. The Commission may make an independent investigation of all retail sales or transactions conducted within the State or member jurisdiction.

C. The records that a remote seller or marketplace facilitator is required to maintain under this chapter shall be subject to inspection and copying by authorized employees or agents of the Commission for the purpose of auditing any return filed under this chapter, or to determine the remote seller's or marketplace facilitator's liability for sales tax where no return has been filed.

D. In addition to the information required on returns, the Commission may request, and the remote seller or marketplace facilitator must furnish, any reasonable information deemed necessary for a correct computation of the tax.

E. The Commission may adjust a return for a remote seller or marketplace facilitator if, after investigation or audit, the Commission determines that the figures included in the original return are incorrect, and that additional sales taxes are due; and the Commission adjusts the return within three (3) years of the original due date for the return.

F. If after investigation or audit, the Commission determines that the remote seller or marketplace facilitator over-collected sales taxes, the remote seller or marketplace facilitator may request a refund with the submission of a detailed refund plan outlining the process by which the impacted customers will be refunded; the refund plan must be approved by the Commission before the refund will be issued to the remote seller or marketplace facilitator.

[F]G. For the purpose of ascertaining the correctness of a return or the amount of taxes owed when a return has not been filed, the Commission may conduct investigations, hearings and audits and may examine any relevant books, papers, statements, memoranda, records, accounts or other writings of any remote seller or marketplace facilitator at any reasonable hour on the premises of the remote seller or marketplace facilitator and may require the attendance of any officer or employee of the remote seller or marketplace facilitator. Upon written demand by the Commission, the remote seller or marketplace facilitator shall present for examination, in the office of the Commission, such books, papers, statements, memoranda, records, accounts and other written material as may be set out in the demand unless the Commission and the person upon whom the demand is made agree to presentation of such materials at a different place.

[G]H. The Commission may issue subpoenas to compel attendance or to require production of relevant books, papers, records or memoranda. If any remote seller or marketplace facilitator refuses to obey any such subpoena, the Commissioner may refer the matter to the Commission's attorney for an application to the superior court for an order requiring the remote seller or marketplace facilitator to comply therewith.

[H]I. Any remote seller, marketplace facilitator, or person engaged in business who is unable or unwilling to submit their records to the Commission shall be required to pay the Commission for all necessary expenses incurred for the examination and inspection of their records maintained outside the Commission.

[I]J. After the completion of a sales tax audit, the results of the audit will be sent to the business owner's address of record.

[J]K. In the event the Commission, upon completion of an audit, discovers more than five hundred dollars (\$500) in additional sales tax due from a remote seller or marketplace facilitator resulting from a remote seller's or marketplace facilitator's failure to accurately report sales and taxes due thereupon, the remote seller or marketplace facilitator shall bear responsibility for the full cost of the audit. The audit fee assessment will be in addition to interest and penalties applicable to amounts deemed to be delinquent by the Commission at the time of the conclusion of the audit.

5.19.1[6]70. [AUDIT OR ESTIMATED TAX PROTEST] Protests.

A. If the remote seller or marketplace facilitator wishes to dispute [the amount]a finding of the [ESTIMATE, OR THE RESULTS OF AN EXAMINATION OR AUDIT]Commission involving taxable sales, sales taxes, or penalties and interest, the remote seller or marketplace facilitator must file a written protest with the Commission]Protest Review Committee, within thirty (30) calendar days of the

date of the written notice of [ESTIMATED TAX OR RESULTS OF AN AUDIT OR EXAMINATION]the Commission's findings. The protest must set forth:

1. The remote seller's or marketplace facilitator's justification for reducing or increasing the [estimated tax amount, including any missing sales tax returns for the periods estimated]taxes, penalties or interest due from the Commission's findings; or

2. The remote seller's or marketplace facilitator's reasons for challenging the [EXAMINATION OR AUDIT RESULTS]Commission's findings.

