



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Agenda Assembly

Brent Hibbert, President
Brent Johnson, Vice President
Jesse Bjorkman
Kenn Carpenter
Lane Chesley
Tyson Cox
Richard Derkevorkian
Willy Dunne
Bill Elam

Tuesday, June 15, 2021

6:00 PM

Betty J. Glick Assembly Chambers

Zoom ID: 938 6524 5999 Passcode: 886199

Zoom Meeting ID: 938 6524 5999 Passcode: 886199

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

Any invocation that may be offered at the beginning of the assembly meeting shall be a voluntary offering of a private person, to and for the benefit of the assembly. No member of the community is required to attend or participate in the invocation.

[Clerk's Note: The invocation will be offered by Rebecca Hinsberger.]

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:

June 1, 2021 Regular Assembly Meeting Minutes
Commending Resolution for KPEDD
Resolution 2021-041 – Educational Bond Refi
Resolution 2021-042 – FY22 Alaska Land Mobile Radio Agmt
Resolution 2021-043 – Sole Source Custom Fire Apparatus
Resolution 2021-044 – SPH Office Space Lease Agrmt 203 W. Pioneer Ave.
Resolution 2021-045 – SPH Office Space Lease Agrmt 4117 Bartlett St
Resolution 2021-046 – Rural and Ag land Classification
Resolution 2021-047 – MOA for Dispatch Services
Resolution 2021-048 – Mgmt Agmt for Sea Otter Comm Center
Resolution 2021-049 – Co-op Agmt
Ordinance 2021-19-01 – Homer Roof Replacement Bond
Ordinance 2021-19-02 – Nikiski Fire Air Quality Project Station 2
Ordinance 2021-19-03 – Appropriating Bond Proceeds
Ordinance 2021-22 – Low Income Housing Tax Credit
Ordinance 2021-23 – Borough Owned Land Sale
Ordinance 2021-24 – Limiting Assembly Comments to 3 Minutes
Ordinance 2021-25 – Assembly Members to Serve on BOE
Ordinance 2021-26 – Amending Risk Committee Requirements
Advisory Planning Commission Appointment – Jay Wright

ACTION ITEMS ELIGIBLE TO BE ADDED TO THE CONSENT AGENDA:

Ordinance 2020-19-34 – Repair CES Medic #935
Ordinance 2020-19-35 – Grant Funds for Unemployment Benefits
Ordinance 2020-19-36 – Leachate Tank Repairs and Central Pen Landfill

APPROVAL OF MINUTES

- *1. [KPB-3282](#) June 1, 2021 Regular Assembly Meeting Minutes

Attachments: [June 1, 2021 Regular Assembly Meeting Minutes](#)

COMMENDING RESOLUTIONS AND PROCLAMATIONS

- *1. [KPB-3229](#) A Resolution Commending the Kenai Peninsula Economic Development District for its Contributions to the Kenai Peninsula Borough (Hibbert)

Attachments: [Commending Resolution](#)

2. [KPB-3271](#) Mayor's Proclamation Declaring June 20, 2021 as "The Longest Day"

Attachments: [Mayor's Proclamation - The Longest Day](#)

PRESENTATIONS WITH PRIOR NOTICE*(20 minutes total)*

1. [KPB-3272](#) Redistricting Update – Map Drawing Cycle Peter Torkelson, ED, Alaska Redistricting Board (10 Minutes)

Attachments: [Presentation](#)

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA*(3 minutes per speaker; 20 minutes aggregate)***ITEMS NOT COMPLETED FROM PRIOR AGENDA****PUBLIC HEARINGS ON ORDINANCES***(Testimony limited to 3 minutes per speaker)*

Ordinances referred to Finance Committee

1. [2020-19-34](#) An Ordinance Appropriating Insurance Proceeds to Fund the Repair of Central Emergency Service Area's Medic #935 (Mayor)

Attachments: [Ordinance 2020-19-34](#)
[Memo](#)

2. [2020-19-35](#) An Ordinance Approving and Accepting Grant Funds from the State of Alaska Department of Labor and Workforce Development to Credit Unemployment Benefits for the Kenai Peninsula Borough through the US Treasury Coronavirus Aid Relief, and Economic Security Act of 2020 Funds (Mayor)

Attachments: [Ordinance 2020-19-35](#)
[Memo](#)

3. [2020-19-36](#) An Ordinance Appropriating \$71,988.62 in Supplemental Funding for Repairs to the Leachate Tank at the Central Peninsula Landfill Resulting from the November 30, 2018 Cook Inlet 7.0 Earthquake and Approving the Award to CCI Industrial Services, LLC (Mayor)

Attachments: [Ordinance 2020-19-36](#)
[Memo](#)
[Reference Copy Ordinance 2020-19-26](#)

Ordinances referred to Policies and Procedures Committee

4. [2021-18](#) An Ordinance Amending Title 4 Regarding Borough Elections and Enacting a New Chapter of Code, KPB 4.60, Election Security and Integrity, to Ensure Borough Elections are Accessible, Reliable and Secure (Bjorkman, Elam)

Attachments: [Ordinance 2021-18](#)
[Amendment Memo Bjorkman 061521](#)
[Memo](#)
[Amendment Memo \(Dealt with 05/18/21\)](#)
[Bjorkman Amendment \(Dealt with 05/18/21\)](#)

UNFINISHED BUSINESS

NEW BUSINESS

1. Resolutions

Resolutions referred to Finance Committee

- *a. [2021-041](#) A Resolution Approving the Kenai Peninsula Borough's Participation in a Refinancing by the Alaska Municipal Bond Bank of its General Obligation Bonds that Provided Funds to Purchase the General Obligation Refunding School Bonds, 2011 of the Kenai Peninsula Borough, Under a Loan Agreement, as Amended, Between the Kenai Peninsula Borough and the Alaska Municipal Bond Bank; and Authorizing the Kenai Peninsula Borough Mayor or Designee to Approve a Revised Schedule of Principal and Interest Payments on the Kenai Peninsula Borough's 2011 Bond, in Accordance with the Loan Agreement, as Amended, and Providing for Related Matters (Mayor)

Attachments: [Resolution 2021-041](#)
[Memo](#)
[Reference Copy 2003-072](#)
[Reference Copy Resolution 2011-072](#)

- *b. [2021-042](#) A Resolution Authorizing the Mayor to Execute the Fiscal Year 2022 Alaska Land Mobile Radio Communication System Membership Agreements (Mayor)

Attachments: [Resolution 2021-042](#)
[Memo](#)
[FY22 Agreement](#)

- *c. [2021-043](#) A Resolution Authorizing the Kenai Peninsula Borough Mayor to Enter into a Sole Source Contract with Custom Fire Apparatus, Inc. for a Fire Apparatus Conversion (Mayor)

Attachments: [Resolution 2021-043](#)
 [Memo](#)

Resolutions referred to Lands Committee

- *d. [2021-044](#) A Resolution Authorizing the Kenai Peninsula Borough, on Behalf of the South Kenai Peninsula Hospital Service Area, to Enter Into an Office Space Lease Agreement for Office Space at 203 W. Pioneer Avenue in Homer (Mayor)

Attachments: [Resolution 2021-044](#)
 [Memo](#)
 [Lease](#)
 [Parcel Report](#)
 [South Peninsula Hospital Resolution 21-06](#)

- *e. [2021-045](#) A Resolution Authorizing the Kenai Peninsula Borough, on Behalf of the South Kenai Peninsula Hospital Service Area, to Enter Into a Lease Agreement with First Right of Refusal and Option to Purchase, for Office Space at 4117 Bartlett Street in Homer (Mayor)

Attachments: [Resolution 2021-045](#)
 [Memo](#)
 [Lease](#)
 [Parcel Report 17506104](#)
 [Parcel Report 17514304](#)

- *f. [2021-046](#) A Resolution Classifying 420 Acres of Borough Land Located within Section 1, T5S, R14W, Seward Meridian, Alaska as Rural and Agriculture (Mayor)

Attachments: [Resolution 2021-046](#)
 [Memo](#)
 [Land Classification Maps](#)
 [Land Classification Staff Rpt \(DRAFT\)](#)

Resolutions referred to Policies and Procedures Committee

- *g. [2021-047](#) A Resolution Authorizing the Mayor to Execute Agreements with Numerous Governmental Agencies and Nonprofit Organizations for Services Provided by the Borough Soldotna Public Safety Communications Center (Mayor)

Attachments:

[Resolution 2021-047](#)

[Memo](#)

[SPSCC MOA Approval Govt Agency Agreement](#)

[SPSCC MOA Approval Non-Profit Agreement](#)

[SPSCC City of Soldotna Draft Agreement 6-4-21](#)

[Reference Copy 2021-035](#)

- *h. [2021-048](#) A Resolution Approving an Updated Management Agreement for the Sea Otter Community Center on Behalf of the Seldovia Recreational Service Area (Mayor)

Attachments:

[Resolution 2021-048](#)

[Memo](#)

[Agreement](#)

[Reference Copy Ordinance 2011-28](#)

- *i. [2021-049](#) A Resolution Approving a Cooperative Agreement for Emergency Aid Between Eastern Peninsula Highway Emergency Service Area and Bear Creek Fire and Emergency Service Area, Central Emergency Services, Cooper Landing Emergency Services, Hope Sunrise Emergency Services, Inc., Moose Pass Volunteer Fire Company, Seward Volunteer Ambulance Corp. and the City of Seward on Behalf or the Seward Fire Department (Mayor)

Attachments:

[Resolution 2021-049](#)

[Memo](#)

[Agreement](#)

2. Ordinances for Introduction

Ordinances for Introduction and referred to the Finance Committee

- *a.** [2021-19-01](#) An Ordinance Redirecting Previously Appropriated Bond Proceeds from the 2014 General Obligation School Bonds to Phase One of the Homer High School Roof Replacement Project in the Bond Capital Project Fund (Mayor) (Hearing on 07/06/2021)

Attachments: [Ordinance 2021-19-01](#)
 [Memo](#)
 [Reference Copy Ordinance 2013-19-22](#)

- *b.** [2021-19-02](#) An Ordinance Redirecting Nikiski Fire Service Area Capital Project Funds of \$135,221 from Previously Appropriated Projects to the Nikiski Fire Station #1 Air Quality and Station #2 Lighting Fixture Replacement Projects (Mayor) (Hearing on 07/06/2021)

Attachments: [Ordinance 2021-19-02](#)
 [Memo](#)

- *c.** [2021-19-03](#) An Ordinance Appropriating Refinanced 2011 School General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor) (Hearing on 07/06/2021)

Attachments: [Ordinance 2021-19-03](#)
 [Memo](#)
 [Reference Copy 2003-072](#)
 [Reference Copy 2011-072](#)

- *d.** [2021-22](#) An Ordinance Authorizing the Assessor to Assess a Low-Income Housing Tax Credit Property Based on Restricted Rents (Mayor) (Hearing on 07/06/2021)

Attachments: [Ordinance 2021-22](#)
 [Memo](#)
 [Reference Copy Ordinance 2003-43](#)

Ordinances for Introduction and referred to the Lands Committee

- *e.** [2021-23](#) An Ordinance Authorizing the Sale of Certain Parcels of Borough Owned Land by Outcry Auction Followed by an Over-the-Counter Land Sale (Mayor) (Hearing on 07/06/21)

Attachments: [Ordinance 2021-23](#)
 [Memo](#)
 [Land Sale Maps](#)

Ordinances for Introduction and referred to the Policies and Procedures Committee

- *f. [2021-24](#) An Ordinance Amending KPB 22.40.080 to Limit Assembly Members' Closing Comments to Three Minutes (Derkevorkian) (Hearing on 08/03/2021)

Attachments: [Ordinance 2021-24](#)
[Memo](#)

- *g. [2021-25](#) An Ordinance Amending KPB 2.58.058(A) to Clarify that Assembly Members may Serve on the Board of Equalization (Mayor) (Hearing on 08/03/21)

Attachments: [Ordinance 2021-25](#)
[Memo](#)
[Reference Copy 85-95](#)

- *h. [2021-26](#) An Ordinance Amending KPB 2.24.010 to Modify the Risk Management Committee School District Member's Requirements (Mayor) (Hearing on 08/03/21)

Attachments: [Ordinance 2021-26](#)
[Memo](#)

3. Other

- *a. [KPB-3273](#) Confirming the Appointment to the KPB Advisory Planning Commission (Mayor)

Anchor Point APC
Jay Wright, Seat B, Term Expires September 30, 2023

Attachments: [Appointment](#)

MAYOR'S REPORT

[KPB-3274](#) Mayor's Report Cover Memo

Attachments: [Cover Memo](#)

1. Assembly Requests/Responses - None

2. Agreements and Contracts

- a. [KPB-3275](#) Authorization to Award a Contract for RFP21-007 Cybersecurity Assessment to Moss Adams, LLP.

Attachments: [Authorization to Award Contract for RFP21-007](#)

- b. [KPB-3276](#) Authorization to Award a Contract for ITB21-028 Summer and Winter Road Maintenance – East Region Unit 1 to AG & Building Supply, Hope, AK.

Attachments: [Authorization to Award Contract for ITB21-028 East](#)

- c. [KPB-3277](#) Authorization to Award a Contract for ITB21-028 Summer and Winter Road Maintenance – West Region Unit 3, to Vista Estates, dba Captain Cook Construction, Clam Gulch, AK.

Attachments: [Authorization to Award Contract for ITB21-028 West](#)

3. Other

- a. [KPB-3278](#) Certification of the 2021 Main Roll Assessment

Attachments: [Certification of 2021 Assessment Roll](#)

- b. [KPB-3279](#) Public Relations Update – “Know Your Borough” Campaign

Attachments: [Public Relations Update](#)

- c. [KPB-3280](#) Budget Revisions –May 2021

Attachments: [Budget Revisions - May 2021](#)

- d. [KPB-3281](#) Revenue – Expenditure Report – May 2021

Attachments: [Revenue - Expenditure Report May 2021](#)

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

ASSEMBLY COMMENTS

PENDING LEGISLATION

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

1. [2020-19-07](#) An Ordinance Appropriating Refinanced 2013 Bear Creek Fire Service Area General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor) Tabled as amended on 12/01/20

Attachments: [Ordinance 2020-19-07](#)
[Memo](#)
[Admin's Request to Table \(Dealt with on 12/01/20\)](#)
[Amendment Memo \(Dealt with 10/13/20\)](#)
[Reference copy: Resolution 2020-044](#)
[Reference copy: Resolution 2012-091](#)

2. [2020-19-08](#) An Ordinance Appropriating Refinanced 2013 School General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor) Tabled as amended on 12/01/20

Attachments: [Ordinance 2020-19-08](#)
[Memo](#)
[Admin's Request to Table \(Dealt with on 12/01/20\)](#)
[Amendment Memo \(Dealt with 10/13/20\)](#)
[Reference copy: Resolution 2013-071](#)
[Reference copy: Resolution 2020-042](#)

3. [2020-19-09](#) An Ordinance Appropriating Refinanced 2011 Hospital General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor) Tabled as amended on 12/01/20

Attachments: [Ordinance 2020-19-09](#)
[Memo](#)
[Admin's Request to Table \(Dealt with on 12/01/20\)](#)
[Amendment Memo \(Dealt with 10/13/20\)](#)
[Reference copy: Resolution 2011-073](#)
[Reference copy: Resolution 2020-043](#)

INFORMATIONAL MATERIALS AND REPORTS

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. July 6, 2021 Regular Assembly Meeting
6:00 PM Betty J. Glick Assembly Chambers Borough Administration Building. Remote Participation available through Zoom, Meeting ID: 938 6524 5999 Passcode: 886199

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 through Zoom, the Meeting ID: 938 6524 5999 Passcode: 886199 and in-person from the Betty J. Glick Assembly Chambers, Borough Administration Building, Soldotna, Alaska. COVID-19 mitigation protocols will be observed. To join the meeting from a computer, visit <https://zoom.us/j/93865245999>. To attend the Zoom meeting by telephone call toll free 1-888-788-0099 or 1-877-853-5247 and enter the Meeting ID: 938 6524 5999 Passcode: 886199. Detailed instructions will be posted on at the Kenai Peninsula Borough's main page at kpb.us: "Meeting and Public Notices" "Current Assembly Agenda".

Copies of the agenda and ordinances to be considered can be viewed on the website referenced above or at the Public Bulletin Board located on the window right of the double doors in the back of the Borough Administration Building. 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 summaries, ordinances and resolutions.



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes

Assembly

Brent Hibbert, President

Brent Johnson, Vice President

Jesse Bjorkman

Kenn Carpenter

Lane Chesley

Tyson Cox

Richard Derkevorkian

Willy Dunne

Bill Elam

Tuesday, June 1, 2021

6:00 PM

Betty J. Glick Assembly Chambers

Zoom ID: 938 6524 5999 Passcode: 886199

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

[Clerk's Note: The invocation was offered by Paul Hartley.]

ROLL CALL

Present: 8 - Jesse Bjorkman, Kenn Carpenter, Tyson Cox, Willy Dunne, Brent Hibbert, Brent Johnson, Richard Derkevorkian, and Bill Elam

Excused: 1 - Lane Chesley

Also present were:

Charlie Pierce, Borough Mayor

Brandi Harbaugh, Borough Finance Director

Colette Thompson, Borough Attorney

Johni Blankenship, Borough Clerk

Michele Turner, Deputy Borough Clerk

Randi Broyles, Borough Clerk Assistant

COMMITTEE REPORTS

Assembly Member Cox stated the Finance Committee met and discussed its agenda items.

Assembly Member Bjorkman stated the Policies and Procedures Committee met and discussed its agenda items.

APPROVAL OF AGENDA AND CONSENT AGENDA

- [KPB-3220](#) May 18, 2021 Regular Assembly Meeting Minutes
approved.
- [2020-19-32](#) An Ordinance Accepting and Appropriating an Additional \$9,010 from the State of Alaska Department of Military and Veteran Affairs, Division of Homeland Security and Emergency Management for the Cybersecurity Vulnerability Assessment (Mayor)
This Budget Ordinance was enacted.
- [2020-19-33](#) An Ordinance Appropriating Funding from the Central Peninsula Hospital Plant Replacement and Expansion Fund to Replenish Central Peninsula General Hospital, Inc.'s 90 Days Cash on Hand (Mayor)
This Budget Ordinance was enacted.
- [2021-039](#) A Resolution Authorizing a Sole Source Contract for the Port Graham Landfill Operations and Maintenance with Windy Bay Services, LLC (Mayor)
This Resolution was adopted.
- [2021-040](#) A Resolution Modifying the Scope of the Existing Emergency Operations Center Capital Improvement Project (Mayor)
This Resolution was adopted.
- [2020-19-34](#) An Ordinance Appropriating Insurance Proceeds to Fund the Repair of Central Emergency Service Area's Medic #935 (Mayor)
This Budget Ordinance was introduced and set for public hearing.
- [2020-19-35](#) An Ordinance Approving and Accepting Grant Funds from the State of Alaska Department of Labor and Workforce Development to Credit Unemployment Benefits for the Kenai Peninsula Borough through the US Treasury Coronavirus Aid Relief, and Economic Security Act of 2020 Funds (Mayor)
This Budget Ordinance was introduced and set for public hearing.
- [2020-19-36](#) An Ordinance Appropriating \$71,988.62 in Supplemental Funding for Repairs to the Leachate Tank at the Central Peninsula Landfill Resulting from the November 30, 2018 Cook Inlet 7.0 Earthquake and Approving the Award to CCI Industrial Services, LLC (Mayor)

This Budget Ordinance was introduced and set for public hearing.

Approval of the Agenda and Consent Agenda

President Hibbert called for public comment with none being offered.

The motion to approve the agenda and consent agenda as amended carried by the following vote:

Yes: 8 - Bjorkman, Carpenter, Cox, Dunne, Hibbert, Johnson, Derkevorkian, and Elam

Absent: 1 - Chesley

COMMENDING RESOLUTIONS AND PROCLAMATIONS

PRESENTATIONS WITH PRIOR NOTICE

1. [KPB-3218](#) Kenai Peninsula Borough School District Quarterly Report (10 Minutes)
[Clerk's Note: Clayton Holland, Incoming Superintendent provided a quarterly report to the assembly.]
2. [KPB-3219](#) *CANCELED* Kenai Peninsula Tourism and Marketing Council Presentation, Carol Fraser, Board Treasurer (10 Minutes)

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

ITEMS NOT COMPLETED FROM PRIOR AGENDA

PUBLIC HEARINGS ON ORDINANCES

- [2021-19](#) An Ordinance Appropriating Funds for Fiscal Year 2022 (Mayor)
- The motion to enact Budget Ordinance 2021-19 was on the floor from the May 18, 2021 meeting.
- President Hibbert called for public comment.
- The following people spoke in support of funding for Kenai Peninsula College:
- Gary Turner**, Soldotna
Reid Brewer, Homer
Quincy Fuller
Paul Perry, Soldotna
Christina Stuive, Kenai
Robin Dahlman, Kenai
- Jeffrey Serio**, Homer spoke in support of raising the mill rate for Kachemak Emergency Service Area

There being no one else who wished to speak, the public comment period was closed.

