



Kenai Peninsula Borough
Road Service Area

MEMORANDUM

TO: Wayne Ogle, Assembly President
Borough Assembly Members

THRU: Charlie Pierce, Borough Mayor 

FROM: Dil Uhlin, RSA Director 

DATE: April 2, 2019

SUBJECT: Ordinance 2019-05: Authorizing a Memorandum of Agreement and Cooperative Sale and Exchange of Interests in Lands with the State of Alaska Department of Transportation and Public Facilities Regarding Certain Borough and State Maintained Roads (Mayor)

The state proposed and pushed the roads trade as high priority. In an effort to accommodate a state request, we negotiated terms for a Memorandum of Agreement (MOA) with state representatives at the local level. The terms of the MOA were established with the intent of complying with KPB ordinance and addressing the concerns of KPB citizens, RSA Board Members, and KPB Assembly Members. It provided logical efficiencies that would have benefited both the state and the borough at the local level.

Each time a new official within the state's chain of command reviews the document, there appears to be conflict with the terms negotiated and agreed to. The target seems to constantly change and what is and is not acceptable in the state's perspective seems to be in constant flux. The latest areas of contention are:

- The indemnity provisions in paragraphs 1.f - 1.g.
- The concept of quitclaiming these roads with a terminable agreement.
- A reciprocal warranty and indemnity provisions based upon 17 AAC 55.020(a)(2).

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To: Borough Assembly

RE: Ordinance 2019-05

Therefore, it is recommended that Ordinance 2019-05 be tabled until the state has a consistent vision for future dealings that include efficiencies that would benefit both the state and the borough, comply with KPB ordinance and addressing the concerns of KPB citizens, RSA Board Members, and KPB Assembly Members.

Your consideration is greatly appreciated.