B. In processing the protest, the [COMMISSION]Protest Review Committee may hold an informal meeting or hearing with the remote seller or marketplace facilitator, either on its own or upon request of the remote seller or marketplace facilitator, and may also require that the remote seller or marketplace facilitator submit to an audit, if one was not previously conducted or a more formal audit, if an estimation audit was previously performed.

C. The [Commission]Protest Review Committee shall make a final written determination on the remote seller's or marketplace facilitator's protest and mail a copy of the determination to the remote seller or marketplace facilitator.

D. If a written protest is not filed within thirty (30) days of the date of the written notice of [ESTIMATED TAX] or [THE RESULT OF A REVIEW, AUDIT OR EXAMINATION]Commission's findings, then the [ESTIMATED TAX, REVIEW, AUDIT OR EXAMINATION RESULT]findings shall be final, due and payable to the Commission.

5.19.1[7]80. Penalties and interest for late filing.

A. A late filing fee of twenty-five dollars (\$25) per month, or fraction thereof, shall be added to all late-filed sales tax reports, until a total of one hundred dollars (\$100) has been reached. An incomplete return shall be treated as the filing of no return.

...

5.19.1[8]90. Remote reseller certificate of exemption.

A. A remote seller with no physical presence in a member jurisdiction purchasing goods or services for the express purpose of resale to buyer(s) located in that member jurisdiction shall apply for a resale certificate through the Commission.

...

5.19.[19]200. Repayment plans.

A. The Commission may agree to enter into a repayment plan with a delinquent remote seller or marketplace facilitator. No repayment plan shall be valid unless agreed to by both parties in writing.

...

5.19.[20]210. Remote seller or marketplace facilitator record retention.

Remote sellers or marketplace facilitators shall keep and preserve suitable records of all sales made and such other books or accounts as may be necessary to determine the amount of tax which the remote seller or marketplace facilitator is obliged to collect. Remote sellers or marketplace facilitators shall preserve suitable records of sales for a period of three (3) years from the date of the return reporting such sales, and shall preserve for a period of three (3) years all documentation supporting exempted sales of goods or services, and all such other books, invoices and records as may be necessary to accurately determine the amount of taxes which the remote seller or marketplace facilitator was obliged to collect under this chapter.

5.19.2[1]20. Cessation or transfer of business.

A. A remote seller or marketplace facilitator who sells, leases, conveys, forfeits, assigns, gifts or otherwise, transfers (collectively, a "transfer") the majority of their business interest, including to a creditor or secured party, shall make a final sales tax return within thirty (30) days after the date of such conveyance.

...

5.19.2[2]30. Use of information on tax returns.

A. Except as otherwise provided in this chapter, all returns, reports and information required to be filed with the Commission under this Code, and all information contained therein, shall be kept confidential and shall be subject to inspection only by:

...

5.19.2[3]40. Violations.

A. A remote seller or marketplace facilitator that fails to file a sales tax return or remit sales tax when due, in addition to any other liability imposed by this Code, shall pay to the Commission all costs incurred by the Commission to determine the amount of the remote seller's or marketplace facilitator's liability or to collect the sales tax, including, without limitation, reviewing and auditing the remote seller's or marketplace facilitator's business records, collection agency fees, and actual reasonable attorney's fees.

...

5.19.2[4]50. Penalties for violations.

A. In the event that a penalty provided below is different from the same penalty in a member jurisdiction's sales tax code, the penalty prescribed in the member jurisdiction's sales tax code will apply.

...

5.19.2[5]60. Remittance of tax; remote seller held harmless.

A. Any remote seller or marketplace facilitator that collects and remits sales tax to the Commission as provided by law may use an electronic database of state addresses that is certified by the Commission pursuant to subsection (C) of this section to determine the member jurisdictions to which tax is owed.

...

5.19.2[6]70. Savings clause.