Cox moved to amend Budget Ordinance 2021-19 as follows:

Page 442, Schedule of Rates, Charges and Fees - Road Sections

[ENFORCEMENT FEES ADDED VIA ORDINANCE 2020-32 ON 06/16/20:
PARKING IN DESIGNATED NO PARKING AREA
PARKING IN MANNER THAT IMPEDES TRAFFIC OR MAINTENANCE
ABANDONED VEHICLE ON PROPERTY NOT DESIGNATED FOR
VEHICLE DISPOSAL | \$150.00
ABANDONED VEHICLE ON PRIVATE PROPERTY | \$150.00
JUNK VEHICLE PLACED OR REMAINING ON BOROUGH PROPERTY OR
RIGHT-OF-WAY | \$150.00
ENCROACHMENT WITHOUT A PERMIT | \$150.00]

Enforcement Fees added via Resolution 2020-02 on 01/07/2020:

Vehicle towing

Impound Fee (per day up to a maximum of 30 days) | \$25.00/day

Administrative Fee (DMV search, certified mail, advertising) *per vehicle
owner/lienholder | \$35.00*

Disposal Fee | \$300.00

The motion to amend Budget Ordinance 2021-19 carried by the following vote:

Yes: 8 - Bjorkman, Carpenter, Cox, Dunne, Hibbert, Johnson, Derkevorkian, and Elam

Absent: 1 - Chesley

Johnson moved to amend Budget Ordinance 2021-19 as follows:

Page 143, River Center increase line 100.21135.00000.43011 "Contractual
Services" by \$25,000.

Assembly Members Dunne, Cox and Johnson spoke in support of the amendment.

Assembly Member Carpenter spoke in opposition to the amendment.

The motion to amend Budget Ordinance 2021-19 failed by the following vote:

Yes: 3 - Cox, Dunne, and Johnson

No: 5 - Bjorkman, Carpenter, Hibbert, Derkevorkian, and Elam

Absent: 1 - Chesley

The motion to enact Budget Ordinance 2021-19 as amended carried by the following vote:

Yes: 8 - Bjorkman, Carpenter, Cox, Dunne, Hibbert, Johnson, Derkevorkian, and Elam

Absent: 1 - Chesley

[2021-21](#) An Ordinance Amending KPB 22.40.050 to Authorize the Borough Clerk to Insert Advisory Board Recommendations in Pending Legislation (Hibbert)

[Clerk's Note: Above referenced ordinance was introduced on May 4, 2021 and set for public hearing on May 18, 2021 as indicated on the ordinance. The public hearing date was incorrect and should have been June 1, 2021 per KPB 1.12.010 which states, ordinances that amend any provision in the KPB Code must have at least 25 days pass before the public hearing and assembly vote occurs. Therefore, public hearing on this ordinance has been rescheduled to the June 1, 2021 assembly meeting.]

Bjorkman moved to enact Ordinance 2021-21.

President Hibbert called for public comment with none being offered.

The motion to enact Ordinance 2021-21 carried by the following vote:

Yes: 8 - Bjorkman, Carpenter, Cox, Dunne, Hibbert, Johnson, Derkevorkian, and Elam

Absent: 1 - Chesley

UNFINISHED BUSINESS

NEW BUSINESS

1. Resolutions

[2021-038](#) A Resolution Setting the Rate of Levy for Fiscal Year 2022, Tax Year 2021 (Mayor)

Cox moved to adopt Resolution 2021-038

President Hibbert called for public comment.

Milli Martin, Homer spoke in support of increasing the Kachemak Emergency Service Area mill rate.

There being no one else who wished to speak the public comment period was closed.

Johnson moved to amend Resolution 2021-038 as follows:

Section 14 to read, "That in addition to any other rate or rates of levy applicable for other purposes, the rate of levy of taxes on all real and personal property within the South Kenai Peninsula Hospital Service Area boundaries about 15 miles south

[OF]to Barbara Drive in Ninilchik, including the islands and land in the south of Kachemak Bay and west of Gore Point and excluding the City of Seldovia for said area for the Fiscal Year 2022 is hereby set at 1.12 mills on each one dollar of assessed value as determined by the assessment roll and any supplemental rolls hereafter certified by the Borough Assessor."

The motion to amend Resolution 2021-038 carried by the following vote:

Yes: 8 - Bjorkman, Carpenter, Cox, Dunne, Hibbert, Johnson, Derkevorkian, and Elam

Absent: 1 - Chesley

Dunne moved to amend Resolution 2021-038 as follows:

Section 6 to read, "That in addition to any other rate or rates of levy applicable for other purposes, the rate of levy of taxes on all real and personal property within the Kachemak Emergency Service Area for said area for the Fiscal Year 2022 is hereby set at [2.95]3.1 mills on each one dollar of assessed value as determined by the assessment roll and any supplemental rolls hereafter certified by the Borough Assessor."

The motion to amend Resolution 2021-038 carried by the following vote:

Yes: 8 - Bjorkman, Carpenter, Cox, Dunne, Hibbert, Johnson, Derkevorkian, and Elam

Absent: 1 - Chesley

The motion to adopt Resolution 2021-038 as amended carried by the following vote:

Yes: 8 - Bjorkman, Carpenter, Cox, Dunne, Hibbert, Johnson, Derkevorkian, and Elam

Absent: 1 - Chesley

MAYOR'S REPORT

[KPB-3212](#) Mayor's Report Cover Memo

1. Assembly Requests/Responses
2. Agreements and Contracts
 - a. [KPB-3213](#) Authorization to Award a Contract for RFP21-009 Operational and Organizational Assessment for Asset Management to Facility Engineering Associates P.C. of Santa Rosa, CA.
 - b. [KPB-3214](#) Authorization to Award a Contract for ITB21-026 Creary Circle (W2CRE) to CIC Inc., Soldotna, Alaska.
 - c. [KPB-3215](#) Authorization to Award a Contract for ITB21-027 Gym Floor Refinishing 2021-Chapman Elementary School to AK. Finishing and

Supply, LLC., Anchorage, Alaska.

- d. [KPB-3216](#) Authorization to Award a Contract for ITB21-031 Susan B. Generator and Transfer Switch to Cummins Sales and Service, Anchorage, Alaska.

3. Other

- a. [KPB-3217](#) Mini Grant Award Notice

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Hibbert called for public comment.

Milli Martin, Homer thanked the assembly for their support amending Resolution 2021-038.

There being no one else who wished to speak the public comment period was closed.

ASSEMBLY COMMENTS

Assembly Member Elam thanked the assembly, Mayor and finance team for their hard work on the budget. He thanked the school district administration, borough staff and the public for their input.

Assembly Member Cox stated he was pleased to see the direction of the borough with the FY22 budget. He stated the Soldotna High School soccer teams placed 2nd at the state tournament, the track and field team took 3rd place at State and the Soldotna High School baseball team had their first state appearance. He wished everyone a good evening.

Assembly Member Dunne thanked everyone who testified throughout the budget process. He stated he was happy that Kenai Peninsula College received their funding for FY22 and he was excited to see the future of FY22 and the economic recovery of the Borough. He encouraged residents to get outside and enjoy summer. He wished everyone a good evening.

Assembly Member Bjorkman thanked the public for their participation in the budgetary process. He stated he was looking forward to FY22. He encouraged residents to continue to fire wise their property and stated he was continuing to work on the fire fuel break project and spruce bark beetle mitigation. He encouraged residents to provide input on the North Road Extension Project. He congratulated athletes from Nikiski High School that participated at the State Track and Field competition. He recognized war heroes that were celebrated on Memorial day and thanked veteran and active military personnel for their service. He wished everyone a

good evening.

Assembly Member Carpenter thanked the Mayor and Finance Director Harbaugh for their hard work on the budget. He thanked the school district for working cooperatively with the borough for the FY22 budget. He congratulated the new Seward High School Principal and all of the 2021 graduates.

Vice President Johnson thanked Gary Turner for his testimony and congratulated him on his retirement. He stated he was pleased that the Kenai Peninsula College received funding for FY22. He provided a synopsis of his trip to the Western Interstate Region Board meeting he attended as the NACo. He wished his daughter, Violet, a happy birthday.

President Hibbert thanked Chief Browning for his participation in the evening. He thanked incoming Kenai Peninsula Borough School District Superintendent, Clayton Holland for his participation. He stated he has been working to fire wise his property. He thanked the Mayor and borough employees for their hard work on the budget and wished everyone a good evening.

PENDING LEGISLATION

1. [2020-19-07](#) An Ordinance Appropriating Refinanced 2013 Bear Creek Fire Service Area General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor) Tabled as amended on 12/01/20
2. [2020-19-08](#) An Ordinance Appropriating Refinanced 2013 School General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor) Tabled as amended on 12/01/20
3. [2020-19-09](#) An Ordinance Appropriating Refinanced 2011 Hospital General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor) Tabled as amended on 12/01/20
4. [2021-18](#) An Ordinance Amending Title 4 Regarding Borough Elections and Enacting a New Chapter of Code, KPB 4.60, Election Security and Integrity, to Ensure Borough Elections are Accessible, Reliable and Secure (Bjorkman, Elam)

INFORMATIONAL MATERIALS AND REPORTS

1. [KPB-3224](#) Trip Report: National Association of Counties, Western Interstate

Region Board of Directors Meeting, May 26-28, 2021, Brent Johnson,
NACo Representative

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. June 15, 2021 Regular Assembly Meeting
6:00 PM Betty J. Glick Assembly Chambers Borough Administration Building. Remote
participation available through Zoom Meeting ID: 938 6524 5999 Passcode: 886199

ADJOURNMENT

With no further business to come before the assembly, President Hibbert adjourned
the meeting at 8:33 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough
Assembly meeting of June 1, 2021.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____

Introduced by: Hibbert
Date: 06/15/21
Action:
Vote:

**KENAI PENINSULA BOROUGH
COMMENDING RESOLUTION**

**A RESOLUTION COMMENDING THE KENAI PENINSULA ECONOMIC
DEVELOPMENT DISTRICT FOR ITS CONTRIBUTIONS TO THE KENAI
PENINSULA BOROUGH**

- WHEREAS,** the Kenai Peninsula Economic Development District (KPEDD) assisted 750 businesses seeking financial assistance through the AK CARES Grant by providing information on the program, technical assistance, aid in application completion, and through the appeal process; and
- WHEREAS,** KPEDD Executive Director, Tim Dillon, wrote and advocated for regulation changes in the program that had inhibited businesses (such as commercial fishermen) from applying; and
- WHEREAS,** the Kenai Peninsula Borough received \$49,692,654 in financial assistance with 1,041 approved applications; and
- WHEREAS,** KPEDD also advised all six of the incorporated communities on establishing individual grant programs with the municipality relief funds they received in order to provide additional support for local businesses; and
- WHEREAS,** public engagement for the Comprehensive Economic Development Strategy began January 6, 2021 during the Economic Future Forum; and
- WHEREAS,** incorporated and unincorporated communities have been integrated into the plan through in-person discussions, online forums, break-out sessions, online surveys, and email blasts disbursed through each Chamber of Commerce; and
- WHEREAS,** the total number of regional participants is currently over 1,500; and
- WHEREAS,** the draft plan will be available for the public comment period in the coming week before final approval of the Board of Directors and EDA submission in June; and
- WHEREAS,** the Economic Future Forum was held online on January 6, 2021 in place of the usual Industry Outlook Forum; and
- WHEREAS,** the event provided important background information of the region, economic updates on demographic and industry changes, gave KPEDD project highlights, and allowed space for open discussion to weigh priorities; and

WHEREAS, 98 registered attendees provided broad representation of the Kenai Peninsula; and

WHEREAS, a few notable attendees included the office of Senator Lisa Murkowski, Chugach Alaska Corporation, Qutekcak Native Tribe, Native village of Tyonek, Kenaitze Indian Tribe, Seldovia Village Tribe, U.S. Department of Veteran Affairs, Alaska Railroad, Homer Electric Association, and Northern Economics; and

WHEREAS, interviews for the UAA Manufacturing Extension Program video are nearly completed and additional footage has been purchased; and

WHEREAS, the video, which is scheduled to be finalized by June 30, 2021, will feature resources available to manufacturers and create a call-to-action for businesses looking to expand or move to the Kenai Peninsula; and

WHEREAS, featured resources will include cost reduction techniques, increasing manufacturing capacity, and identifying new markets; and

WHEREAS, KPEDD reached out to Tribes, and incorporated and unincorporated communities during the reporting period to identify projects potentially eligible for the EDA Public Works and Economic Adjustment Assistance Program; and

WHEREAS, the City of Soldotna is currently pursuing a downtown renovation project that would create jobs, encourage private investment, support local entrepreneurs, increase tourism, and further diversify the local economy; and

WHEREAS, during the reporting period, KPEDD worked with the Alaska Fish Nutrition project team to identify sources of funding, investors, product markets, and industry partners; and

WHEREAS, the specialized equipment created by two entrepreneurs utilizes salmon waste through dehydration techniques that preserves the cellular structure of the salmon to retain its nutritional value; and

WHEREAS, this process would provide necessary nutrients during natural disasters, in developing countries, and in communities without a reliable food supply, and the equipment could also be used to preserve other goods, such as second-stem peonies, to create new products and additional non-seasonal jobs; and

WHEREAS, the KPEDD team also participated in discussions with the State of Alaska, Denali Commission, and various federal agencies concerning broadband infrastructure development and infrastructure locations; and

WHEREAS, discussions relating to funding sources, communities with the greatest need, partners, and the economic impacts of broadband improvements are ongoing; and

WHEREAS, KPEDD met with the Alaska Regional Development Organizations from around the state, the Denali Commission, the State of Alaska, and the EDA to share opportunities for economic development, support for mariculture programs, curriculum development through online platforms, and funding sources for infrastructure improvements; and

WHEREAS, KPEDD made presentations to the Borough, cities, and chambers to share available resources, programs, and KPEDD projects; and

WHEREAS, these presentations have allowed direct communication with residents seeking information and sharing concerns; and

WHEREAS, a YouTube Channel has been created and will feature speakers sharing industry changes, regional resources and projects, information on emerging technologies, and changes in their sector; and

WHEREAS, the presentations will be structured similar to TED Talk and a new video will be posted each month; and

WHEREAS, after the approval of the EDA Resiliency Plan and RLF Expansion Grant, KPEDD began structuring each of the plan's sections listed below:

- SWOT (strength, weaknesses, opportunities and threats) analysis that clearly defines the economic challenges, deficiencies and vulnerabilities to anticipate risks and economic effects prior to the next natural disaster.
- Pre-disaster recovery plan that defines key stakeholders, roles, actions, and responsibilities.
- Create a collection of resources (especially financial resources) of private, local, state and federal tools for economic recovery for residents, businesses, and communities.
- Promote business continuity and preparedness to ensure businesses understand their vulnerabilities to economic disruptions and prepare to take action to resume operations after an event.
- Outline KPEDD's role to respond to external inquiries and act as a grant administrator in some cases for federally funded recovery initiatives and information dissemination in partnership with the Kenai Peninsula Borough, State of Alaska, and Federal Agencies.
- Identify targeted development initiatives of emerging clusters and industries that build on the region's unique assets to provide stability in downturns and sudden disasters.
- Encourage, promote, and expand current processes for regular communication, monitoring and updating business community needs and issues to be used post-event.
- Determine measurements for economic resiliency through regional income equality, regional economic diversification and other applicable regional data; and

WHEREAS, an Administrative Plan for the new Revolving Loan Fund has been written and submitted to the EDA, application documents are currently being added to an online platform to allow for online submission through the KPEDD website, staff have completed the EDA's required fraud awareness training, and bond coverage has been requested; and

WHEREAS, in partnership with the Economic Development Administration, Denali Commission, and Kenai Peninsula Borough; KPEDD built a workforce development website, address www.KenaiPeninsulaWorkforce.org which features a list of the following:

- top forty jobs on the Peninsula,
- apprenticeship and training programs;
- GED prep and testing sites;
- scholarships for each leading industry;
- list of leading industries in the region and their respective training requirements and wages;
- resume builder support;
- disability, veteran, and employer services;
- a career finder test; and
- an embedded link to search jobs in the region; and

WHEREAS, the site was developed with broad regional participation and will be utilized by the school district to guide students to resources and training programs, by the Department of Labor to identify regional programs and retraining needs, by Kenai Peninsula businesses to train and grow their workforce, and by public and educational organizations to reduce redundant programs; and

WHEREAS, Complete Count Committee meetings were held by KPEDD throughout 2019 and 2020 where census updates, dissemination and marketing methods, as well as individual member responsibilities were discussed at meetings to prepare incorporated and unincorporated communities for the 2020 Census; and

WHEREAS, in 2010, each participant equated to approximately \$2,959 in federal funding opportunities for the State of Alaska; and

WHEREAS, KPEDD leveraged the \$100,000 provided by the Kenai Peninsula Borough in the FY2021 budget into \$1 million;

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

SECTION 1. That the Kenai Peninsula Borough Assembly commends the Kenai Peninsula Economic Development District for contribution to the Kenai Peninsula Borough.

SECTION 2. That a copy of this resolution shall be given to Tim Dillion Executive Director of the Kenai Peninsula Economic Development District.

SECTION 4. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY OF JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

**Kenai Peninsula Borough
Alaska
Proclamation**

WHEREAS, Alzheimer's disease, the most common form of dementia, is a progressive and degenerative brain disorder that causes memory loss and affects self-care, decision making, and behavior; and

WHEREAS, there are 8,500 Alaskans now living with Alzheimer's disease and current projections indicate this rate will increase to 11,000 individuals by 2025; and

WHEREAS, there are currently 33,000 unpaid caregivers providing 21 million hours of support to their loved ones with Alzheimer's disease each year valued at \$406 million annually; and

WHEREAS, dementia is a leading cause of death in Alaska and the only leading cause of death in the country with no known treatments to prevent, cure, or even delay the onset or slow the progression of the disease; and

WHEREAS, with early detection and diagnosis, individuals and families can gain access to medications and support services which promote quality of life, fully participate in planning for the future, and enroll in critical research trials; and

WHEREAS, the Kenai Peninsula Borough recognizes the efforts of the Alzheimer's Association to promote awareness of Alzheimer's disease and other dementias, and provide care and support to all those affected, thereby improving the quality of life for individuals living with dementia and their caregivers; and

WHEREAS, annually on the summer solstice, the Alzheimer's Association hosts The Longest Day, an event dedicated to shining a light on the darkness of Alzheimer's and dementia in which teams around the world come together to honor the strength, passion and endurance of people impacted by the disease; and

WHEREAS, it is important to recognize the stories, strengths, and efforts of the individuals, families, friends and caregivers impacted by dementia, as well as the tireless work of the researchers who are seeking a cause and cure.

NOW THEREFORE, I, Mayor Charlie Pierce, do hereby proclaim June 20, 2021 to be, in our Kenai Peninsula Borough:

The Longest Day

in the Kenai Peninsula Borough and encourage all residents to become aware of early detection, effective treatments and support services that are available for this disease.