If any provision of [CHAPTER 5.19,]the Uniform Remote Seller Sales Tax Code[, AND CHAPTER 5.18, SALES TAX CODE,]and the member jurisdiction's sales tax code is determined by the Commission or an adjudicatory body of competent jurisdiction to discriminate against a remote seller in favor of a local seller with a physical presence in the [TAXING]member jurisdiction, the discriminatory provision shall continue in effect only to the extent such provision does not discriminate against a remote seller[, AND THE COMPARABLE CODE PROVISION APPLICABLE TO A LOCAL SELLER WILL APPLY TO A REMOTE SELLER,] and the remainder of [Chapter 5.19 and Chapter 5.18] the Remote Seller Sales Tax Code and the member jurisdiction's sales tax code shall continue in full force and effect.

5.19.2[7]80. Definitions.

For purposes of this chapter, the following definitions shall apply:

“Bundled transaction” means the retail sale of two or more products, except real property and services to real property, where (1) the products are otherwise distinct and identifiable, and (2) the products are sold for one non-itemized price. A “bundled transaction” does not include the sale of any products in which the “sales price” varies, or is negotiable, based on the selection by the purchaser of the products included in the transaction.

A. “Distinct and identifiable products” does not include:

1. Packaging – such as containers, boxes, sacks, bags, and bottles – or other materials – such as wrapping, labels, tags, and instruction guides – that accompany the “retail sale” of the products and are incidental or immaterial to the “retail sale” thereof.

2. A product provided free of charge with the required purchase of another product. A product is “provided free of charge” if the “sales price” of the product purchased does not vary depending on the inclusion of the product “provided free of charge.”

B. The term “one non-itemized price” does not include a price that is separately identified by product on binding sales or other supporting sales-related documentation made available to the customer in paper or electronic form including, but not limited to an invoice, bill of sale, receipt, contract, service agreement, lease agreement, periodic notice of rates and services, rate card, or price list.

C. A transaction that otherwise meets the definition of a “bundled transaction” as defined above, is not a “bundled transaction” if it is:

1. The “retail sale” of tangible personal property and a service where the tangible personal property is essential to the use of the service, and is provided exclusively in connection with the service, and the true object of the transaction is the service; or

2. The “retail sale” of services where one service is provided that is essential to the use or receipt of a second service and the first service is provided exclusively in connection with the second service and the true object of the transaction is the second service; or

3. A transaction that includes taxable products and nontaxable products and the “purchase price” or “sales price” of the taxable products is de minimis.

"Buyer" or "purchaser" means a person to whom a sale of property or product is made or to whom a service is furnished.

"Commission" means the Alaska Remote Seller Sales Tax Commission established by Agreement between local government taxing jurisdictions within Alaska, and delegated tax collection authority.

"Delivered electronically" means delivered to the purchaser by means other than tangible storage media.

"Delivery Charges" means charges by the seller of personal property or services for preparation and delivery to a location designated by the purchaser of personal property or services including, but not limited to, transportation, shipping, postage, handling, crating and packing.

“Delivery network company” means a business that facilitates, through the use of an Internet website or mobile application, the delivery of products or services.

“Digital good” means any product delivered electronically (whether downloaded, streamed or subscribed to). A digital good generally takes the form of a license to use or store in a digital or electronic format. Digital goods are generally intangible property for purposes of this chapter.

“Digital service” means any service delivered electronically that uses one or more software applications. Digital service includes any service that primarily involves the application of human effort by the seller, and the human effort originated after the customer requested the service, provided the service is delivered electronically.

"Entity-based exemption" means an exemption based on who purchases the product or who sells the product. An exemption that is available to all individuals shall not be considered an entity-based exemption.

"Goods for resale" means:

A. The sale of goods by a manufacturer, wholesaler or distributor to a retail vendor; sales to a wholesale or retail dealer who deals in the property sold, for the purpose of resale by the dealer.

B. Sales of personal property as raw material to a person engaged in manufacturing components for sale, where the property sold is consumed in the manufacturing process of, or becomes an ingredient or component part of, a product manufactured for sale by the manufacturer.

C. Sale of personal property as construction material to a licensed building contractor where the property sold becomes part of the permanent structure.

"Lease" or "rental" means any transfer of possession or control of tangible personal property for a fixed or indeterminate term for consideration. A lease or rental may include future options to purchase or extend.

"Local Sale" means a sale by a seller with a physical presence in a taxing jurisdiction, where the point of delivery is a location within the same taxing jurisdiction.

"Marketplace" means a physical or electronic place, platform or forum, including a store, booth, internet website, catalog or dedicated sales software application, where products or services are offered for sale.

"Marketplace facilitator" means a person that contracts with [REMOTE]marketplace sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale of the [REMOTE]marketplace seller's property, product, or services through a physical or electronic marketplace operated by the person, and engages:

(a) Directly or indirectly, through one or more affiliated persons in any of the following:

(i) Transmitting or otherwise communicating the offer or acceptance between the buyer and [REMOTE]marketplace seller;

(ii) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and [REMOTE]marketplace sellers together;

(iii) Providing a virtual currency that buyers are allowed or required to use to purchase products from the [REMOTE]marketplace seller; or

(iv) Software development or research and development activities related to any of the activities described in (b) of this subsection, if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and

(b) In any of the following activities with respect to the seller's products:

(i) Payment processing services;

(ii) Fulfillment or storage services;

(iii) Listing products for sale;

(iv) Setting prices;

(v) Branding sales as those of the marketplace facilitator;

(vi) Order taking;

(vii) Advertising or promotion; or

(viii) Providing customer service or accepting or assisting with returns or exchanges.

"Marketplace seller" means a person that makes retail sales through any physical or electronic marketplace that is operated by a marketplace facilitator.

"Member Jurisdiction" means a taxing jurisdiction that is a signatory of the Alaska Remote Seller Sales Tax Agreement, thereby members of the Commission, and who have adopted the Alaska Uniform Remote Seller Sales Tax Code.

"Monthly" means occurring once per calendar month.

"Nonprofit organization" means a business that has been granted tax-exempt status by the Internal Revenue Service.

"Person" means an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation, or any other legal entity.

"Physical presence" for the purposes of KPB 5.19.050 means a seller who establishes any one or more of the following within a member jurisdiction:

1. Has any office, distribution or sales house, warehouse, storefront, or any other place of business within the boundaries of the member jurisdiction;
2. Solicits business or receiving orders through any employee, agent, salesman, or other representative within the boundaries of the member jurisdiction or engages in activities in this state that are significantly associated with the seller's ability to establish or maintain a market for its products in this state;
3. Provides services through any employee, agent, salesman, or other representative or holds inventory within the boundaries of the member jurisdiction;
4. Rents or Leases property located within the boundaries of the member jurisdiction.

A seller that establishes a physical presence within the local taxing jurisdiction in any calendar year will be deemed to have a physical presence within the member jurisdiction for the following calendar year.

"Point of delivery" means the location at which property or a product is delivered or service is rendered.

- A. When the product is not received or paid for by the purchaser at a business location of a remote seller in a Member Jurisdiction, the sale is considered delivered to the location where receipt by the purchaser (or the purchaser's recipient, designated as such by the purchaser) occurs, including the location indicated by instructions for delivery as supplied by the purchaser (or recipient) and as known to the seller.
- B. When the product is received or paid for by a purchaser who is physically present at a business location of a Remote Seller in a Member Jurisdiction the sale is considered to have been made in the Member Jurisdiction where the purchaser is present even if delivery of the product takes place in another Member Jurisdiction. Such sales are reported and tax remitted directly to the Member Jurisdiction not to the Commission.
- C. When the service is not received by the purchaser at a business location of a remote seller, the service is considered delivered to the location where the purchaser receives the service.