Charlie Pierce
Mayor

ALASKA REDISTRICTING BOARD

REDISTRICTING BASICS

An Introduction to Redistricting in Alaska

NORTH WEST
PUBLISHING

www.akredistrict.org

COMPILED

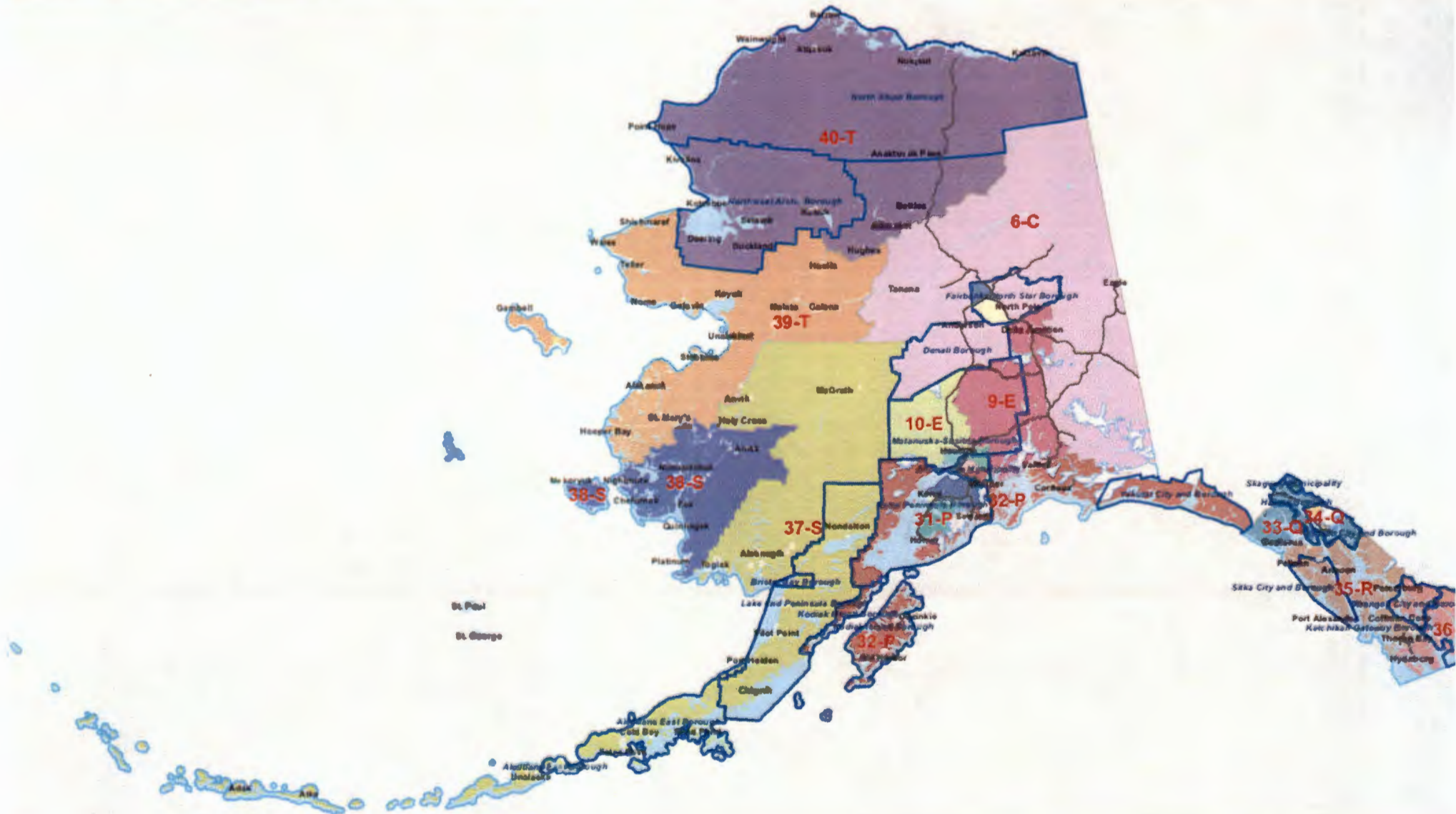
ALASKA'S PROCESS

- **Voters approved Ballot Measure #3 in 1998 creating a 5-member Independent Redistricting Board.**
- **Governor appoints 2 members**
- **Senate President 1 member**
- **House Speaker 1 member**
- **Chief Justice of the Supreme Court 1 member**
- **Members must represent various geographic areas of the State**
- **Members must be Alaska residents**
- **Members may not run for legislative office in the next cycle**
- **Board holds sole authority for drawing new legislative district maps and defending them in the Court system**

ALASKA'S BOARD

- **The current Board was appointed and convened in August 2020**
- **Alaska Redistricting Board Members are:**
 - **John Binkley of Fairbanks, Chair**
 - **Melanie Bahnke of Nome**
 - **Nicole Borromeo of Anchorage**
 - **Bethany Marcum of Wasilla**
 - **Budd Simpson of Juneau**

WHY CHANGE WHAT WORKS?



WHY REDISTRICT?

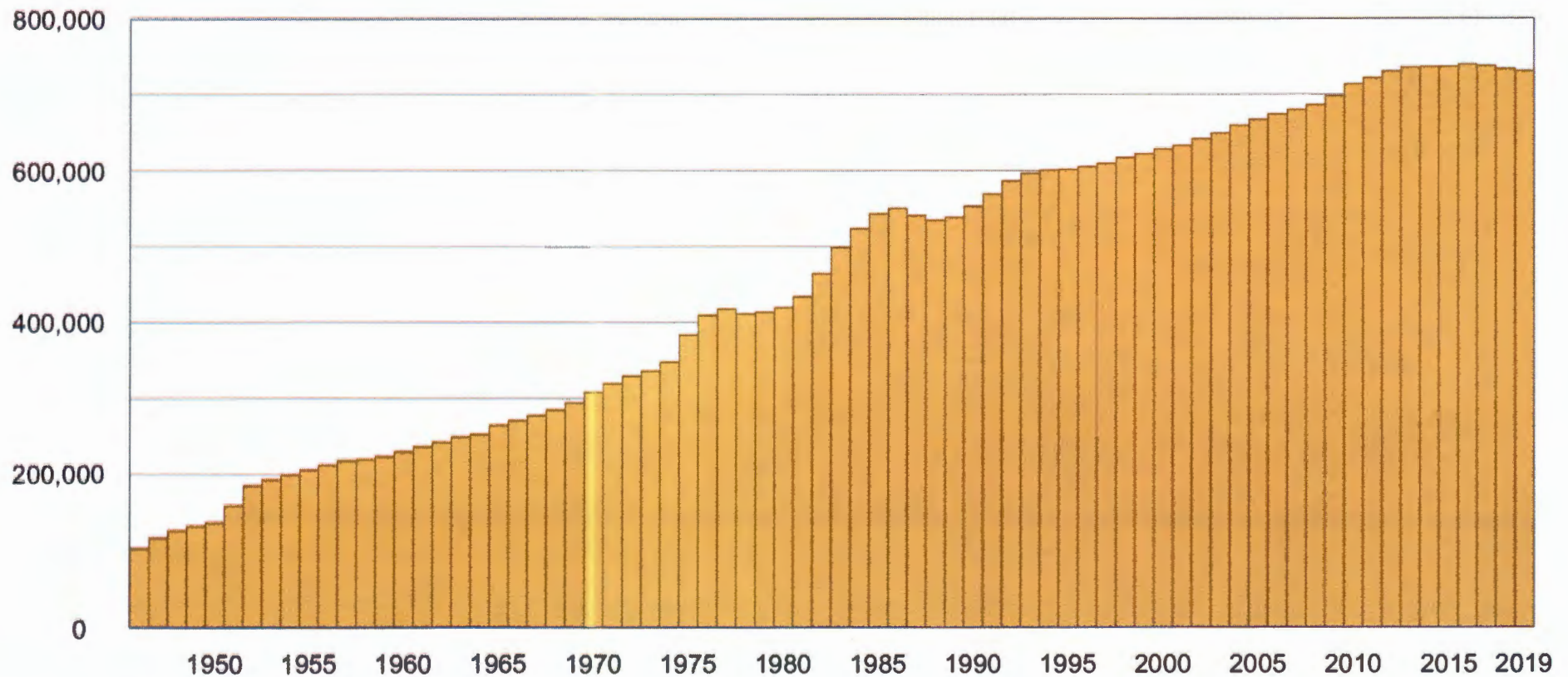
- **The US and Alaska Constitutions' Equal Protection clauses require that each voter have as much influence over an election results as every other voter**
- **One person = One vote**
- **Legislative District lines are fixed, but Alaskans move frequently**

ALASKA CHURN

- **In the past, in-migration and out migration spikes have driven change**
- **Now, only net population gain in recent years has been births**
- **Some areas churn more than others, for example**
 - **88% of Alaskans in the Bethel Census Area were born in Alaska**
 - **17% of population in the Aleutians West Census area were born in Alaska**

ALASKA GROWS EARLY

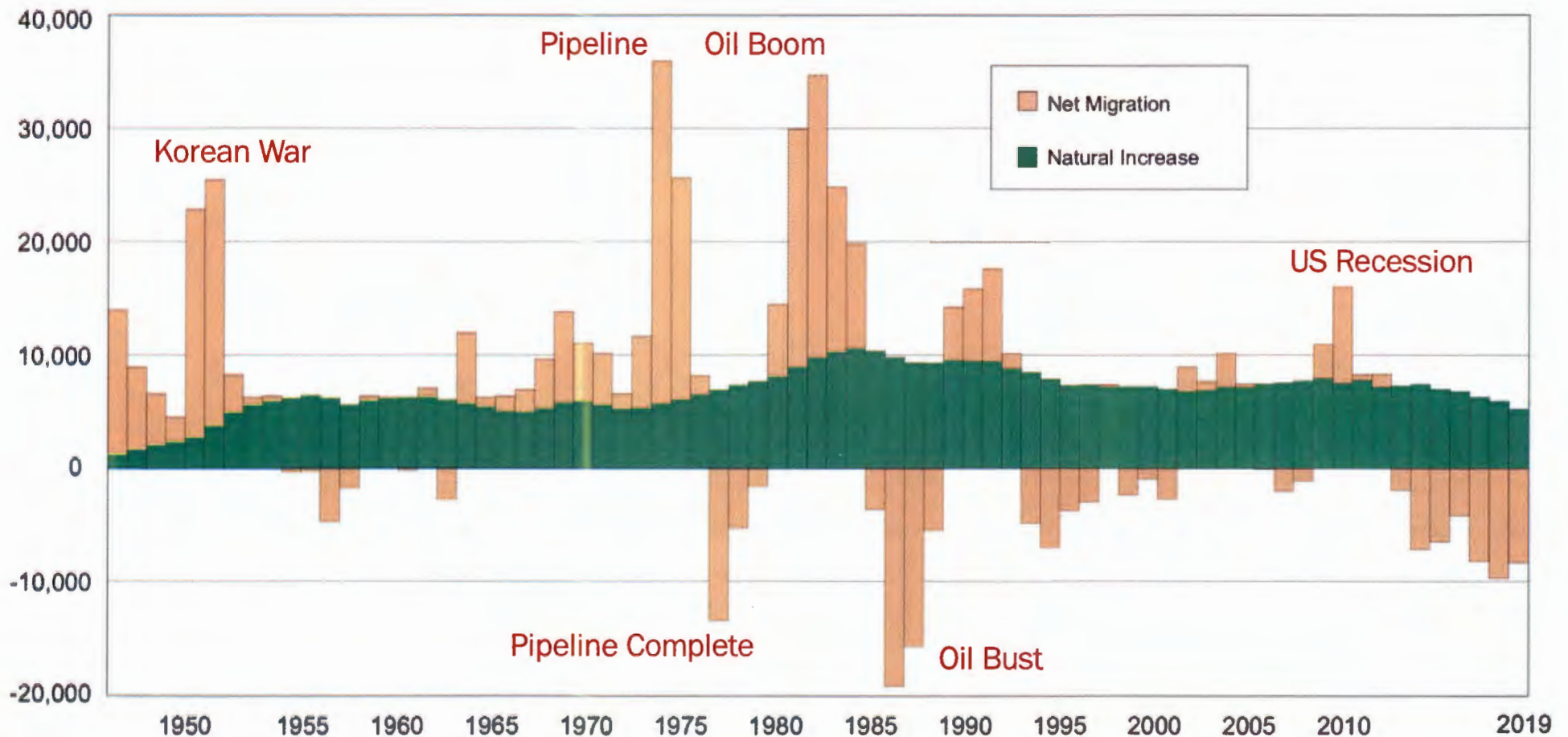
Alaska Total Population, 1946 to 2019



Source: Alaska Department of Labor and Workforce Development

ALASKA CHANGES

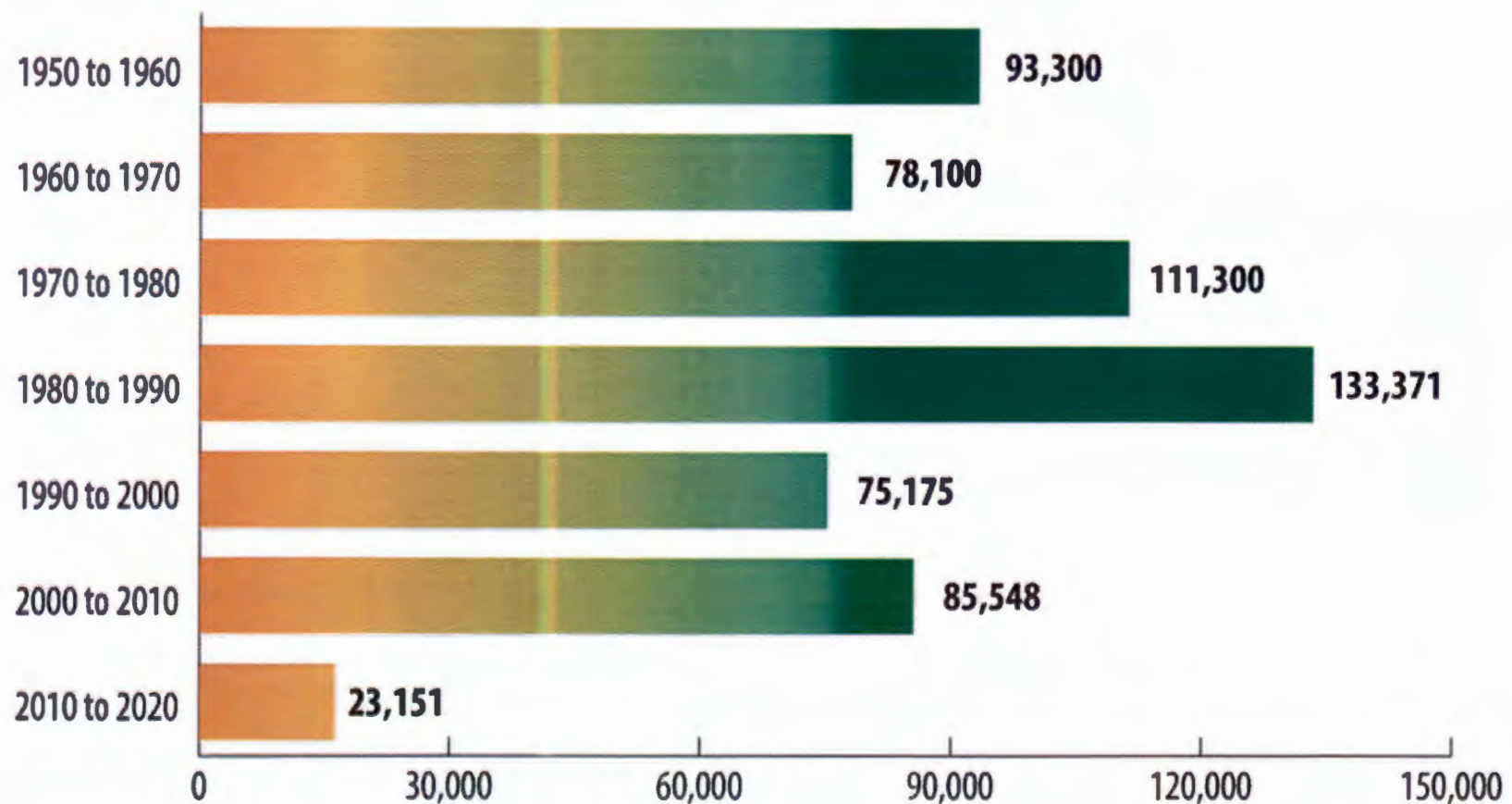
Components of Population Change for Alaska, 1947 to 2019



Source: Alaska Department of Labor and Workforce Development

GROWTH COLLAPSES

Alaska Population Change by Decade




Source: Alaska Department of Labor and Workforce Development

CENSUS DELAYS

≡ ANCHORAGE DAILY NEWS

LOG IN

Local | Anchorage  35°F

SUBSCRIBE

Nation/World

Census Bureau says it won't deliver redistricting data until end of September

✎ Author: [Mike Schneider, Associated Press](#) ⓘ Updated: February 12 📅 Published February 12

The U.S. Census Bureau said Friday it won't be delivering data used for redrawing congressional and state legislative districts until the end of September, causing headaches for state lawmakers and redistricting commissions facing deadlines to redraw districts this year.

Officials at the statistical agency blamed operational delays during the 2020 census caused by the pandemic.

CENSUS DATA WHEN?

- **Feb 12th Census notified states that Redistricting data should be “expected by September 30”**
- **State of Ohio sued Census over the delay until September**
- **March 15, the Census said it “recently determined” that data in the older format used in 2010 could be available by “mid-August”**
- **April 15, the Census says that initial data will be out August 16.**
- **Census Info page on www.akredistrict.org has actual emails**

** September 30 is the currently published deadline, but data may be received sooner (days or weeks)*

ALASKA CONSTITUTION

- **Alaska Constitution Article VI**

§ 10. Redistricting Plan and Proclamation –

(a) Within thirty days after the official reporting of the decennial census of the United States or thirty days after being duly appointed, whichever occurs last, the board shall adopt one or more proposed redistricting plans. The board shall hold public hearings on the proposed plan, or, if no single proposed plan is agreed on, on all plans proposed by the board. No later than ninety days after the board has been appointed and the official reporting of the decennial census of the United States, the board shall adopt a final redistricting plan and issue a proclamation of redistricting. The final plan shall set out boundaries of house and senate districts and shall be effective for the election of members of the legislature until after the official reporting of the next decennial census of the United States.

NORMAL CYCLE TIMELINE

- **March 15, 2021: Census Redistricting Data received**
- **April 14, 2021: Proposed Plans Adopted**
- **June 13, 2021: Final Plans adopted**
- **July 13, 2021: Deadline for Litigation Filings**
- **July 13, 2021 – May 30, 2022: nearly a full year buffer for litigation**
- **June 1, 2022: Legislative Candidate Filing Deadline**

2021 LATE-AUGUST TIMING

- **August 24, 2021*:** Census Redistricting Data received
- **September 23, 2021:** Deadline for Proposed Plans to be Adopted
- **November 22, 2021:** Deadline for Final Plan to be Adopted
- **December 22, 2021:** Deadline for Litigation Filings
- **Dec. 22 – June 1, 2022,** allows a max five month litigation window
- **June 1, 2022:** Legislative Candidate Filing Deadline

** August 24 is for example only. No fixed date has yet been announced by the Census Bureau*

2021 SEPT. 30 TIMING

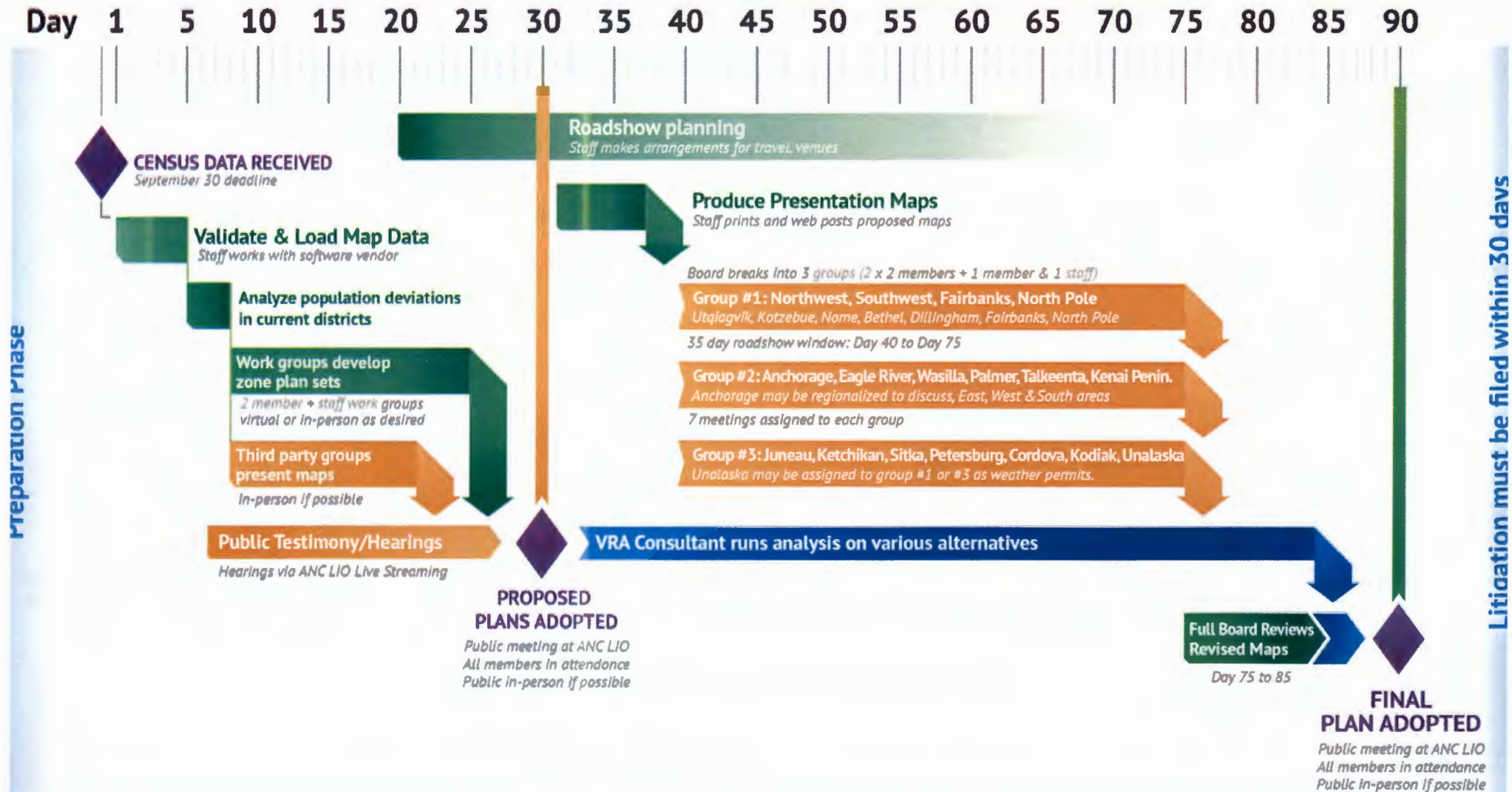
- **September 30, 2021*:** Census Redistricting Data received
- **October 30, 2021:** Deadline for Proposed Plans to be Adopted
- **December 29, 2021:** Deadline for Final Plan to be Adopted
- **January 28, 2021:** Deadline for Litigation Filings
- **Jan. 28 – June 1, 2022,** allows a max four month litigation window
- **June 1, 2022:** Legislative Candidate Filing Deadline