D. For products or services transferred electronically, or other sales where the remote seller or marketplace facilitator lacks a delivery address for the purchaser, the remote seller or marketplace facilitator shall consider the point of delivery of the sale to be the billing address of the buyer.

"Product-based exemptions" means an exemption based on the description of the product and not based on who purchases the product or how the purchaser intends to use the product.

"Professional services" means services performed by architects, attorneys-at-law, certified public accountants, dentists, engineers, land surveyors, surgeons, veterinarians, and practitioners of the healing arts (the arts and sciences dealing with the prevention, diagnosis, treatment and cure or alleviation of human physical or mental ailments, conditions, diseases, pain or infirmities) and such occupations that require a professional license under Alaska Statute.

"Property" and "product" and "good" means both tangible property, an item that can be seen, weighed, measured, felt, or touched, or that is in any other manner perceptible to the senses; and intangible property, anything that is not physical in nature (i.e.; intellectual property, brand recognition, goodwill, trade, copyright and patents).

"Quarter" means trimonthly periods of a calendar year; January-March, April-June, July-September, and October-December.

"Receive" or "receipt" for purposes of section .030 and the definition of "Point of Delivery" means

- A. Taking possession of property or product;
- B. Making first use of services; or
- C. Taking possession or making first use of digital goods, whichever comes first.

The terms "receive" and "receipt" do not include temporary possession by a shipping company on behalf of the purchaser.

"Remote sales" means sales of goods, [OR]services or bundled transactions by a remote seller or marketplace facilitator.

"Remote seller" means a seller or marketplace facilitator making sales of goods, [OR]services or bundled transactions for delivery within the State of Alaska, without having a physical presence in the member jurisdiction in which deliver is made.

"Resale of services" means sales of intermediate services to a business where the charge for which will be passed directly by that business to a specific buyer.

"Sale" or "retail sale" means any transfer of property or product or any provision of service(s) for consideration for any purpose other than for resale.

"Sales price or purchase price" means the total amount of consideration, including cash, credit, property, products, and services, for which property, products, [OR]services or bundled transactions are sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for the following:

- A. The seller's cost of the property or product sold;
- B. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;

- C. Charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;
- D. Delivery charges;
- E. Installation charges; and
- F. Credit for any trade-in, as determined by state law.

"Seller" means a person making sales of property, products, or services, or a marketplace facilitator facilitating sales on behalf of a seller.

"Services" means all services of every manner and description, which are performed or furnished for compensation, and delivered electronically or otherwise into a member jurisdiction including but not limited to:

- A. Professional services;
- B. Services in which a sale of property or product may be involved, including property or products made to order;
- C. Utilities and utility services not constituting a sale of property or products, including but not limited to sewer, water, solid waste collection or disposal, electrical, telephone services and repair, natural gas, cable or satellite television, and Internet services;
- D. The sale of transportation services;
- E. Services rendered for compensation by any person who furnishes any such services in the course of his trade, business, or occupation, including all services rendered for commission;
- F. Advertising, maintenance, recreation, amusement, and craftsman services.
- G. Digital services.

"Tax cap" means a maximum taxable transaction.

"Taxing jurisdiction" means a local government in Alaska that has a sales tax.

"Transferred electronically" means obtained by the purchaser by means other than tangible storage media.

"Travel Agency Services" means arranging or booking for a commission, fee or other consideration, vacation or travel packages, rental car, tours or other travel reservations or accommodations, tickets for domestic or foreign travel by air, ship, rail, bus or other medium of transportation, or hotel or other lodging accommodations.

5.19.2[8]90. Supplemental definitions.

For purposes of this Chapter, the Commission may promulgate Supplemental Definitions that are incorporated into this Remote Seller Sales Tax Code, provided they are not in conflict with or contrary to definitions set forth in the general sales tax ordinance of the member jurisdiction. Supplemental Definitions are available at www.arsstc.org. Provisions of the Supplemental Definitions that are amended, deleted, or added prior to or after the effective date of the latest amendment to this chapter shall be applicable for purposes of this chapter on the effective date provided for such amendments, deletions, or additions, including retroactive provisions.