** September 30 is the currently published deadline, but data may be received sooner (days or weeks)*

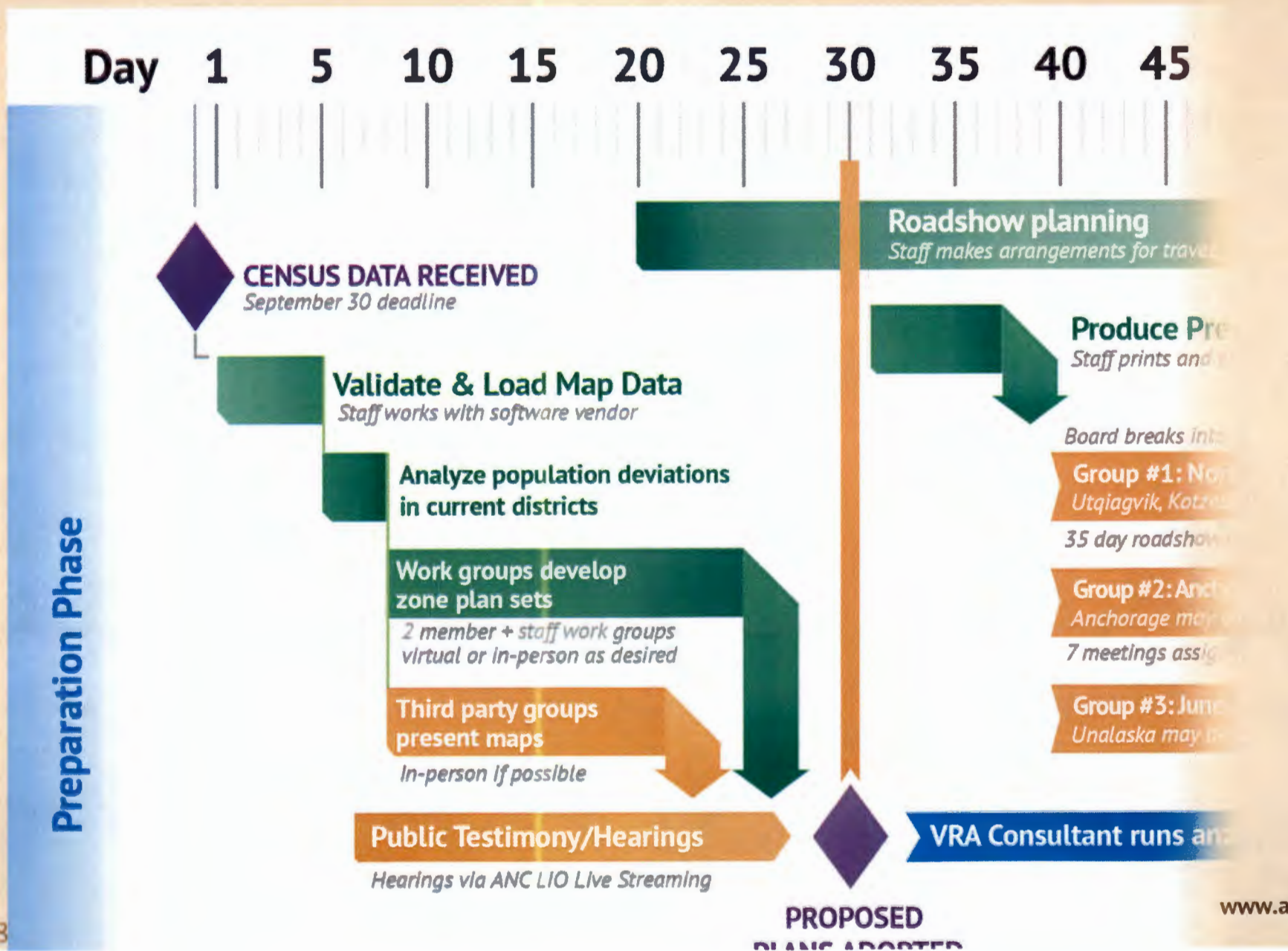
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- **Jan. 28 – June 1, 2022, allows a max four month litigation window**
- **June 1, 2022:** Legislative Candidate Filing Deadline

DRAFT TIMELINE DETAIL



DRAFT TIMELINE DETAIL



DRAFT TIMELINE DETAIL

0 35 40 45 50 55 60 65 70 75 80 85 90

Roadshow planning

Staff makes arrangements for travel, venues

Produce Presentation Maps

Staff prints and web posts proposed maps

Board breaks into 3 groups (2 x 2 members + 1 member & 1 staff)

Group #1: Northwest, Southwest, Fairbanks, North Pole

Utqiagvik, Kotzebue, Nome, Bethel, Dillingham, Fairbanks, North Pole

35 day roadshow window: Day 40 to Day 75

Group #2: Anchorage, Eagle River, Wasilla, Palmer, Talkeenta, Kenai Penin.

Anchorage may be regionalized to discuss, East, West & South areas

7 meetings assigned to each group

Group #3: Juneau, Ketchikan, Sitka, Petersburg, Cordova, Kodiak, Unalaska

Unalaska may be assigned to group #1 or #3 as weather permits.

VRA Consultant runs analysis on various alternatives

**Full Board Reviews
Revised Maps**

Day 75 to 85

**FINAL
DIAN ADOPTED**

**PROPOSED
ADOPTED**

*Meeting at ANC LIO
in attendance
person if possible*

THIS CYCLE IS UNIQUE

- **Less than a single Alaska House seat in total population growth**
- **2000 legislative district target was 15,700**
- **2010 legislative district target was 17,756**
- **2020 Census count: 733,391: District target will be 18,355**
- **COVID delays introduce uncertainty into Census reporting timing**
- **Candidates may file for office before Census data is available or any new maps have been drawn**
- **Possible that candidate will file for District X, but will end up in District Y once population changes are accounted for**
- **Board keenly aware of this challenge, but not at liberty to change timeline**
- **COVID may force virtualized road show**

WEBSITE AVAILABLE

www.akredistrict.org



ANNOUNCEMENTS

Census Redistricting Data Delayed

On February 12th the U.S. Census notified the Board that redistricting data will be provided no later than September 30, 2021, pushing the deadline for a final plan to late December. [See more U.S. Census Info >](#)

Redistricting Board Adopts Policies

In public meetings on Dec. 29 and Jan. 26 the Board unanimously adopted a revised procurement code and suite of open meetings, records, compensation and travel policies. [See Board Policy Page >](#)

Alaska Redistricting Board Retains Key Staff

Today the Alaska Redistricting Board is pleased to announce the hiring of Peter Torkelson as Executive Director and TJ Presley as Deputy Director. [Full Story >](#)

GET INVOLVED

Stay Informed

Signup for email updates to receive advanced notice of upcoming board meetings and activities. [Signup Now >](#)



Make Your Voice Heard

Submit your comments on any map or matter under consideration by the board. Submissions become part of the public record and will be printed in the public comment section of the next Board Packet. A valid Alaska zip code is required. [Submit Public Comment Now >](#)



Questions or Concerns?

Ask questions or share your concerns on any issue related to the board's redistricting work. [Ask a question or share a concern >](#)



MAP GALLERY

2013 Statewide Proclamation

The current Alaska House districts have been in effect since the summer of 2013 and do not reflect the forthcoming census enumeration. [View Gallery >](#)

Anchorage & Mat-Su Maps

See zoomed-in maps on Southcentral districts from the 2010 redistricting cycle. [View Breakout Maps >](#)

Fairbanks & North Pole Maps

These maps for the Fairbanks/North Pole districts reflect the 2010 redistricting cycle. [View Breakout Map >](#)

Southeast Alaska Maps

These maps reflect the 2010-2013 redistricting cycle and do not reflect the 2020 census information. [View Southeast Map >](#)

ANNOUNCEMENTS

MAP GALLERY

GOVERNING LAW

GET INVOLVED

CENSUS INFO

CONTACT US

WEBSITE AVAILABLE

www.akredistrict.org

The screenshot displays the Alaska Redistricting Board website. At the top left, a dark header contains the text "ALASKA REDISTRICTING BOARD" and "2020". Below this, a navigation menu includes "ANNOUNCEMENTS", "GET INVOLVED" (highlighted with a red oval and a hand cursor), and "MAP GALLERY". The main content area features a historical map of Alaska at the top right, labeled "ALASKA MAP BY CHARLES SUMNER CIRCA 1867". The "ANNOUNCEMENTS" section lists three items: "Census Redistricting Data Delayed", "Redistricting Board Adopts Policies", and "Alaska Redistricting Board Retains Key Staff". The "GET INVOLVED" section includes "Stay Informed" (with a "Signup Now >" link), "Make Your Voice Heard", and "Questions or Concerns?". The "MAP GALLERY" section lists "2013 Statewide Proclamation", "Anchorage & Mat-Su Maps", "Fairbanks & North Pole Maps", and "Southeast Alaska Maps". At the bottom, a footer contains a grid of links: "ANNOUNCEMENTS", "MAP GALLERY", "GOVERNING LAW", "GET INVOLVED" (highlighted with a red box and a hand cursor), "CENSUS INFO", and "CONTACT US".

ALASKA REDISTRICTING BOARD
2020

ANNOUNCEMENTS

GET INVOLVED

MAP GALLERY

ANNOUNCEMENTS

GET INVOLVED

MAP GALLERY

GOVERNING LAW

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WEBSITE AVAILABLE

www.akredistrict.org

GET INVOLVED

The best way to get involved is to sign up for our notification email service which will alert you in advance of all board meetings, upcoming events, significant dates or breaking news which affects the redistricting effort in Alaska. You may choose your alert level to suit your priorities.

First Name *

John

Last Name *

Smith

Email Address *

john@smith.com

Alert Level *

- ☒ Board Meeting Notices
- ☒ Significant Dates
- ☒ News that Affects Redistricting

Comments

Thanks for keeping me informed!

Submit

WEBSITE MAPS

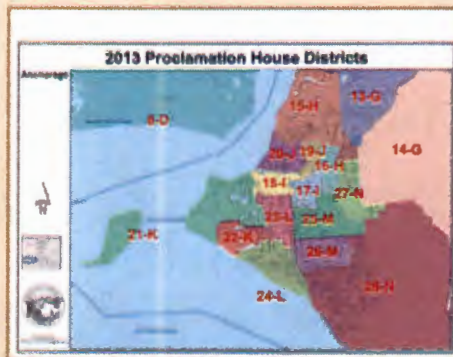
ALASKA REDISTRICTING BOARD



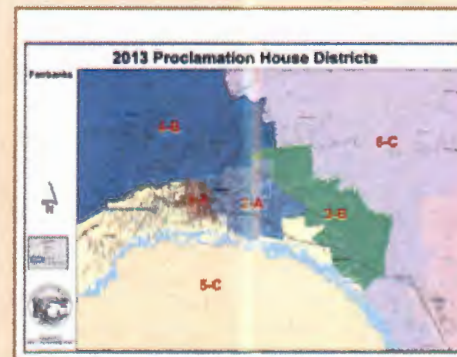
MAP GALLERY

The [2013 Redistricting Board Proclamation](#) maps currently define Alaska legislative districts statewide. These reflect the 2010 U.S. Census enumeration of 710,200 Alaskans for an ideal district population of 17,755.

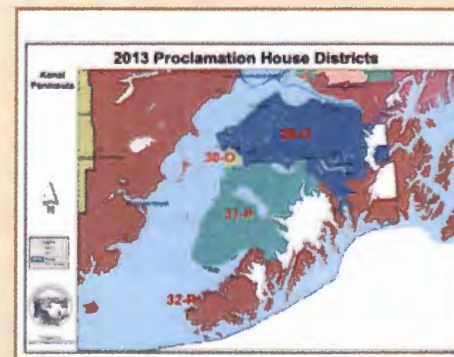
Click an image or map title for hi-resolution PDF file. Right click and choose "Download linked file as..." to download and save PDF for off-line reference.



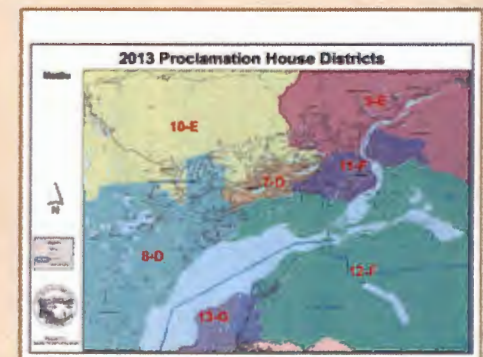
[2013 Proclamation Anchorage](#)



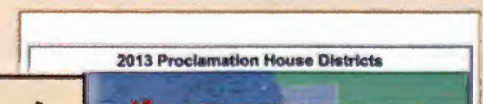
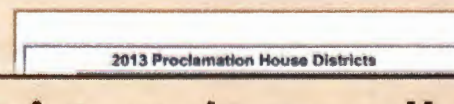
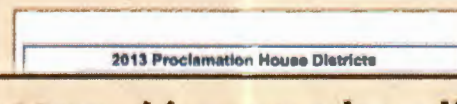
[2013 Proclamation Fairbanks](#)



[2013 Proclamation Kenai](#)



[2013 Proclamation MatSu](#)



<https://www.akredistrict.org/map-gallery/>

ALASKA REDISTRICTING BOARD

THANK YOU

Please reach out to ask questions or share concerns

peter.torkelson@akredistrict.org

tj.presley@akredistrict.org

907-563-0300

NORTH WEST
PUBLISH

www.akredistrict.org

| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/01/21 |
| Hearing: | 06/15/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-19-34**

**AN ORDINANCE APPROPRIATING INSURANCE PROCEEDS TO FUND THE
REPAIR OF CENTRAL EMERGENCY SERVICE AREA’S MEDIC #935**

- WHEREAS,** on February 18, 2021, Central Emergency Service Area’s (“CES”) Medic #935 was involved in a two-vehicle collision while responding to an emergency; and
- WHEREAS,** insurance proceeds of \$20,531.17 were obtained from the liable party’s insurer for the Medic #935 repairs and related shipping costs; and
- WHEREAS,** the cost of the repair and related shipping is estimated to be \$20,513.17, however the final cost may be more once the repair is completed when the vehicle damages can be fully assessed in their entirety, therefore, the amount being appropriated is an up to amount of \$30,000 in insurance proceeds received from the liable party’s insurer;

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

- SECTION 1.** Funds in the amount of up to \$30,000.00 in insurance proceeds are appropriated to account 443.51610.J025C.49999 for the purpose of repairing the CES Medic #935.
- SECTION 2.** That the mayor is authorized to execute any documents necessary to accomplish the purpose of this ordinance.
- SECTION 3.** That the 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 takes effect immediately upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2021.**

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough
Kenai Peninsula Borough School District
Office of Risk Management

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*
Sovala Kisenia, Claims Manager *SK*

DATE: May 20, 2021

RE: Ordinance 2020-19-34, Appropriating Insurance Proceeds to Fund
~~the Repair of Central Emergency Service Area's Medic #935 (Mayor)~~

On February 18, 2021, Central Emergency Service Area's ("CES") Medic #935 was involved in a two-vehicle collision while responding to an emergency. The Borough opened a claim for the damaged ambulance with the liable party's insurance carrier.

The Borough received an initial insurance payment of \$20,531.17 for the damages to the ambulance and related shipping costs. Because the final cost of repair and shipping may be more once the repair is completed and the vehicle can be fully assessed, Risk is requesting that insurance proceeds from the liable party's insurer of up to \$30,000 be appropriated to CES's Capital Project Fund for repair of Medic #935.

Your consideration of this ordinance is appreciated.

| | |
|--|------------------------|
| FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED | |
| Acct. No: <u>443.00000.J025C.37315</u> | |
| Amount: <u>\$20,531.17 (up to \$30,000.00)</u> | |
| By: <u><i>PP</i></u> | Date: <u>5/17/2021</u> |

| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/01/21 |
| Hearing: | 06/15/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-19-35**

**AN ORDINANCE APPROVING AND ACCEPTING GRANT FUNDS FROM THE
STATE OF ALASKA DEPARTMENT OF LABOR AND WORKFORCE
DEVELOPMENT TO CREDIT UNEMPLOYMENT BENEFITS FOR THE KENAI
PENINSULA BOROUGH THROUGH THE US TREASURY CORONAVIRUS AID
RELIEF, AND ECONOMIC SECURITY ACT OF 2020 FUNDS**

- WHEREAS,** in November 2020 the Kenai Peninsula Borough (“KPB”) was first notified by the State of Alaska Department of Labor and Workforce Development (“DOL”) of the credit for unemployment benefits being provided to the Kenai Peninsula Borough (“KPB”) through the US Treasury Coronavirus Aid Relief, and Economic Security Act of 2020 Funds; and
- WHEREAS,** as a self-insured entity, the KPB has elected to reimburse the Alaska Unemployment Insurance (“UI”) Trust Fund for benefits paid to unemployed workers in lieu of contributions; and
- WHEREAS,** the KPB is a reimbursable employer and therefore eligible for the CARES Act credit; and
- WHEREAS,** this ordinance accepts and appropriates up to \$55,000.00 from the DOL to Credit Unemployment Benefits for the KPB; and
- WHEREAS,** due to the late notice of the credit provide through the Treasury Coronavirus Aid Relief, and Economic Security Act if 2020, we are requesting that this ordinance be effective retroactively back to the beginning of fiscal year 2021, July 1, 2020;

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

- SECTION 1.** That the mayor is authorized to accept grant funds up to \$55,000.00 from the State of Alaska Department of Labor and Workforce Development to credit unemployment benefits for the Kenai Peninsula Borough through US Treasury Coronavirus Aid Relief, and Economic Security Act of 2020 Funds.

SECTION 2. That up to \$55,000 in US Treasury Coronavirus Aid Relief, and Economic Security Act of 2020 funds are appropriated to the following account numbers for the purpose of crediting the Kenai Peninsula Borough's unemployment benefits.

| Account Number | Amount |
|-----------------------|---------------------|
| 100-94910-UNCAR-40511 | \$ 14,059.62 |
| 206-51110-UNCAR-40511 | 612.17 |
| 209-51410-UNCAR-40511 | 10.32 |
| 211-51610-UNCAR-40511 | 2,130.54 |
| 225-61110-UNCAR-40511 | 12,383.39 |
| 241-41010-UNCAR-40511 | 11,338.69 |
| 290-32010-UNCAR-40511 | 798.20 |
| 290-32122-UNCAR-40511 | 12,676.39 |
| 700-11234-UNCAR-40511 | 990.68 |
| | \$ 55,000.00 |

SECTION 3. That the mayor is authorized to negotiate, administer and execute on behalf of the borough any required grant documents to execute this grant.

SECTION 4. That upon its enactment this ordinance shall become effective retroactively on July 1, 2020.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: May 20, 2021

SUBJECT: Ordinance 2020-19-35, Approving and Accepting Grant Funds from the State of Alaska Department of Labor and Workforce Development to Credit Unemployment Benefits for the Kenai Peninsula Borough through the US Treasury Coronavirus Aid Relief, and Economic Security Act of 2020 Funds (Mayor)

This ordinance accepts and appropriates up to \$55,000.00 from the State of Alaska Department of Labor and Workforce Development ("DOL") to credit unemployment benefits for the Kenai Peninsula Borough ("KPB") through US Treasury Coronavirus Aid Relief, and Economic Security Act of 2020 Funds.