SECTION 2. This ordinance shall be effective immediately.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF * 2025.**

Peter Ribbens, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *pm*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: December 19, 2024

SUBJECT: Ordinance 2025-01, Amending KPB Chapter 5.19, Uniform Remote Seller Sales Tax Code, in Accordance with Updates and Changes Adopted by the Alaska Remote Seller Sales Tax Commission (Mayor)

KPB and other municipalities across the state, including all the cities within the KPB that levy a sales tax, banded together to provide for single-level statewide remote sales tax administration by establishing an intergovernmental entity known as the Alaska Remote Seller Sales Tax Commission (the “Commission”). There are currently 50 municipalities in Alaska that are members of the Commission. The function and powers of the Commission are set forth in the Alaska Intergovernmental Remote Seller Sales Tax Agreement (the “Agreement”), a cooperative agreement between Commission members. The KPB and the City of Kenai currently comprise 2 of the 7 Board of Director seats on the Commission.

Under the terms of the Agreement, in order to maintain membership in the Commission, local governments must enact the uniform Remote Seller Sales Tax Code (“uniform code”) as adopted by the Commission. The Commission adopted the Remote Seller Sales Tax Code Amendments being considered at its Board of Directors meeting on July 17, 2024. The uniform code governs the collection and remittance of municipal sales tax applicable to remote or internet-based sales. The uniform code provides for streamlined remote sales tax collection and remittance process which is necessary to avoid claims that local municipal tax unduly burdens interstate sellers.

On February 25, 2020, the KPB enacted the uniform code. This ordinance will adopt amendments to the uniform code providing reductions of duplicate language, general grammatical housekeeping and the removal of the 200 transaction threshold. This will reduce burdensome reporting on smaller businesses that do not have a physical presence in the KPB. The revenue impact is projected to be *de minimis* and this code provision would more closely coincide with current KPB 5.18.200 Sales Tax code casual and isolated sales threshold.

Your consideration is appreciated.

Kenai Peninsula Borough

Legal Department

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, KPB Assembly

FROM: Sean Kelley, Borough Attorney ^{SK}
Michele Turner, Borough Clerk ^(MT)

COPY: Peter A. Micciche, Mayor

DATE: January 10, 2025

RE: Filling the Vacancy for Assembly District 5

Assembly Vacancy

Resolution 2025-003 accepted the resignation of Assembly Member Bill Elam and declared a vacancy on the Assembly for the District 5 seat. Per Resolution 2025-003, the period for candidates to file a declaration of candidacy opened January 8, 2025 and closes January 31, 2025.

Process

Once the candidacy filing period closes, it is anticipated that the Assembly will schedule interviews during a Committee of the Whole meeting to be held on February 4, 2025. The Assembly may then choose to deliberate in executive session for the sole purpose of comparing applicant qualifications and discussing personal characteristics of applicants for appointment. The Assembly may not make an appointment decision in executive session. The Assembly will make the appointment decision during the regular Assembly meeting.

Procedure

The motion will be to appoint the named individual to represent Assembly District 5 until the regular election in October, 2025. The vote will be a public vote. The successful candidate must receive the majority vote (five) by the remaining assembly members. The successful candidate will be sworn in and seated immediately following the vote. The vacancy must be filled no later than the second meeting after the resignation is accepted, February 4, 2025.

Authority

KPB 22.30.060; AS 29.20.180

Kenai Peninsula Borough Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Jacque Arnold, Project Manager *JA*

DATE: January 3, 2025

RE: Authorization to Award a Contract for RFP25-021 Kenai Middle School Security Remodel

On November 22, 2024, the Kenai Peninsula Borough Purchasing & Contracting Department formally solicited proposals for RFP25-021 Kenai Middle School Security Remodel. The request for proposals was advertised on Bid Express from November 22, 2024 through December 18, 2024.