As a self-insured entity, the KPB has elected to reimburse the Alaska Unemployment Insurance ("UI") Trust Fund for benefits paid to unemployed workers in lieu of contributions. The KPB is a reimbursable employer; therefore eligible for the CARES Act credit.

In November 2020, the KPB was first notified of this program credit and the State has provided \$38,907.97 to date with another \$16,000 projected to be allocated to the Kenai Peninsula Borough by June 30, 2021. Therefore, we are requesting that this ordinance be effective retroactively back to the beginning of fiscal year 2021, July 1, 2020.

| FINANCE DEPARTMENT | |
|--|--------------------------------------|
| MATCH & ADMIN FEE FUNDS/ACCOUNT VERIFIED | |
| Account | <u>XXX.XXXXX.UNCAR.40511</u> |
| Amount | <u>\$ 38,907.97 (Up to \$55,000)</u> |
| By: <i>PP</i> | Date: <u>5/20/2021</u> |

| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/01/21 |
| Hearing: | 06/15/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-19-36**

**AN ORDINANCE APPROPRIATING \$71,988.62 IN SUPPLEMENTAL FUNDING FOR
REPAIRS TO THE LEACHATE TANK AT THE CENTRAL PENINSULA LANDFILL
RESULTING FROM THE NOVEMBER 30, 2018 COOK INLET 7.0 EARTHQUAKE
AND APPROVING THE AWARD TO CCI INDUSTRIAL SERVICES, LLC**

WHEREAS, Ordinance 2020-19-26 accepted a federal pass-through grant in the amount of \$205,797.38 from the State of Alaska Division of Homeland Security & Emergency Management by way of the Federal Emergency Management Agency (FEMA) Public Assistance (PA) Program to reimburse repairs at the Central Peninsula Landfill; and

WHEREAS, an additional \$71,988.62 is needed for construction contractual and forced account labor costs; and

WHEREAS, this cost overrun will be submitted for reimbursement through the FEMA PA program under project worksheet PW367; and

WHEREAS, CCI Industrial Services, LLC is a qualified vendor that provided the only bid under the borough's invitation to bid competitive process, which is stricter than the federal grant requirements of 2 CFR 200;

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

SECTION 1. That \$71,988.62 is appropriated from the General Fund fund balance to be transferred to 260.32122.19EQ1.49999 for Central Peninsula Landfill earthquake repairs.

SECTION 2. That the assembly approves the award of the contract with CCI Industrial Services, LLC in the amount of \$262,785.99 to complete repairs to the leachate tank.

SECTION 3. That due to the length and nature of this project, the appropriations made in this ordinance do not lapse at the end of any particular fiscal year.

SECTION 4. That this ordinance takes effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2021.**

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

MEMORANDUM

TO: Brent Hibbert , Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Brandi Harbaugh, Finance Director *BH*
Dan Nelson, Emergency Manager *DN*
Dan Kort, Solid Waste Director *DK*
John Hedges, Purchasing & Contracting Director *JH*

FROM: Brenda Ahlberg, Community & Fiscal Projects Manager *BA*

DATE: May 20, 2021

SUBJECT: Ordinance 2020-19-36, Appropriating \$71,988.62 in Supplemental Funding for Repairs to the Leachate Tank at the Central Peninsula Landfill Resulting from the November 30, 2018 Cook Inlet 7.0 Earthquake and Approving the Award to CCI Industrial Services, LLC (Mayor)

Ordinance 2020-19-26 approved federal pass-through funds in the amount of \$205,797.38 to repair the leachate tank located at the Central Peninsula Landfill under the Federal Emergency Management Agency Public Assistance (PA) program as a result of the November 30, 2018 Cook Inlet 7.0 Earthquake, Federal Disaster Declaration DR4413. The PA program provides grantees the option to submit cost overruns for reimbursement provided that the work is completed within the approved project worksheet scope of work. This option, known as a "version," is used when factors challenge the development of accurate cost estimates. This project worksheet (PW 367) was challenging to estimate because the leachate tank must be drained and inspected at a specific timeframe followed by determining the repairs and schedule to execute repairs.

The Borough formally released an invitation to bid for the required services described above on April 12, 2021. Bids were opened on May 13, 2021 and only one bid was received for a total base bid of \$262,785.99. This value exceeded the original estimated amount of the work.

Upon approval, this ordinance provides an authorization for a supplemental appropriation of \$71,988.62, of which the borough will submit eligible costs to the state for reimbursement under the approved PW 367.

The approved expenses associated with response, recovery and mitigation are eligible for reimbursement by the Federal Emergency Management Agency (75% share) and the State of Alaska (25%) through the FEMA Public Assistance Program under PW 367 for CPL Leachate Tank Repairs.

| | |
|--|------------------------|
| FINANCE DEPARTMENT ACCOUNT VERIFIED | |
| Account: | <u>100.27910</u> |
| Amount: | <u>\$71,988.62</u> |
| By: <u>PP</u> | Date: <u>5/20/2021</u> |

| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 04/06/21 |
| Hearing: | 04/20/21 |
| Action: | Enacted |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-19-26**

**AN ORDINANCE APPROVING AND ACCEPTING GRANT FUNDS FROM THE
STATE OF ALASKA DIVISION OF HOMELAND SECURITY & EMERGENCY
MANAGEMENT TO REIMBURSE REPAIRS AT THE CENTRAL PENINSULA
LANDFILL RESULTING FROM THE NOVEMBER 30, 2018
COOK INLET 7.0 EARTHQUAKE**

WHEREAS, on November 30, 2018 at 8:29 am a 7.0 earthquake shook from an epicenter five miles north of Anchorage which was felt across Southcentral Alaska and tsunami warnings were issued for coastal communities, including Seward and the Kachemak Bay communities of Homer, Seldovia, Nanwalek and Port Graham; and

WHEREAS, the borough appropriated \$450,000 from the general fund for disaster response and recovery by way of Ordinance 2018-19-26; and

WHEREAS, the Federal Disaster Declaration DR-4413 approved eligible expenses associated with response, recovery and mitigation to be reimbursed by the Federal Emergency Management Agency and the State of Alaska through the Public Assistance Program (FEMA PA); and

WHEREAS, the borough has submitted eight project applications through the FEMA PA program for damages sustained to borough facilities; and

WHEREAS, repair costs for the Central Peninsula Landfill leachate tank in the amount of \$205,797.38 will be reimbursed to the borough as a 75 percent federal pass-through and a 25 percent state-matching grant awarded by the State of Alaska Division of Homeland Security & Emergency Management;

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

SECTION 1. That the mayor is authorized to accept grant funds totaling \$205,797.38 from the State of Alaska Division of Homeland Security & Emergency Management for the November 30, 2018 Cook Inlet 7.0 Earthquake, Federal Disaster Declaration DR4413.

SECTION 2. That the \$450,000 appropriation from the general fund for disaster response and recovery by way of ordinance 2018-19-26 are project length in nature and as such do not lapse at the end of any particular fiscal year.

SECTION 3. That this grant award exceeds the original appropriation of \$450,000 by \$141,427.56 and grant funds in the amount of \$141,427.56 are appropriated to account number 260.32122.19EQ1.49999 for Central Peninsula Landfill earthquake repairs.

SECTION 4. That the mayor is authorized to negotiate, administer and execute on behalf of the borough the applicant agreement package for disaster presently identified as the November 30, 2018 Cook Inlet 7.0 Earthquake, Federal Disaster Declaration DR4413, and to negotiate, execute, and administer any other documents, agreements, and contracts required under or related to the grant agreements including without limitation the Assurances and Agreements, the Summary of Grant Conditions for All Applicants, and the Indemnity and Hold Harmless Agreement required as a condition of the grant agreements and any subsequent grant amendments.

SECTION 5. The Kenai Peninsula Borough agrees that upon award assistance through the Alaska Division of Homeland Security & Emergency Management as described in this ordinance it shall waive its sovereign immunity to the extent required by paragraph 27 of the DHS&EM Form 30-57f State Assurance and Agreements and be subject to suit for actions arising out of the project activities for the November 30, 2018 Cook Inlet 7.0 Earthquake disaster in the same manner, and to the same extent as any person and shall not be immune or exempt from any administrative or judicial process, sanction or judgement.

SECTION 6. That this ordinance shall be effective upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 20TH DAY OF APRIL, 2021.

Brent Hibbert, Assembly President

ATTEST:

Jonni Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Carpenter, Chesley, Cox, Derkevorkian, Dunne, Elam, Johnson, Hibbert
No: None
Absent: None

| | |
|----------------|-------------------------------------|
| Introduced by: | Bjorkman, Elam |
| Date: | 04/20/21 |
| Hearing: | 05/18/21 |
| Action: | Postponed as Amended to 06/15/21 |
| Vote: | 8Yes, 1 No, 0 Absent |
| Date: | 06/01/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-18**

**AN ORDINANCE AMENDING TITLE 4 REGARDING BOROUGH ELECTIONS AND
ENACTING A NEW CHAPTER OF CODE, KPB 4.60, ELECTION SECURITY AND
INTEGRITY, TO ENSURE BOROUGH ELECTIONS ARE ACCESSIBLE, RELIABLE
AND SECURE**

WHEREAS, the peoples' confidence in the integrity of election results is reliant on their confidence in the security of the election equipment, election workers, and infrastructure that make elections possible; and

WHEREAS, free and fair elections play a vital and integral role in a democratic society; and

WHEREAS, all election equipment must be publicly tested, secure, and accountable in order to prove its reliability; and

WHEREAS, poll watchers must be able to closely observe elections; and

WHEREAS, voters must show proper identification to an election official before voting; and

WHEREAS, any absentee by-mail ballots must be witnessed and the voter's identity verified; and

WHEREAS, any reasonable suspicion of election fraud should be forwarded to the Alaska Attorney General; and

WHEREAS, this ordinance enacts a new chapter in borough code to establish election security and publicity procedures to protect the integrity of local elections;

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

SECTION 1. That KPB 4.50.110 is hereby amended as follows:

4.50.110. Closing of the polls.

- A. Fifteen minutes before the closing of the polls, and at the time of closing the polls, an election official shall announce both the designated closing time and the actual time at which the announcement is made. Failure to make the announcement at 15 minutes before closing time shall not in any way invalidate the election or extend the time for closing of the polls. After closing, no person will be allowed to enter the polling place for purposes of voting. Every qualified voter present and in line at the time prescribed for closing the polls may vote.
- B. When the polls are closed and the last vote has been cast, the election board shall account for all ballots by completing a ballot statement containing, in a manner prescribed by the clerk, the number of official ballots supplied.
- C. The election board shall count the number of questioned ballots and shall compare that number to the number of questioned voters in the register. Discrepancies shall be noted on the ballot statement.
- D. The election board shall announce the total vote tally and sign the final results tape. No less than two members of the election board shall transport the election tabulator and election materials to the election supervisor in accordance with KPB 4.60.050.

SECTION 2. That KPB Chapter 4.60. Election Integrity and Security is enacted as follows:

4.60.010. Purpose; Scope.

The purpose of this chapter is to ensure borough elections are secure and reliable, and to provide added public trust in the integrity of borough election results. This chapter only applies to local elections administered by the borough.

4.60.020. - Elections security.

- A. A ballot printer who prepares ballots for use at a borough election will be provided a certificate to sign indicating that any overruns have been destroyed and that all official ballots ordered by the borough have been delivered to the election supervisor. Upon receipt of the official ballots from the printer, the election supervisor shall secure the ballots. A locked room with access limited to election personnel will be provided wherever possible.
- B. When voted absentee ballots begin to arrive in the election supervisor's office, the ballots will be secured and access limited to personnel of the Clerk's Office and the Canvass Board. The absentee ballots will be bundled, date stamped by bundle, and processed according to the date stamped for

the bundle. The information contained on the affidavit envelope will be compared to the master list of registered voters. The register may be reviewed by interested persons at any time during the election process at the election supervisor's offices.

- C. The security of the polling place and electronic voting equipment must be maintained by the Election Board during the hours when election equipment is present at the polling place. The Election Board shall inspect the tamper-evident seal on electronic voting equipment upon receipt and before the polls open on the day of the election and shall immediately report any evidence of tampering to the election supervisor.
- D. After the counting of voted ballots has been completed in a precinct, the Election Board shall seal the ballots in the envelopes provided and place their initials across the seal.
- E. The central ballot counting center is located in Soldotna at the Borough Administration Building in the Clerk's Office. Access into the central ballot counting center is restricted to those persons approved by the election supervisor. The election supervisor will prepare the listing of persons who will have access to the restricted area and provide those persons with the appropriate identification.
- F. Following the counting of absentee and questioned ballots at the central ballot counting center, the ballot containers must be sealed. The election supervisor shall prepare a receipt indicating the number of containers of ballots. When the count is completed, the ballots must be transported to the arranged secured storage areas previously determined by the election supervisor.

4.60.030. Ballot tabulator tests and security.

- A. The automatic tabulating equipment used for counting ballots (tabulator) at voting places shall be tested publically two times for each election: before the election, and before the counting of ballots. After the counting of ballots a post-election audit shall be performed.
- B. Before an election, the tabulator must be tested as follows:

 - 1. The election coordinator board is responsible for performing and certifying the initial logic and accuracy test of the ballot counting program and memory cards;
 - 2. The election review board is responsible for performing a second logic and accuracy test of the ballot counting program memory cards and preparing the memory cards for election use.

- C. Before the opening of the polls on election day at locations where there is a tabulator, the Election Board is responsible for certifying that the precinct tabulator prints a zero totals report. In addition, before counting absentee or questioned ballots, the Canvass Board will verify that a zero totals report is printed before each memory card is used; if the same memory card is used in a subsequent count, the board will print a totals report before resuming count, and verify that it matches the totals report from the subsequent count.
- D. Upon completion of the automatic count, a post-election audit shall be performed, and if the audit confirms the automatic count and does not present any discrepancies the automatic count is valid for the purpose of certifying the election returns. If discrepancies are identified a recount shall take place for that precinct prior to certification.
- E. A test is successful if a perfect count of the test ballots is obtained and the tabulator otherwise functions properly during the counting of the test ballots. The testing authorities shall determine whether a test is successful.
- F. Tabulator tests are open to the public. The borough clerk shall provide public notice of the election and testing calendar as follows:
1. By publication in a newspaper of general circulation at least one week prior to the scheduled election;
 2. By posting on the borough's website; and
 3. By physically posting at the borough administration building in Soldotna.
- G. In addition to the public notice required under subsection F, the borough clerk shall provide notice, via e-mail if known and if not known by U.S. mail delivery, to all candidates and interested parties. For the purposes of this subsection the term "interested parties" shall mean any initiative or referendum sponsors.

4.60.040. Security of Test Materials.

- A. On completing each test, the testing authority shall place the test ballots and other test materials in a container provided for that purpose and seal the container so it cannot be opened without breaking the seal. The election supervisor, election coordinators, and not more than two watchers, if one or more watchers are present, shall sign the seal. The watchers must be of opposing interests if such watchers are present.
- B. The test materials shall remain sealed for the period for preserving the precinct election records, per the Kenai Peninsula Borough's Assembly

approved retention schedule.

- C. The container may not be unsealed unless the contents are necessary to conduct a test under this subchapter, a criminal investigation, election contest, or other official proceeding under this code. If the container is unsealed, the authority in charge of the proceeding shall reseal the contents when not in use.

4.60.050. Transportation and receipt of ballots.

- A. In locations where an automatic tabulating equipment used for counting ballots (tabulator) is used, the voted ballots counted by the tabulator must be transported on election night to a secured storage area prearranged by the election supervisor.
- B. On the day following the election the ballots described in (a) of this section that were not transported to the central ballot counting center will be transported by ground by an election official, if transported by air the container must be secured with tamper proof seal. The ballots must be accompanied from the secured storage area to the airport of departure, and from the airport of destination to a designated secured storage area by an election official.
- C. A chain of custody document will accompany each ballot shipment. Access to the secured area will be limited to election personnel.
- D. On each day after the election designated by the clerk for the counting of absentee and questioned ballots and after the completion of the counting by Canvass Board, the counted absentee and questioned ballots will be secured in a locked room as determined by the election supervisor.

4.60.060. Questioned and absentee facsimile ballots.

- A. The procedures in this section apply to a voted questioned or absentee ballot that has been received at central office for a determination as to whether the ballot is eligible for counting. Board members shall temporarily set aside a questioned ballot, and therefore not immediately count the questioned ballot, for a eligibility determination if:
1. The voted ballot cannot be counted by the tabulator because
 - (A) the voter marked the ballot in a manner that causes the tabulator to reject the ballot; or
 - (B) the ballot is otherwise damaged; and

2. The board members determined that the ballot contains clear and convincing evidence of the voter's intent.
- B. The board members shall make an exact copy of a voted ballot described in subsection A above, for substitution as a facsimile ballot.
- C. The original of a voted ballot for which a facsimile ballot is prepared under this section must be clearly labeled "original." A facsimile ballot prepared under this section must be clearly labeled "facsimile." After completion of the counting process, the original and the facsimile of a voted ballot must be placed in envelopes and the envelopes must be sealed.
- D. In this section, "board members" means members of the Canvass Board, designated by the election supervisor and confirmed by the assembly to perform the functions described in this section.

4.60.070. Uncounted ballots at tabulator precincts.

- A. The procedures set out in this section apply to a voted ballot that was unable to be counted by the automatic tabulating equipment used for counting ballots (tabulator) and subsequently reviewed by the Canvass Board for a determination as to whether the ballot is eligible for counting.
- B. The Canvass Board shall instruct voters to place the voter's ballot in the emergency compartment of the tabulator ballot box if the voted ballot cannot be counted in the tabulator because:
 1. The tabulator is unable to accept ballots due to a malfunction or power loss;
 2. The voter marked the ballot in a manner that causes the tabulator to reject the ballot and the voter does not wish to correct the ballot; or
 3. The tabulator rejects the ballot for an unknown reason.
- C. When the polls have closed and all eligible voters have voted, the Election Board shall remove all ballots from the emergency compartment and feed the ballots through the tabulator. If there are any ballots that are unable to be counted by the tabulator, the Election Board shall place those ballots in an envelope labeled "uncounted ballot envelope" and seal the envelope in a manner that the envelope cannot be opened without breaking the seal and the seal must be signed by two members of the Election Board. The envelope will then be placed inside the precinct register.

- D. The Canvass Board will conduct its review and count ballots that have been sent in the uncounted ballot envelope, described in subsection B above, using the rules specified in KPB 4.90.030 or KPB Chapter 4.70

4.60.080. Poll Watcher.

- A. Each candidate and interested parties may appoint a poll watcher for each voting place. For the purposes of this subsection, the term “interested parties” shall mean any initiative or referendum sponsors and parties that timely submitted statements supporting or opposing initiative or referendum.
- B. A poll watcher shall have the right to
1. Observe the conduct of the election.
 2. Monitor the preliminaries of opening the polls.
 3. Remain at the polling place through the election until the results of the election have been posted and the voting machines sealed, as provided by law.
 4. Observe the ballots as they are counted.
 5. Observe absentee ballots when they are called during the count.
 6. See, at a distance of normal reading ability, all oaths administered and signed, the record of assisted voters, the list of qualified voters, the poll list, and any and all records made in connection with the election.
- C. Each poll watcher shall be sworn to faithfully observe the rule of law prescribed for the conduct of elections. Poll watchers may be present to be sworn in with the precinct election officials, or as time allows, but so as not to interfere with the election. Each poll watcher shall be a resident and qualified voter of the State of Alaska and the Kenai Peninsula Borough. Election officials, including returning officers, may not serve as poll watchers. Poll watchers are not permitted to take pictures or make copies of any ballot, list, or record provided in accordance with subsection B above.
- D. A poll watcher shall not disturb voters, attempt to influence voters, campaign at the polling place, nor display or wear any campaign material or buttons while inside any polling place.

SECTION 3. That KPB 4.80.070 is amended as follows:

4.80.070. Absentee voting—By mail.

- A. A qualified voter may apply for an absentee ballot by mail if postmarked not earlier than the first of the year in which the election is to be held nor less than seven days before an election. A voter may request [HIS]their name be placed on permanent absentee by mail status. The application shall include the address to which the absentee ballot is to be returned, the applicant's full Alaska residence address, and the applicant's signature.
- B. After receipt of an application by mail, the borough clerk shall send the absentee ballot and other absentee voting material to the applicant by first class mail. The materials shall be sent as soon as they are ready for distribution. The return envelope sent with the materials shall be addressed to the borough clerk.
- C. Upon receipt of an absentee ballot by mail, the voter[, IN THE PRESENCE OF A NOTARY PUBLIC, COMMISSIONED OFFICER OF THE ARMED FORCES INCLUDING THE NATIONAL GUARD, DISTRICT JUDGE OR MAGISTRATE, UNITED STATES POSTAL OFFICIAL, OR OTHER PERSON QUALIFIED TO ADMINISTER OATHS,] may proceed to mark the ballot in secret, to place the ballot in the small envelope, to place the small envelope in the larger envelope, and to sign the voter's certificate on the back of the larger envelope in the presence of an official[LISTED IN THIS SUBSECTION] who shall sign as attesting official and shall date [HIS]their signature. Officials recognized to attest to the veracity of signatures listed in this subsection are: a notary public, a commissioned officer of the armed forces including the National Guard, state court judge, United States postal official, or other person qualified to administer oaths. If none of the officials listed in this subsection are reasonably accessible, an absentee voter shall have the ballot witnessed by a person over the age of 18 years.
- D. An absentee ballot must be marked and attested on or before the date of the election. If the voter returns the ballot by mail, he shall use the most expeditious mail service and mail the ballot not later than the day of the election to the borough clerk. It must be postmarked on or before midnight of election day and received by the clerk no later than the Tuesday following the election. Ballot envelopes received after that time shall not be opened but shall be marked "invalid", with the date of receipt noted thereon, and shall be preserved with other ballots of the election.
- E. The clerk [MAY]shall require a voter casting an absentee ballot by mail to provide proof of identification, including one of three unique pieces of personal identification data which shall include the voter's date of birth, last

four digits of the voter's social security number, or the voter's voter identification number[, OR OTHER INFORMATION]to aid in the establishment of [HIS]the voter's identity. These unique identifiers shall be provided by the voter on the ballot package and sworn to be the voter's signature and the signature of an official as described in subsection C above.

- F. The clerk shall maintain a record of the name of each voter to whom an absentee ballot is sent by mail. The record must list the date on which the ballot is mailed and the date on which the ballot is received by the borough clerk and the dates on which the ballot was executed and postmarked.
- G. Upon reasonable suspicion of fraud, misconduct, or plural voting by a registered voter, the clerk shall notify the attorney general and request that the matter be prosecuted to the fullest extent of the law.

SECTION 4. That KPB 4.90.020(A) is amended as follows:

4.90.020. Canvass of returns.

- A. No later than the Monday following each election, the election canvass board shall meet in public session and canvass all election returns. In full view of those present, and in accordance with the procedures set forth in KPB Chapter 4.60, the election canvass board shall judge the applicability of absentee and questioned ballots, shall open and tally those accepted, and shall compile the total votes cast in the election. The canvass of the ballot vote counted by the precinct election boards shall be accomplished by reviewing the tallies of the recorded vote to check for mathematical error by comparing totals with the precinct's certificate of results. All obvious errors found by the election canvass in the transfer of totals from the precinct tally sheets to the precinct certificate of results shall be corrected by the canvass board. A mistake which has been made in precinct returns that is not clearly an error in the transfer of the results from the tallies to the certificate of results empowers the canvassing board to recommend a recount of the results of the precinct or precincts for that portion of the returns in question.
- B. Upon completion of the canvass, the canvassing board shall prepare a final certificate of the results of votes cast by absentee, questioned and challenged ballots and of votes cast by regular ballot, and shall prepare a written report of the results to be submitted to the assembly.
- C. If election materials have not been received from a precinct prior to completion of the canvass, but election results have been transmitted by telephone, telegram, radio or electronic transmission, the canvassing board shall count the election results received. If the borough clerk has reason to believe that a missing precinct certificate, if received, would affect the result of the election, the clerk shall await the receipt of the certificate until

2:00 p.m. on the Tuesday following the election. If the certificate is not received by the clerk by 2:00 p.m., Tuesday, then the certificate shall not be counted nor included in the final certification of the canvassing board.

SECTION 5. That this ordinance is effective immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF * 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

04/18/21 Motion to Postpone as amended to 06/15/21:

Yes: Carpenter, Chesley, Cox, Derkevorkian, Dunne, Elam, Johnson, Hibbert

No: Bjorkman

Absent: None

Yes:


No:

Absent:

Kenai Peninsula Borough Assembly

MEMORANDUM

TO: Brent Hibbert, Assembly President
Assembly Members

FROM: Jesse Bjorkman, Assembly Member 

DATE: June 15, 2021

RE: Ordinance 2021-18: An Ordinance Amending Title 4 Regarding Borough Elections and Enacting A New Chapter of Code, KPB 4.60, Election Security and Integrity, to Ensure Borough Elections Are Accessible, Reliable and Secure (Bjorkman, Elam)

At the May 1, 2021 meeting the assembly received recommended amendments from members of the public; therefore, I submit the following which incorporate many of those ideas into this ordinance:

[Please note the underlined bold text is new and the ~~strikeout bold~~ language in brackets is to be deleted)

➤ Amend Section 2 as follows:

4.60.020. - Elections security.

A. A ballot printer who prepares ballots for use at a borough election will be provided a certificate to sign indicating that any overruns have been destroyed and that all official ballots ordered by the borough have been delivered to the election supervisor. Upon receipt of the official ballots from the printer, the election supervisor **and one additional designee** shall secure the ballots. A locked room with access limited to election personnel will be provided wherever possible.

...

G. The Canvas Board is defined and described in KPB 4.90. References to an election official or precinct election board in this chapter shall mean the same persons described in KPB 4.50.010. Any terms not

specifically defined in this chapter or in KPB 4.10.020 shall have their ordinary and common meaning.

4.60.050. Transportation and receipt of ballots.

...

B. On the day following the election the ballots described in (a) of this section that were not transported to the central ballot counting center will be transported by ground by an election official[, i]. If transported by air the container must be secured with tamper proof seal. The ballots must be accompanied from the secured storage area to the airport of departure, and from the airport of destination to a designated secured storage area by an election official.


➤ Amend Section 3 as follows:

4.80.070. Absentee voting—By mail.

A. A qualified voter may apply for an absentee ballot by mail if postmarked not earlier than the first of the year in which the election is to be held nor less than seven days before an election. A voter may request [HIS]their name be placed on permanent absentee **application** by mail status. The application shall include the address to which the absentee ballot is to be returned, the applicant's full Alaska residence address, and the applicant's signature.

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Jesse Bjorkman, Assemblyman 

DATE: April 8, 2021

RE: Ordinance 2021-18, Amending Title 4 Regarding Borough Elections and Enacting a New Chapter of Code, KPB 4.60, Election Security and Integrity, to Ensure Borough Elections are Accessible, Reliable and Secure (Bjorkman)

The purpose of this ordinance is to ensure public confidence in the integrity of election results.

Section 1 of this ordinance amends KPB 4.50.110, -Closing of the polls, to state that results will be announced at the polling location and that the signed results tape along with the election equipment and materials will be transported by two members of the election board to the election supervisor (the borough clerk).

Section 2 enacts a new chapter of borough election code to clarify and codify borough election practices by providing code provisions that address:

- security of election equipment (KPB 4.60.020),
- chain of custody procedures for voting equipment (KPB 4.60.020, 4.60.030);
- public testing of ballot tabulators (KPB 4.60.030);
- chain of custody for transportation and receipt of ballots (KPB 4.60.050);
- procedures for questioned or uncounted ballots (KPB 4.60.070); and
- a process for candidates appointing poll watchers (KPB 4.60.080);

Section 3 amends KPB 4.80.070 to provide a list of officials recognized to attest to signature verification on absentee ballots and establishes that at least one of three unique pieces of personal identification data shall be required for absentee ballots. The unique identifiers are a voter's voter identification number, date of birth, and last four digits of the voter's social security number. A new subsection G is added that addresses suspected voter fraud, misconduct and/or plural voting.


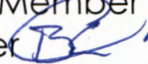
Section 4 amends KPB 4.90.020(A) for cross-reference and consistency purposes.


Your consideration is appreciated.

Kenai Peninsula Borough
Assembly

MEMORANDUM

TO: Brent Hibbert, Assembly President
Assembly Members

THRU: Jesse Bjorkman, Assembly Member 
Bill Elam, Assembly Member 

FROM: Johni Blankenship, Borough Clerk 

DATE: May 18, 2021

RE: Ordinance 2021-18: An Ordinance Amending Title 4 Regarding Borough Elections and Enacting A New Chapter of Code, KPB 4.60, Election Security and Integrity, to Ensure Borough Elections Are Accessible, Reliable and Secure (Bjorkman, Elam)

Upon further review of the ordinance and the expectations regarding the third test, the following amendments are recommended to reflect current procedures:

Section 2, 4.60.030. Ballot tabulator tests and security.


A. The automatic tabulating equipment used for counting ballots (tabulator) at voting places shall be tested publicly **[THREE] two** times for each election: before the election, **[IMMEDIATELY] and** before the counting of ballots.**[.] [AND IMMEDIATELY] A[a]fter the counting of ballots a post-election audit shall be performed.**

D. Upon completion of the automatic count, **[the tabulator shall again be tested] a post-election audit shall be performed,** and if the **[INITIAL TEST IS] audit confirms the automatic count and does not present any discrepancies [SUCCESSFUL]** the automatic count is valid for the purpose of certifying the election returns. **[OTHERWISE, THE AUTOMATIC BALLOT COUNT IS VOID.] If discrepancies are identified a recount shall take place for that precinct prior to certification.**

Kenai Peninsula Borough Assembly

MEMORANDUM

TO: Brent Hibbert, Assembly President
Assembly Members

FROM: Jesse Bjorkman, Assembly Member 

DATE: May 18, 2021

RE: Ordinance 2021-18: An Ordinance Amending Title 4 Regarding Borough Elections and Enacting A New Chapter of Code, KPB 4.60, Election Security and Integrity, to Ensure Borough Elections Are Accessible, Reliable and Secure (Bjorkman, Elam)

This language change clarifies the intent of these sections. It further solidifies the security, integrity, and accountability of our local elections' written code procedures. The changes specify the source for retention of election records and insures access for poll watchers who represent a position on a ballot initiative or referendum.

Your consideration is appreciated.

4.60.040. Security of Test Materials.

...

- B. The test materials shall remain sealed for the period for preserving the precinct election records, **per the Kenai Peninsula Borough's Assembly approved retention schedule.**

4.60.080. Poll Watcher.

- A. Each candidate **and interested parties** may appoint a poll watcher for each voting place. **For the purposes of this subsection, the term "interested parties" shall mean any initiative or referendum sponsors and parties that timely submitted statements supporting or opposing initiative or referendum.**

Introduced by:

Mayor

Date:

06/15/21

Action:

Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-041**

A RESOLUTION APPROVING THE KENAI PENINSULA BOROUGH'S PARTICIPATION IN A REFINANCING BY THE ALASKA MUNICIPAL BOND BANK OF ITS GENERAL OBLIGATION BONDS THAT PROVIDED FUNDS TO PURCHASE THE GENERAL OBLIGATION REFUNDING SCHOOL BONDS, 2011 OF THE KENAI PENINSULA BOROUGH, UNDER A LOAN AGREEMENT, AS AMENDED, BETWEEN THE KENAI PENINSULA BOROUGH AND THE ALASKA MUNICIPAL BOND BANK; AND AUTHORIZING THE KENAI PENINSULA BOROUGH MAYOR OR DESIGNEE TO APPROVE A REVISED SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS ON THE KENAI PENINSULA BOROUGH'S 2011 BOND, IN ACCORDANCE WITH THE LOAN AGREEMENT, AS AMENDED, AND PROVIDING FOR RELATED MATTERS

WHEREAS, on August 7, 2003, the Kenai Peninsula Borough, Alaska ("Borough") issued and sold its General Obligation School Bonds, 2003A ("2003 Bond") to the Alaska Municipal Bond Bank ("Bond Bank") for purposes of financing certain education capital improvements in the Borough pursuant to terms and conditions set forth in Resolution 2003-072 adopted by the Borough Assembly on June 17, 2003 and a loan agreement by and between the Borough and the Bond Bank, dated August 1, 2003 ("Original Loan Agreement"); and

WHEREAS, on September 15, 2011, the Borough refunded a portion of the 2003 Bond with its General Obligation Refunding School Bonds, 2011 ("2011 Bond") for purposes of realizing debt service savings pursuant to terms and conditions set forth in Resolution No. 2011-072 adopted by the Borough Assembly on July 5, 2011 ("Bond Resolution") and the Loan Agreement, as amended by an amendatory loan agreement between the Borough and Bond Bank, dated September 1, 2011 ("Amendatory Loan Agreement, and together with the Original Loan Agreement, the "Amended Loan Agreement"); and

WHEREAS, the Bond Bank issued and sold its General Obligation Bonds, 2011 Series Three (the "Bond Bank Bonds"), to, among other things, provide funds to cause the refunding of a portion of the 2003 Bond, as provided in the Amended Loan Agreement; and

WHEREAS, the Amended Loan Agreement provides that payments of principal of and interest on the 2011 Bond may be adjusted to reduce debt service on the 2011 Bond if the Bond Bank is able to achieve debt service savings by refunding Bond Bank Bonds; and

WHEREAS, the Bond Bank has issued a series of its general obligation and refunding bonds (the “Bond Bank Refunding Bonds”) for the purpose, among others, of refunding outstanding Bond Bank Bonds to achieve debt service savings; and

WHEREAS, the Assembly wishes to approve the Borough’s participation in the Bond Bank refinancing and to authorize the Borough Mayor or his designee to accept a revised debt service schedule for the 2011 Bond;

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

SECTION 1. Approval of Refinancing. The Assembly hereby approves the Borough’s participation in the Bond Bank’s refinancing of the Bond Bank Bonds and authorizes the Borough Mayor or his designee to approve a revised schedule of principal installment amount(s) and interest rate(s) for the 2011 Bond, in accordance with terms and conditions set forth in the Amended Loan Agreement, provided the Borough realizes debt service savings. The revised schedule of debt service on the 2011 Bond and other provisions as may be required by the Bond Bank will be set forth in a second amendatory loan agreement (“Second Amendatory Loan Agreement,” and together with the Amended Loan Agreement, the “Loan Agreement”) and a general obligation refunding school bond (the “2021 Refunding Bond”) hereby authorized to be issued in exchange for all or a portion of the 2011 Bond. Notwithstanding, if only a portion of the outstanding principal amount of the 2011 Bond is refinanced, the 2011 Bond shall be exchanged for a bond reflecting the unrefunded portion of the 2011 Bond (the “Exchanged 2011 Bond”).

The Borough Mayor or Finance Director is hereby authorized to execute and deliver the Second Amendatory Loan Agreement on behalf of the Borough and to deliver the 2021 Refunding Bond and Exchanged 2011 Bond, as the case may be, executed in accordance with the provisions of the Bond Resolution and this resolution, to the Bond Bank in exchange for the 2011 Bond. The Borough Mayor, Finance Director and other appropriate officers and employees of Borough are also hereby authorized to provide financial information about the Borough that the Bond Bank may require for the official statement for the Bond Bank Refunding Bonds.

SECTION 2. Tax Matters. The 2011 Bond was issued as a tax-exempt obligation under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Subject to applicable law, the 2021 Refunding Bond will also be issued on a tax-exempt.

If the 2021 Refunding Bond is issued on a tax-exempt basis: (i) the Borough covenants not to take or omit to take any action that if taken or omitted would cause interest on such 2021 Refunding Bond to be includable in gross income for federal income tax purposes, and (ii) without limiting the generality of the foregoing, the Borough covenants that it will not take or permit any action that would cause the

2021 Refunding Bond to be a “private activity bond” as defined in Section 141 of the Code. Further, if the 2021 Refunding Bond is issued on a tax-exempt basis, the Borough’s bond counsel is hereby authorized to rely on the Borough’s tax covenants herein contained and as set forth in related documents.

The Exchanged 2011 Bond shall retain its original tax treatment under the Code.

SECTION 3. General Authorization. The Mayor, Finance Director, Borough Clerk, Borough Attorney, and any other appropriate officers, agents, attorneys and employees of the Borough are each hereby authorized and directed to cooperate with the Bond Bank and to take such steps, do such other acts and things, and execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this Resolution.

SECTION 4. Prior Acts. All acts heretofore taken by officers, agents, attorneys and employees of the Borough in connection with refinancing the 2011 Bond are hereby ratified and confirmed.

SECTION 5. Recitals. The recitals to this resolution are hereby incorporated into this resolution as if fully set forth herein.

SECTION 6. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

CERTIFICATE

I, the undersigned, Clerk of the Kenai Peninsula Borough, Alaska (the “Borough”), Do
HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2021-041 (the “Resolution”) of the Borough as approved at a regular meeting of the Assembly of the Kenai Peninsula Borough, Alaska (the “Assembly”) held on the _____ day of _____, 2021, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such regular meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the approval of the Resolution; that all other requirements and proceedings incident to the proper approval of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2021.

Johni Blankenship, MMC, Borough Clerk
Kenai Peninsula Borough

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: June 3, 2021

SUBJECT: Resolution 2021-041, Approving the Kenai Peninsula Borough's Participation in a Proposed Refinancing by the Alaska Municipal Bond Bank of its General Obligation Bonds that Provided Funds to Purchase the Education Capital Improvement General Obligation Bond, Series 2011 of the Kenai Peninsula Borough, Under Loan Agreement Between the Kenai Peninsula Borough and the Alaska Municipal Bond Bank; and the Alaska Municipal Bond Bank; and Authorizing the Kenai Peninsula Borough's Mayor to designee to Approve a Revised Schedule of Principal and Interest Payments on the Kenai Peninsula Borough's 2011 Bond, in Accordance with the Loan Agreement, as Amended, 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 2011 School Bond could be refinanced, with potential savings to the residents of the Kenai Peninsula Borough of approximately \$45,000 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.

Your consideration of this resolution is appreciated.

Introduced by:
Date:
Action:
Vote:

Mayor
06/17/03
Adopted
7 Yes, 0 No, 2 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2003-072**

**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 AND
NO/100 DOLLARS (\$14,700,000) TO PAY THE COSTS OF
EDUCATIONAL CAPITAL IMPROVEMENTS IN THE BOROUGH,
FIXING CERTAIN DETAILS OF SUCH BONDS, AND PLEDGING THE
FULL FAITH AND CREDIT OF THE BOROUGH TO THE PAYMENT
THEREOF**

WHEREAS, pursuant to Ordinance 2003-35 of the Kenai Peninsula Borough (the "Borough") passed and approved on August 20, 2002, the following question, referred to at the election held on October 1, 2002 as Proposition No. 3 ("Proposition 3"), was passed and approved:

PROPOSITION NO. 3

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

The general Obligation bond proceeds will be used to pay costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing, and equipping a Seward Middle School and related education capital improvements located within the Borough.

The debt will be paid from ad valorem taxes on all taxable property levied and collected areawide in the Borough. The Borough will also pledge its full faith and credit for payment of the debt. The approximate annual amount of taxes on \$100,000 of assessed real or personal property value (based on the borough's estimated 2002 taxable assessed valuation) to retire the total debt is \$11.67, assuming 60 percent debt service reimbursement from the State of Alaska, or \$29.16 without State reimbursement.

No bonds will be issued, unless and until the project qualifies for at least 60% debt service reimbursement from the State of Alaska under existing or new legislation. Receipt of State reimbursement is subject to annual legislative appropriations.

and said election has been duly canvassed and the results thereof certified and confirmed in accordance with law, and \$14,700,000 principal amount of general obligation bonds remains unissued under Proposition 3; and

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, on April 23, 2003, the Borough received formal notification of from the Alaska Department of Education and Early Development (DEED) that the Seward Middle School project is eligible for debt reimbursement at a rate of 70%; 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 3 (the "Project"), and issue not to exceed \$14,700,000 principal amount of the general obligation bonds referred to in Proposition 3, constituting of all the unsold general obligation bonds referred to therein, to pay costs of the Project; and

WHEREAS, there has been presented to the Borough the form of a Loan Agreement 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, 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 ORDAINED 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 3.
- (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, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping the Project, including interest on the Bonds during the period of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing, and equipping the Project, the cost whether incurred by the Borough 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 or by another in connection with the Project prior to or during construction thereof and allocable portions of direct costs of the Borough, 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 incident 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 date of the Bonds.
- (i) "Registered Owner" means the person named as the registered owner of a Bond in the Bond Register.
- (j) "Registrar" means the Finance Director of the Borough, or any successor that the Borough may appoint through resolution.

SECTION 2. Authorization of Bonds and Purpose of Issuance. For the purpose of providing the funds required to pay the Costs of the Project, to provide for original issue 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 sell the Bonds in the aggregate principal amount of not to exceed \$14,700,000. The Bonds shall

be designated "Kenai Peninsula Borough, Alaska General Obligation School Bonds 2003A."

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 3.

SECTION 3. Obligation of Bonds. The Bonds shall be direct and general obligations of the Borough and the full faith and credit of the Borough are 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 Borough without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefore, 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 July 1, 2003, 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, on December 1, 2003 and semiannually thereafter on December 1 and June 1 of each year or such other 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% unless approved by resolution of the Assembly; and (iii) all of the Bonds shall mature on or before June 1, 2023.