The project consists of providing professional consulting services for the Kenai Middle School safety, security, and other minor improvements. To enhance security, this project may modify the administration offices, food services, and the school commons area as necessary, to allow staff to see visitors/students approaching the main entrance.

On the due date of December 18, 2024, one (1) proposal was received and reviewed by a review committee as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
Nvision Architecture, Inc.	Anchorage, Alaska	213

The highest-ranking proposal, which includes a cost factor, was submitted by Nvision Architecture, Inc. with a lump sum cost proposal of \$246,000. The proposal review committee recommends award of a contract to Nvision Architecture, Inc., Anchorage, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 401.78050.23S05.49311.



Peter A. Micciche, Borough Mayor

1/6/2025

Date

NOTES: NA

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	401-78050-23S05-49311
Amount	\$246,000.00
By: <i>CJ SD for BH</i>	Date: 1/3/2025

Kenai Peninsula Borough

Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Sovala Kisena, Risk Manager *SK*

DATE: December 23, 2024

RE: Authorization to Award a Contract for RFP25-015 Insurance Broker & Consultation Services

On October 23, 2024 the Kenai Peninsula Borough (KPB) Risk Management Department formally solicited proposals for RFP25-015 Insurance Broker & Consultation Services. The request for proposals was advertised on the Bid Express from October 23, 2024 through November 20, 2024.


The project consists of providing a comprehensive insurance brokerage and consultation services.

On the due date of November 20, 2024, three (3) proposals were received and reviewed by a review committee as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
Combs Insurance Agency, Inc.	Palmer, Alaska	346
Arthur J. Gallagher Risk Management Services, LLC	Bellevue, Washington	334
Marsh McLennan Agency, LLC	Anchorage, Alaska	222

The highest-ranking proposal, which includes a cost factor, was submitted by Combs Insurance Agency, Inc. with a lump sum cost proposal of \$80,000. The proposal review committee recommends award of a contract to Combs Insurance Agency, Inc., Palmer, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 700.11234.00000.43011 for \$40,000 in FY25 and 700.00000.00000.15125 for \$40,000 in FY26.



 Peter A. Micciche, Mayor

12/26/2024

 Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>700.11234.00000.43011</u>	<u>\$40,000</u> FY25
	<u>700.00000.00000.15125</u> <u>\$40,000</u> FY26
Amount: <u>\$80,000.00</u>	
By: <u>CJ SD for BH</u>	Date: <u>12/23/2024</u>
NOTES: FY26 contingent upon Assembly Appropriation.	
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Kenai Peninsula Borough Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Tim Crumrine, Acting Solid Waste Director *TC*

DATE: December 20, 2024

RE: Authorization to Award a Contract for RFP25-011 SW Telehandler Purchase

On November 8, 2024, the Kenai Peninsula Borough Solid Waste Department formally solicited proposals for RFP25-011 SW Telehandler Purchase. The request for proposals was advertised on Bid Express from November 8, 2024 through November 21, 2024.


The project consists of purchasing a telehandler for use at the Central Peninsula Landfill.

On the due date of November 21, 2024, two (2) proposals were received and reviewed by a review committee as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
Airport Equipment Rentals, Inc.	Soldotna, Alaska	175
OCTANE Forklifts, Inc.	Denver, Colorado	157

The highest-ranking proposal, which includes a cost factor, was submitted by Airport Equipment Rentals, Inc. with a lump sum cost proposal of \$145,061.94. The proposal review committee recommends award of a contract to Airport Equipment Rentals, Inc., Soldotna, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 705-94910-25E10-48311.