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 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 Finance Director is hereby authorized to establish redemption provisions, if any, for the Bonds maturing on and after June 1, 2014.

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. _____

\$ _____

GENERAL OBLIGATION SCHOOL BOND 2003A

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 June 1 of each of the following years, and to pay interest on such installments from the date hereof, payable on December 1, 2003 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> |
|-------------|-----------------------------|--------------------------|
|-------------|-----------------------------|--------------------------|

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 General Obligation School Bonds, 2003A of the Kenai Peninsula Borough, Alaska of like tenor and effect except as to interest rate, serial number and maturity, aggregating \$14,700,000 in principal amount, and constituting bonds authorized for the purpose of paying the cost of solid waste improvements in the Borough, and is issued under Resolution 2003-072 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 \$14,700,000 TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS IN THE BOROUGH, FIXING CERTAIN DETAILS OF SUCH BONDS, AND PLEDGING THE FULL FAITH AND CREDIT OF THE BOROUGH TO THE PAYMENT THEREOF.

(herein called the "Resolution").

The Bonds maturing on and after June 1, 2014 will be subject to redemption at the option of the Borough on and after June 1, 2013, in whole or in part on any date, in increments and with maturities to be selected by the Borough at 100% of the principal amount thereof to be redeemed plus accrued interest to the date of redemption.

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 therefore 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.

This Bond is a general obligation of the Kenai Peninsula Borough, and the full faith and credit of the Borough 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 its Mayor and its corporate seal to be hereunto impressed or otherwise reproduced and attested by its Clerk, all as of the ____ day of _____, 2003.

DALE BAGLEY
Mayor

ATTEST:

LINDA S. MURPHY, 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 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 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 shall be applied to pay a portion of the interest due on the Bonds on December 1, 2003. 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 of 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 the Finance Director, are each 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 acting Mayor, the Borough Finance Director, the acting 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, 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 for 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 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.

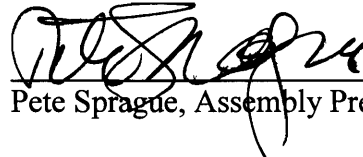
SECTION 17. Continuing Disclosure. The Borough covenants and agrees to comply with and carry out all provisions of the Continuing Disclosure Certificate, the form of which has been presented at this meeting. Notwithstanding any other provision of this Resolution, failure of the Borough to comply with the Continuing Disclosure

Certificate shall not be considered a default of the Borough's obligations under this Resolution, the Loan Agreement or the Bonds; however the beneficial owner of any Bond may bring an action for specific performance, to cause the Borough to comply with its obligations under the Continuing Disclosure Certificate.

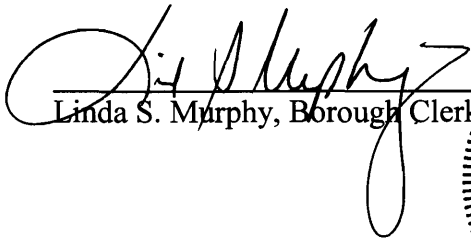
SECTION 18.Severability. If any one or more of the provisions of this resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

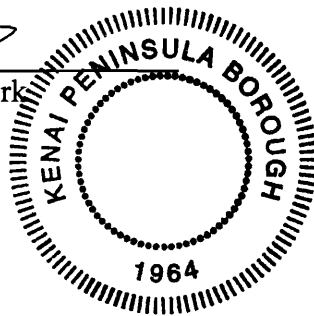
SECTION 19.Effective date. This resolution shall take effect immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 17TH DAY OF JUNE, 2003.


Pete Sprague, Assembly President

ATTEST:


Linda S. Murphy, Borough Clerk



| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 07/05/11 |
| Action: | Adopted as Amended |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
RESOLUTION 2011-072**

**A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH TO ISSUE
KENAI PENINSULA BOROUGH GENERAL OBLIGATION REFUNDING SCHOOL
BONDS, 2011 IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,500,000 TO
REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE
BOROUGH, FIXING CERTAIN DETAILS OF SUCH BONDS AND AUTHORIZING
THEIR 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 \$9,965,000 of Kenai Peninsula Borough General Obligation School Bonds, Series 2003A of the Borough (the "2003 Bonds") maturing on or after December, 2011 issued under Resolution No. 2003-72 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 2003 Bonds (the "Refunded Bonds") whose refunding the Mayor or Borough Finance Director determines will produce the debt service savings specified in this resolution, by the issuance of general obligation refunding bonds in the aggregate principal amount of not to exceed \$10,500,000 (the "Bonds"); 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 maturity amounts, interest rates and other details of the Bonds, and to determine other matters pertaining to the Bonds 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, which amends the Loan Agreement dated as of August 1, 2003 between the Alaska Municipal Bond Bank and the Borough to provide for the refunding of the 2003 Bonds through their exchange for refunding bonds to be issued by the Borough, 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 Bonds, 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" or "Bonds" means any of the " Kenai Peninsula Borough General Obligation Refunding School Bonds, 2011" 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 and Refunding Bonds, 2011 Series Three of the Bond Bank.
- (F) "Bond Register" means the registration books maintained by the Registrar, which include the names and addresses of the Registered Owners of the Bonds or their nominees.
- (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, 2003, as amended by the Amendatory Loan Agreement.
- (K) "2003 Bonds" means the \$14,700,000 of Kenai Peninsula Borough General Obligation School Bonds, Series 2003A of the Borough.
- (L) "Refunded Bonds" means the maturities of the 2003 Bonds whose refunding is approved by the Mayor or Borough Finance Director under Section 12.

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

(N) "Registrar" means the Borough Finance Director.

(O) "Resolution" means this Resolution of the Assembly.

SECTION 2. Authorization of Bonds and Purpose of Issuance. For the purpose of effecting the refunding by exchange of the Refunded Bonds in the manner set forth hereinafter and in the Amendatory Loan Agreement, the Borough hereby authorizes and determines to issue and sell the Bonds in the aggregate principal amount of not to exceed \$10,500,000.

SECTION 3. Obligation of Bonds. The Bonds shall be direct and general obligations of the Borough and the full faith and credit of the Borough are 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 Borough 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. Designation, Maturities, Interest Rates, and Other Details of Bonds. The Bonds shall be designated " Kenai Peninsula Borough General Obligation Refunding School Bonds, 2011." The Bonds shall be in the denomination of \$5,000 or any integral multiple thereof, shall be numbered separately in the manner and 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.

The dated date, the principal and interest payment dates, the aggregate principal amount, the principal amount of each maturity, and the interest rates on the Bonds shall be determined at the time of execution of the Amendatory Loan Agreement under Section 16.

SECTION 5. Redemption. The Bonds are subject to redemption as described in the Loan Agreement.

SECTION 6. Form of Bond. Each 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. _____ \$ _____

KENAI PENINSULA BOROUGH
GENERAL OBLIGATION REFUNDING SCHOOL BONDS, 2011

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 ____ and _____ of each year, at the rates per annum as follows:

| <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-------------|-----------------------------|--------------------------|
|-------------|-----------------------------|--------------------------|

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 dated as of August 1, 2003, as amended by the Amendatory Loan Agreement dated _____ (the "Loan Agreement"). In the event that this Bond is no longer owned by the Bank, installments of principal of and interest on this Bond shall be made by check or draft mailed by first class mail to the registered owner as of the close of business on the fifteenth day of the month preceding each installment payment date; provided that the final installment of principal 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 one of the Kenai Peninsula Borough General Obligation Refunding School Bonds, 2011 of the Kenai Peninsula Borough, Alaska 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 refunding certain general obligation bonds issued by the Borough, and is issued under Resolution 2011-__ of the Borough entitled:

A RESOLUTION AUTHORIZING THE KENAI PENINSULA
BOROUGH TO ISSUE KENAI PENINSULA BOROUGH
GENERAL OBLIGATION REFUNDING SCHOOL BONDS, 2011

IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,500,000
TO REFUND CERTAIN OUTSTANDING GENERAL
OBLIGATION BONDS OF THE BOROUGH, FIXING CERTAIN
DETAILS OF SUCH BONDS AND AUTHORIZING THEIR SALE
AND PROVIDING FOR RELATED MATTERS

(herein called the "Resolution").

The Bond is subject to redemption prior to maturity 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.

This Bond is a general obligation of the Borough, and the full faith and credit of the Borough 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 and the ordinances 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 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, statutes, or ordinances.

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 _____, 2011.

David R. Carey, Mayor

ATTEST:

Johni Blankenship, MMC, Borough Clerk

SECTION 7. Execution. The Bonds shall be executed in the name of the Borough by the Mayor or his designee, 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 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 authentication of the Bond or shall not have held office on the date of the Bond.

SECTION 8. Payment of Principal and Interest. The Bonds 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 of the Bonds, payment of principal and interest on the Bonds shall be made as provided in the Loan Agreement. If the Bond Bank is no longer the Registered Owner of the Bonds, installments of principal and interest on the Bonds shall be paid by check mailed by first class mail to the Registered Owner as of the fifteenth 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 a 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 Bonds shall be issued only in registered form as to both principal and interest. The Borough designates the 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. 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. 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 a 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. Bonds shall be transferred only upon the books for the registration and transfer of Bonds 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 Bonds 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. All Bonds surrendered for transfer or exchange shall be canceled by the Registrar.

SECTION 11. Bonds 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. Designation of Refunded Bonds. The Mayor and the Borough Finance Director each is authorized to designate which maturities of 2003 Bonds authorized to be refunded in this Resolution shall be refunded, provided that the refunding of the 2003 Bonds so designated shall realize a substantial debt service savings, net of all issuance costs and underwriting discount, on a present value basis.

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 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 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 Bonds to be "private activity bonds" 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 Owners 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 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:
- (1) extend the fixed maturity of any of the Bonds, or reduce the rate of interest thereon, 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 Registered Owners of each Bond so affected; or
 - (2) reduce the aforesaid percentage of Registered Owners of Bonds required to approve any such supplemental resolution without the consent of the Registered Owners of all of 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 Owners of the Bonds then outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

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 of the Bonds 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 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 Bonds and such Bonds shall be deemed not to be outstanding.

SECTION 16. Exchange of Bonds; Amendatory Loan Agreement. The Bonds 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 Bonds. 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 Bonds as provided herein. Each of the Mayor and the Borough Finance Director is hereby authorized to determine the aggregate principal amount, maturity amounts, interest rates, yields, dated date, principal and interest payment dates, and redemption terms, if any, for the Bonds, so that such terms of the Bonds conform to the terms of the corresponding Bond Bank Bonds; provided that (i) the principal amount of each maturity of the Bonds shall not exceed the principal amount of the portion of the corresponding maturity of the Bond Bank Bonds that is allocated to the making of a loan to the Borough; and (ii) the interest rate on each maturity of the Bonds 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 and execute an 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 from 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 information in a preliminary Official Statement relating to the Borough and the Bonds may be modified as the Mayor or Borough Finance Director may determine. 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 Bonds.

SECTION 18. Authority of Officers. The Mayor and 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 Bonds 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 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 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.

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 Bonds; however, the beneficial owner of any Bond or 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 Bonds.

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

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS
5TH DAY OF JULY, 2011.**

Gary Knopp, Assembly President

ATTEST:

Johni Blankenship, Borough Clerk

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp
No: None
Absent: None

Introduced by:

Mayor

Date:

06/15/21

Action:

Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-042**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE THE FISCAL YEAR
2022 ALASKA LAND MOBILE RADIO COMMUNICATION
SYSTEM MEMBERSHIP AGREEMENTS**

WHEREAS, the Alaska Land Mobile Radio System (“ALMR”) is a statewide effort to develop and implement a communications system capable of providing interoperable radio services for first responders, mutual aid, and emergency and medical response personnel; and

WHEREAS, the ALMR membership agreement submitted for the Mayor’s signature is for the period of July 1, 2021 through June 30, 2022, and would provide the Kenai Peninsula Borough with access to the Project 25 compliant system, existing radio infrastructure, radio interoperability, system management, and numerous other benefits; and

WHEREAS, pursuant to prior membership in ALMR, the Kenai Peninsula Borough has purchased and placed into operation numerous ALMR radio communication devices and must be a member of ALMR to use this equipment; and

WHEREAS, the cost share for each department and service area for use of the system has been determined and wholly funded by the State of Alaska; and

WHEREAS, pursuant to Paragraph XI.A, nothing in the membership agreement binds the Kenai Peninsula Borough to expend in any fiscal year any sum in excess of available appropriations; and

WHEREAS, the Kenai Peninsula Borough has previously participated as a member in ALMR, and the best interests of the borough would be served by renewing its membership for the current fiscal year;

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

SECTION 1. That the Kenai Peninsula Borough Mayor is authorized to execute the accompanying ALMR Communications System Membership Agreement with the borough as well as the agreements with the Western Emergency Service Area, Bear Creek Fire Service Area, Central Emergency Service Area, Kachemak Emergency Service Area and Nikiski Fire Service Area for the 2022 fiscal year.

SECTION 2. That this resolution shall take effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Office of Emergency Management

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor CP

FROM: Dan Nelson, Senior Manager - OEM DN

DATE: June 3, 2021

RE: Resolution 2021-042, Authorizing the Mayor to Execute the Fiscal Year 2022 Alaska Land Mobile Radio Communication System Membership Agreements (Mayor)

The Alaska Land Mobile Radio system is a digital radio system administered by the State of Alaska that provides communications among many member agencies and organizations that provide public safety services. The Kenai Peninsula Borough and its service areas use this system to conduct routine operations on a daily basis, as well as during large-scale emergency events.

The Kenai Peninsula Borough and its Fire/EMS service areas are members of the ALMR system and have previously executed agreements for continued membership and use of the system. This resolution authorizes the mayor to execute the fiscal year 2022 agreement to allow continued utilization of borough owned communication equipment on the system.

Funding for the system continues to be funded by the State of Alaska at 100% for the term of this agreement. The cost to each service area and department, if that cost share were not in place, is identified as follows:

| | |
|--------------------------------|-------------|
| Bear Creek Fire | \$ 728.94 |
| Central Emergency Services | \$17,837.51 |
| Kachemak Emergency Services | \$ 661.81 |
| Nikiski Fire Department | \$ 14.55 |
| Office of Emergency Management | \$ 2,693.74 |
| Western Emergency Service Area | \$ 5,914.93 |

Almost all radio communication equipment used by Borough agencies is compatible with the ALMR system, and continued membership is a requirement

to utilize the benefits of the system. Each service area executes its own agreement, which are identical to the main Borough agreement that is attached for brevity.

Your approval of this resolution is appreciated.

Access to the Alaska Land Mobile Radio (ALMR) Communications System provided through this Membership Agreement, and any amendment(s) thereto, is conditioned upon the approval of the terms and conditions of access as outlined in (the) ALMR Communications System Cooperative and Mutual Aid Agreement and approval by the Executive Council.

This Membership Agreement is for the period of July 1, 2021 to June 30, 2022 and entered into by and between (the Member aka User) Kenai Peninsula Borough, whose address is, 144 N. Binkley Street, Soldotna, Alaska 99669, and the Alaska Land Mobile Radio (ALMR) Executive Council, whose designated representative is the ALMR Operations Management Office, 5900 E. Tudor Road, Suite 121, Anchorage, AK 99507-1245.

I. PURPOSE

ALMR is a multi-site, dedicated public safety wireless communications system providing portable and mobile coverage to its Member agencies. Member agency benefits and services include, but are not limited to, a Project 25 compliant system, multiple system redundancies with backup power, a wide range of talkgroups, auto affiliation and de-affiliation, electronic identification on all transmissions, microwave system connectivity, encryption availability, emergency alert availability, private calling availability, system security, radio interoperability, system management, assistance to User agencies for radio code plug development and subscriber unit familiarization, operations management support including, but not limited to those products and services listed in the Operations Management Office (OMO) and System Management Office (SMO) Customer Support Plans.

Every effort will be made to keep the ALMR System operational 24/7. However, both the Member agency and ALMR acknowledge that there may be situations where planned and unplanned System outages may occur. ALMR will make every effort to avoid service disruptions, will promptly notify Member agencies of disruptions, and will make every effort to respond and restore interrupted service in a timely manner. However, acknowledging that service disruptions are likely, ALMR System infrastructure owners will not be liable for any resulting impact from such disruptions.

II. DEFINITIONS

- A.** Abuse of User Privileges: repeated violation of System guidelines, procedures, protocols, or violation of the Membership Agreement may result in termination of the Membership Agreement subject to the review and direction of the Executive Council. A decision by the Executive Council is final and non-appealable.
- B.** Alaska Federal Executive Association (AFEA): Federal government entities, agencies and organizations, other than the Department of Defense, that operate on the shared ALMR system infrastructure.
- C.** Alaska Land Mobile Radio (ALMR) Communications System: the ALMR Communications System, which uses but is separate from the State of Alaska Telecommunications System (SATS), as established in the Cooperative and Mutual Aid Agreement.
- D.** Alaska Municipal League: a voluntary non-profit organization in Alaska that represents Member local governments.
- E.** Cooperative and Mutual Aid Agreement: the instrument that establishes ALMR and sets out the terms and conditions by which the System will be governed, managed, operated and modified by the Parties signing the Agreement.
- F.** Department of Military and Veterans Affairs (DMVA): a State of Alaska (SOA) department that oversees, through the Alaska Public Safety Communications Service (APSCS), the SOA Telecommunication System (SATS), ALMR contracts, and also provides communications technical support to state agencies.
- G.** Department of Defense – Alaska: Alaskan Command, US Air Force and US Army component services operating under United States Pacific Command and United States Northern Command.

- H. Emergency Alarm:** a Project 25 feature, when enabled, allows a Member to transmit an emergency alarm to their dispatch center, or a dispatch center mutually agreed upon.
- I. Executive Council:** governing body made up of three voting members and two associate members representing the original four constituency groups: the State of Alaska, the Department of Defense, Federal Non-DOD agencies (represented by the Alaska Federal Executive Association), and local municipal/government (represented by the Alaska Municipal League and the Municipality of Anchorage).
- J. Gateway:** a device that allows a disparate radio to communicate real time, overcoming spectrum, formatting, and other technical challenges. ALMR utilizes MotoBridge™ gateways.
- K. Information Assurance (IA):** protects and defends information and information systems by ensuring their availability, integrity, authentication, confidentiality, and non-repudiation. This includes providing for restoration of information systems by incorporating protection, detection, and reaction capabilities.
- L. Local Governments:** those Alaska political subdivisions defined as municipalities in AS 29.71.800(13).
- M. Member:** a public safety agency including, but not limited to a general government agency (local, state, or federal) its authorized employees and personnel (paid or volunteer), and its service provider, participating in and using the System under a Membership Agreement.
- N. Membership Agreement:** the agreement entered into between the ALMR Operations Management Office, as the designated agent for the Executive Council, and a user agency, which sets forth the terms and conditions under which the System provides services to a user agency and the user agency's responsibilities, while operating on the System.
- O. Municipality of Anchorage (MOA):** the MOA covers 1,951 square miles with a population of over 300,000. The MOA stretches from Portage, at the southern border, to the Knik River at the northern border, and encompasses the communities of Girdwood, Indian, Anchorage, Eagle River, Chugiak/Birchwood, and the native village of Eklutna.
- P. Non-Proprietary Talkgroup –** a talkgroup assigned during a multi-agency operation, such as one assigned by central dispatch. A non-proprietary talkgroup is not member-exclusive and is cooperatively shared by participating Members.
- Q. Operations Manager:** represents the User Council interests and makes decisions on issues related to the day-to-day operation of the System and any urgent or emergency System operational or repair decisions; establishes policies, procedures, contracts, organizations, and agreements that provide the service levels as defined in the Service Level Agreement in coordination with the User Council.
- R. Operations Management Office (OMO):** develops recommendations for policies, procedures, and guidelines; identifies technologies and standards; and coordinates intergovernmental resources to facilitate communications interoperability with emphasis on improving public safety and emergency response communications.
- S. Party/Parties:** one or more Parties who have signed the Agreement (Cooperative and Mutual Aid Agreement). The Parties to the agreement are: Department of Defense - Alaska, Alaska Federal Executive Association, and the State of Alaska, respectively or collectively.
- T. P25 Standards:** the P25 suite of standards involves digital land mobile radio (LMR) services for local, state and national (federal) public safety organizations and agencies. P25 is applicable to LMR equipment authorized or licensed, in the U.S., under the National Telecommunications and Information Administration (NTIA) or Federal Communications Commission (FCC) rules and regulations.
- U. Proprietary Talkgroup:** an exclusive talkgroup assigned to a single, specific agency.
- V. Radio –** either a Project 25 compliant control station, consolette, mobile or portable radio, which has a unique identification number and is assigned to the ALMR.
- W. Radio Programming:** fleetmapping, template programming and reprogramming, and assignment of talkgroups within ALMR.
- X. State of Alaska (SOA):** the primary maintainer of the SATS (the State's microwave system), and shared owner of the System.