 Peter A. Micciche, Borough Mayor

12/26/2024

 Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>705-94910-25E10-48311</u>	
Amount <u>\$145,061.94</u>	
By: <u><i>CS</i> <i>BH</i></u>	Date: <u>12/20/2024</u>

NOTES: Req#: R25-002045

Kenai Peninsula Borough Purchasing & Contracting

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Tim Scher, Project Manager *TS*

DATE: January 6, 2025

RE: Authorization to Award a Contract for RFP25-008 Soldotna Elementary and Soldotna Prep Consolidation Design Services

On September 23, 2024, the Kenai Peninsula Borough Purchasing & Contracting Department formally solicited proposals for RFP25-008 Soldotna Elementary and Soldotna Prep Consolidation Design Services. The request for proposals was advertised on Bid Express on September 23, 2024.

The project consists of providing design services for the development of an Educational Specification for the relocation of River City Academy, Soldotna Elementary, Soldotna Montessori, Connections Home School Program, and Redoubt Elementary. This relocation would take place in the former Soldotna Preparatory School facility and the current Redoubt Elementary facility.

On the due date of October 23, 2024, two (2) proposals were received and reviewed by a review committee. as follows:

<u>FIRMS</u>	<u>LOCATION</u>	<u>TOTAL SCORE</u>
MCG Explore Design	Anchorage, Alaska	332
Wolf Architecture, Inc.	Palmer, Alaska	265

The highest-ranking proposal, which includes a cost factor, was submitted by MCG Explore Design with a negotiated lump sum cost proposal of \$301,730.00. The proposal review committee recommends award of a contract to MCG Explore Design, Anchorage, Alaska. Your approval for this award is hereby requested.

Funding of this contract will be charged to account number 401-78050-23S01-49311.

Peter A. Micciche

Peter A. Micciche, Borough Mayor

1/9/2025

Date

NOTES: NA

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. _____	401-78050-23S01-49311
Amount _____	\$301,730.00
By: <i>CJ BH</i>	Date: 1/7/2025

Kenai Peninsula Borough

Roads Department

MEMORANDUM

TO: Peter A. Micciche, Borough Mayor

THRU: John Hedges, Purchasing & Contracting Director *JH*

FROM: Scott Griebel, Roads Director *SG*

DATE: January 3, 2025

RE: Authorization to Award a Contract for ITB25-017 Calcium Chloride Purchase FY25

The Purchasing and Contracting Office formally solicited and received bids for the ITB25-017 Calcium Chloride Purchase FY25. Bid packets were released on November 20, 2024 and the Invitation to Bid was advertised on Bidexpress.com from November 20 – December 12, 2024.

The project consists of purchasing an estimated 1,463,830 pounds of Anhydrous Calcium Chloride, 94-97% mini pellets, industrial grade. *(The Borough is purchasing 1,024,500 pounds, the City of Kenai is purchasing 57,330 pounds, the City of Soldotna is purchasing 64,000 pounds, the City of Homer is purchasing 310,000 pounds and the City of Seward is purchasing 8,000).*

On the due date of December 12, 2024, three (3) bids were received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$585,807 was submitted by Univar Solutions, Anchorage, Alaska. *(The Borough cost will be \$409,755, the City of Kenai cost will be \$22,932, the City of Soldotna cost will be \$25,600, the City of Homer cost will be \$124,000 and the City of Seward cost will be \$3,520.)*

Your approval for this bid award is hereby requested. Funding for this project is in account number 236.33950.00000.43951.



Peter A. Micciche, Mayor

1/7/2025

Date

NOTES: NA

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	236.33950.00000.43951
Amount	\$409,755.00
By: <i>CG</i>	SD for BH
Date:	1/3/2025

KENAI PENINSULA BOROUGH PURCHASING & CONTRACTING

BID TAB FOR: ITB25-017 CALCIUM CHLORIDE PURCHASE FY25

CONTRACTOR	LOCATION	BASE BID
Univar Solutions	Anchorage, Alaska	\$585,807.00
NorthStar Supply LLC	Palmer, Alaska	\$591,482.00
Katrina Martolano	Fairbanks, Alaska	\$766,836.00

DUE DATE: December 12, 2024

KPB OFFICIAL: 
John Hedges, Purchasing & Contracting Director