- Y.** State of Alaska Telecommunications Systems (SATS): the State of Alaska statewide telecommunications system microwave network.
- Z.** System Management: the responsibility residing with the Operations Manager/System Manager on behalf of all ALMR Members that include, but are not limited to:
 - 1. Assign radio use priorities.
 - 2. Assign radio identification numbers.
 - 3. Manage talkgroups to assure appropriate use of ALMR.
 - 4. Set standards for the selection and supervision of ALMR personnel.
 - 5. Enforce guidelines, procedures, and protocols governing the operation of radios on ALMR.
 - 6. Generate and use statistical data and reports concerning Member agency talkgroups, call duration, call types, busy signals, and other data analyses and reports; and
 - 7. Enforce termination of the Membership Agreement when a Member agency's conduct or action(s) cause systemic and/or continuous ALMR operational problems.
- AA.** System Management Office: the team of specialists responsible for management of maintenance and operations of the System.
- BB.** Talkgroup: the electronic equivalent of a channel on a trunked system; a unique group of radio users that can communicate with each other. (NOTE: Talkgroups differ from regular and conventional radio channels in which they are not restricted to a certain radio frequency and may use up to 21 separate frequencies that are assigned by a controller on a control channel.)
- CC.** Template: the software programmed in a radio provided to customers by the SMO that controls the radio functions and communication capabilities.
- DD.** User: an agency, person, group, organization, or other entity which has an existing written Membership Agreement to operate on ALMR with one of the Parties to the Cooperative and Mutual Aid Agreement. The terms User and Member are synonymous and interchangeable.
- EE.** User Council: governing body responsible for recommending all operational and maintenance decisions affecting the System. Under the direction and supervision of the Executive Council, the User Council has the responsibility for management oversight and operation of the System. The User Council oversees the development of System operations plans, procedures and policies.

III. ALMR COMMUNICATIONS SERVICES

Services provided are listed in the Operations Management Office and System Management Office Customer Support Plans at <http://www.alaskalandmobileradio.org>.

IV. GENERAL PROVISIONS

- A.** ALMR Mobile Radio Coverage: ALMR provides portable and mobile radio communication coverage to the Member subject to the Member's responsibilities and compliance with recommended optimal performance standards for equipment, antenna installation, and maintenance. If the Member agency detects possible ALMR network infrastructure malfunctions or radio communication coverage loss, the Member should first contact its equipment service or maintenance provider for an evaluation of the problem. If the service provider determines the problem is not an equipment installation or maintenance problem, the Member should promptly notify the Help Desk. The Help Desk will immediately notify the System Manager, or designated on-call technician, who will promptly investigate and take appropriate corrective action to alleviate the coverage loss or network infrastructure malfunction and report the corrective action to the Member agency. Coverage is not guaranteed and will vary from location to location. The Member agency is encouraged to conduct its own radio communications coverage test to determine the expected coverage level in its geographic jurisdiction.
- B.** Private Calling Availability: an agency may choose to avail itself of Private Calling. Private calling permits properly programmed mobile and portable radios in a talkgroup to enter into one-on-one conversations. Only the initiating and target radio(s) are able to communicate with each other. Private calling can tie-up ALMR System resources. Consequently, a determination of the

need and potential impact on the System will be made by the System Management Office when such a request is received from Member agencies.

- C. **Electronic and Infrastructure Maintenance:** ALMR provides complete monitoring, inspection, and maintenance programs for all Motorola P25 trunked ALMR radio frequency (RF) infrastructure in operation at its System sites through contracts and memorandums of agreement. ALMR staff and its certified vendors and partners provide proactive System repair and maintenance, extending the life and performance of ALMR for the direct benefit of all Members. Member-owned infrastructure is not serviced by the ALMR contracted service provider and is the sole responsibility of the owning agency.
- D. **System Redundancy and Security:** ALMR provides a system redundancy called fault tolerance. With fault tolerance, a single point of failure will generally not result in negative system wide performance. Many redundant and backup systems within ALMR are designed to eliminate complete system failure. Several levels of survivability are available. In the case of a catastrophic event, the rest of the System will continue to function in a site-trunking communication manner.
- E. **Performance Standards and Monitoring:** ALMR utilizes automated performance standards and automated diagnostics, which are monitored 24 hours a day, every day. System management is maintained at the System Management Office and zone controllers on a daily basis. ALMR staff adhere to stringent quality standards of installation and maintenance through scheduled automated testing of all sites, monitoring of Member satisfaction on a regular basis, tracking of Member problems and service requests, monitoring of scheduled and unscheduled System downtime, oversight of System traffic performance, drive testing within System, collection and analysis of empirical data, and planned system upgrades and enhancements.
- F. **Upgrades and Enhancements:** upgrades are changes made to ALMR infrastructure to assure compliance or to improve upon previously existing features and operations of ALMR. Some upgrades may be provided to all Member agencies at no additional charge. Enhancements are modifications made to ALMR services or systems that add functions or features not originally part of ALMR or the services requested by the Member agencies. Such enhancements made to the infrastructure may also require an upgrade or replacement of user subscriber assets. To access such enhancements and features, it is solely the responsibility of the User to upgrade their subscriber assets. Also, if applicable, enhancements may necessitate an adjustment in all Member agencies fees.
- G. **Gateway Use:** Use of gateway(s) is available to ALMR Members on the System. Gateways are options for members to use if they have a gateway device and obtain the required approval to use it on the System.
- H. **Information Assurance:** as provided through the Department of Defense Information Assurance Risk Management Framework (DIARMF).
- I. **OMO Standards Measurement and Trends** – as provided by the Operations Management Office Customer Support Plan and the Service Level Agreement.
- J. **Service Level Agreement** – outlines the operations and maintenance services as required by the User Council for the sustainment and operations of the ALMR infrastructure. The performance metrics contained in the SLA describes the maintenance standards for ALMR system infrastructure owners. State-owned frequencies. Subsequent to provisions of Federal Communications Commission (FCC) Regulation 47CFR90.421(b), the State Of Alaska grants specific and limited permission as a part of ALMR membership to utilize the frequencies listed in below under the terms and conditions of the State's FCC license(s). These frequencies are specifically set aside for public safety interoperability and used as part of the designated required interop zones for membership.
Members shall immediately cease using any or all frequencies upon the request of the state, all channels will be named per state instructions.

V. MEMBERSHIP OBLIGATIONS

- A. **Activation and Member Fees** – Not later than June 30 each year, the Parties (signatories) to the Cooperative and Mutual Aid Agreement will determine the cost share of individual Members, if

applicable. Each Party (signatory) to the Cooperative and Mutual Agreement will be responsible for communicating any associated costs to the Member agencies.

1. **State of Alaska** - For FY2022, cost share for your agency is calculated at N/A. The State of Alaska Department of Military and Veterans Affairs has funded your cost share in the amount of N/A. Your final cost share due is N/A.
 2. **Department of Defense** - For FY2022, cost share for your agency is calculated at N/A. Your final cost share due is N/A. You will coordinate directly with the State of Alaska Department of Military and Veterans Affairs to fulfill your cost share obligation.
 3. **Federal Non-DOD** - For FY2022, cost share for your agency is calculated at N/A. Your final cost share due is N/A. You will coordinate directly with the State of Alaska Department of Military and Veterans Affairs to fulfill your cost share obligation.
 4. **Municipalities/NGOs** - For FY2022, cost share for your agency is calculated at \$2,693.74. The State of Alaska Department of Military and Veterans Affairs has funded your cost share in the amount of \$2,693.74. Your final cost share due is \$0.00.
- B. Funding Obligation:** Individual Member agencies operating on the System are responsible for requesting and obtaining sufficient funds to cover that Member's annual cost share and shared system infrastructure costs, as applicable. Use of the State of Alaska Infrastructure Operations and Maintenance contract, requires timely payment of invoices. By using this contract vehicle, member agencies will abide by payment timelines and penalties as detailed: Payment of invoices is NET 30 Days; non-payment after 45 days may incur a penalty.
NOTE: The DOD Member agency Contract Officer Representative (COR) will be responsible for assuring funds associated with their apportioned cost share, infrastructure and Operations Management cost liability are provided and in place, as required, to ensure timely execution of contracts providing mutual services for the ALMR Membership.
- C. Member Radio Equipment:** Member agencies may only use ALMR-approved radio equipment. Member agencies are responsible for acquiring and obtaining programming for their own equipment. A list of acceptable radio equipment is available on the ALMR website or from the System Management Office. This list will be updated as additional radios pass the acceptance test procedures (ATP). Member agencies are accountable for equipment used on the ALMR System and must report the lost, stolen, damaged or destroyed equipment to the Help Desk immediately upon discovery.
- D. Radio Maintenance and Repair:** Each Member agency is responsible for proper maintenance and repair of its radio subscriber equipment. This assures that the member agency's radios are in optimal operating order and will not have an adverse impact on other Members' use of ALMR.
- E. Personal Business:** No personal business may be conducted on ALMR by the Member, its employees, or authorized agents, including volunteers and the Member agency's service provider.
- F. Compliance with Federal, State and Local Laws:** Member agencies will comply with all current and future Federal, State and local laws, rules, and regulations, as they relate to consolidated public safety and dispatching.
- G. Compliance with Guidelines, Procedures, and Protocols:** The Member agencies will comply with all guidelines, policies, procedures, and protocols governing the operation and use of the ALMR System as established by the User Council, approved by the Executive Council, and enacted by the Operations Management or System Management Offices. Member agencies will comply with all directives of the Executive Council, including but not limited to those listed in this Membership Agreement. Copies of policies and procedures are available to the Member agencies through the Operations Management Office or at <http://www.alaskalandmobileradio.org>.
- H. Member Agency POC:** Each Member agency will identify a central point of contact (POC) to serve as its liaison to the ALMR System Management Office. The POC will be responsible for authorization of template modifications, coordination of new radios onto ALMR, providing fleetmapping data for record keeping purposes, providing after-hour emergency telephone numbers for member-owned infrastructure as outlined in the ALMR Service Level Agreement, and attending meetings necessary for the safe and efficient operation of ALMR. Member

agencies are responsible for notifying the ALMR Help Desk/OMO immediately upon changes to their POCs.

- I. **Security:** All management console or dispatch console operators shall complete the required ALMR IA Training prior to obtaining ALMR System user credentials. All System users shall comply with the timely application of security patches/updates when notified of their availability by the SMO. No agency shall allow the connection of unauthorized components to the System or to any port on the System at any time. Agencies shall ensure no non-standard, unapproved applications are loaded on ALMR computers, servers, or routers at any time. Agencies shall ensure no unauthorized personnel are allowed access to System management components (e.g. management consoles) at any time. Member agencies shall ensure encryption is used, whenever appropriate. Agencies shall comply with all Information Assurance controls, policies, procedures, and processes.
- J. **Corrective Action:** In order to protect the integrity, security, safety, and efficient operation of ALMR for all its Member agencies, Member agencies will take appropriate corrective action against any of its employees who violate ALMR guidelines, procedures, or protocols including those set out in this Membership Agreement.
- K. **System Management:** Member agencies will comply with System Management direction in order to assure the safe and efficient operation of ALMR for all Members.
- L. **Trained Personnel:** Member agencies are responsible for providing training to their personnel and will not permit any employee or other personnel, including volunteers, to use ALMR until such individual(s) have received proper/appropriate radio use and security training.
- M. **Contracting Responsibilities – DOD Member Agencies/Organizations:** DOD Member agencies/organizations will nominate a Contracting Officer Representative (COR) through the ALMR Contract Functional Commander (ALCOM J6) to 673rd Contracting for appointment. DOD Member agencies/organizations will maintain a COR at all times. CORs will execute the contract administration related to requirements that agencies/organizations execute through the associated ALMR contracts from which they obtain services.

VI. DISPUTE RESOLUTION

If any issue of ALMR non-performance arises under this Membership Agreement, the parties to the Cooperative and Mutual Aid Agreement agree to resolve the issue at the lowest management level of each party. In the event the issue remains unresolved, the parties agree to immediately escalate the issue to upper-level management for their consideration. They will consider the details of the non-performance issue, assess whether there have been past issues of non-performance, determine how long the non-performance has been continuing, determine the seriousness of the non-performance, and negotiate, in good faith, a mutually agreeable solution. In the event all parties cannot agree on a solution, the non-performance issue shall be directed to the Executive Council who will consult with, and seek advice from, the User Council on resolution of the non-performance issue. A decision by the Executive Council is final and non-appealable.

VII. GOVERNANCE

- A. **Executive Council:** The Executive Council provides direction for the administration and operation of ALMR. The Executive Council is charged with responsibility to review and approve recommendations regarding future ALMR System features and enhancements, review and advise on customer service complaints, non-performance issues and potential Member agency termination due to abuse of user privileges. The Executive Council takes advice from the User Council and other committees, working groups, and advisory panels set up by the Executive Council to assist them in making determinations on policy and direction. (Members of the Executive Council are listed at www.alaskalandmobileradio.org)
- B. **User Council:** The User Council establishes policies and procedures regarding the operation of ALMR. The User Council is responsible for all operational and maintenance decisions affecting the System. Under the direction and supervision of the Executive Council, the User Council has

the responsibility for management oversight and operations of the System. The User Council, through the OMO, oversees the development of System operations plans, procedures and policies under the direction and guidance of the Executive Council. (Members of the User Council are listed at www.alaskalandmobileradio.org)

VIII. DURATION, CANCELLATION, & TERMINATION OF MEMBERSHIP

Agency membership on ALMR will remain in effect until canceled or terminated by the member agency upon 30 days' written notice. The Membership Agreement, between the Member agency and the Executive Council, may also be terminated for violation(s) of the terms and conditions of the Cooperative and Mutual Aid Agreement (inclusive of its appendices) upon 30-days written notice to the Member agency. Termination for cause, or departure at the request of the agency, does not relieve the Member agency of their financial obligations, if applicable, for the inclusive term of the membership (as specified on page one). Termination is subject to review and approval by the Executive Council.

IX. TERMINATION ASSISTANCE

If this Membership Agreement is canceled or terminated for any reason, ALMR will provide reasonable assistance as requested by the Member agency to allow for the orderly transfer of services.

X. MISCELLANEOUS

- A.** Waiver: the failure of a signatory to insist upon strict adherence to any term of this Membership Agreement shall not be considered a waiver or deprive the signatory of the right thereafter to insist upon the strict adherence to that term of the Membership Agreement.
- B.** Modification: this Membership Agreement may not be modified, amended, extended, or augmented, except by written amendment signed by both the signatories to the Membership Agreement and approved by the Executive Council.
- C.** Governing Law: this Membership Agreement shall be governed by and construed in accordance with the laws of the State of Alaska, and any and all applicable Federal laws.
- D.** Headings: the headings given to the sections and paragraphs of this Membership Agreement are inserted only for convenience and are in no way to be construed as part of this Membership Agreement, or as a limitation of the scope of the particular sections or paragraphs to which the heading refers.
- E.** Independent Contractor Relationship: the relationship between ALMR and Member agencies is that of an independent contractor and client. No agent, employee, or servant of ALMR shall be deemed to be an employee, agent, or servant of the Member agencies. Member agencies will be solely and entirely responsible for its acts and the acts of its agents, employees, servants, subcontractors, and volunteers regarding compliance with this Membership Agreement.

XI. SPECIAL PROVISIONS

- A.** Funding Obligation: Per the Cooperative and Mutual Aid Agreement, Article 2, Section 11, and Article 9, Section 7, and as further noted in Article 11, Section 6, nothing contained in this Membership Agreement shall be construed as binding the Member agency to expend in any one fiscal year any sum in excess of available appropriations made by Congress, the Alaska Legislature, a city council, a borough assembly, or a board of directors for the purposes of this Membership Agreement for that fiscal year, or to be obligated to make an expenditure of money in excess of such appropriations.
- B.** Liability: the signatories to this Membership Agreement verify their represented agencies accept responsibility for any property damage, injury or death, caused by the acts or omissions of their respective employees acting within the scope of their employment under this Membership Agreement to the fullest extent permitted by law. Signatories shall not be held personally liable



for financial or any other obligations, clauses, or responsibilities regarding this System or its affects.

XII. NOTICES

All notices given under this Membership Agreement, except for emergency service requests, will be made in writing. All notices will be sent to the Member agencies as follows: (fill in all gray fields, as applicable)

Agency Name Kenai Peninsula Borough
POC Name Mr. Dan Nelson
Address 1 144 N. Binkley Street
Address 2 _____
City Kenai
Zip code 99611
Phone 907-262-2098
Cell 907-252-0369
Fax: 907-714-2395
Attention Mr. Dan Nelson
E-mail dnelson@kpb.us

Execution of this Membership Agreement may only be made by a duly authorized representative of the Member agency/local unit of government. By signing, agencies acknowledge understanding and acceptance of all terms and conditions of membership. This Membership Agreement shall become effective as of the date of the last signature.

AUTHORIZED MEMBER SIGNATORY:

Agency Name Kenai Peninsula Borough
Representative Name Charlie Pierce
Representative Title Borough Mayor
Signature _____
Date _____

AUTHORIZED PARTY SIGNATORY:

Entity Name State of Alaska
Representative Name Mr. Scott Stormo
Representative Title Telecommunications System Manager
Signature _____
Date _____



***Alaska Land Mobile Radio Communications System
Membership Agreement***

Alaska Land Mobile Radio
Attention: Operations Management Office
5900 East Tudor Road, Suite 121
Anchorage, Alaska 99507-1245

Approval (under authority vested by the Executive Council)

Chris Letterman
Operations Manager

Signature

Date

Introduced by:
Date:
Action:
Vote:

Mayor
06/15/21

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-043**

**A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH MAYOR TO
ENTER INTO A SOLE SOURCE CONTRACT WITH CUSTOM FIRE APPARATUS,
INC. FOR A FIRE APPARATUS CONVERSION**

WHEREAS, the Bear Creek Fire Service Area (“BCFSA”) is in the process of acquiring a new engine; and

WHEREAS, the funds available in FY2021 for the project are not sufficient for a new engine build; and

WHEREAS, the current pathway forward for this build is to modify an existing Freightliner 4x4 apparatus chassis that has seen little use and build a pump-body for it; and

WHEREAS, Custom Fire Apparatus, Inc. in Osceola, Wisconsin is the only qualified apparatus manufacturer that has been identified that will make the chassis modifications and pump-body build requested; and

WHEREAS, BCFSA is working with the manufacturer to complete the service for a not to exceed amount of \$396,000 that will include all shipping and equipment build requirements; and

WHEREAS, at its regularly scheduled meeting held on June 8, 2021, the BCFSA Board recommended _____;

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

SECTION 1. The mayor is authorized to enter into a sole source contract with Custom Fire Apparatus, Inc. for the manufacture of a fire apparatus conversion on the existing Freightliner 4x4 chassis in BCFSA’s current inventory.

SECTION 2. Funds in the amount of \$396,000 are available in account 442.51210.21421.48514.

SECTION 3. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY OF JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Purchasing & Contracting Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
John Hedges, Purchasing & Contracting Director *JH*

FROM: Richard Brackin, Chief of Emergency Services, Bear Creek Fire Service *RB*
Area

DATE: June 3, 2021

RE: Resolution 2021- 043, Authorizing The Kenai Peninsula Borough Mayor to Enter into a Sole Source Contract with Custom Fire Apparatus, Inc. for a Fire Apparatus Conversion (Mayor)

The Bear Creek Fire Service Area is in the process of acquiring a new engine. The funds available in FY21 for the project are not sufficient for a new engine build. The current pathway forward for this build is to convert an existing Freightliner 4x4 chassis that has seen little use, and build a pump-body for it. This will require shipping the chassis to a fire apparatus manufacturer to have chassis modifications and the pump-body work done.

Custom Fire Apparatus, Inc. in Osceola, Wisconsin is the only qualified apparatus manufacturer that has been identified that will make the chassis modifications and pump-body build requested. This will allow Bear Creek Fire Service Area to meet the price goal set for this project in FY2021, as well as eliminate a little used apparatus from the capital projects replacement schedule.

Funding of \$396,000 is available for this project in account number 442.51210.21421.48514.

Your consideration of this resolution is appreciated.

| FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED | |
|--|------------------------------|
| Acct. No. | <u>442.51210.21421.48514</u> |
| Amount: | <u>\$396,000.00</u> |
| By: <i>PP</i> | Date: <u>6/3/2021</u> |
| By: <i>BH</i> | |

Introduced by:
Date:
Action:
Vote:

Mayor
06/15/21

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-044**

A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH, ON BEHALF OF THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA, TO ENTER INTO AN OFFICE SPACE LEASE AGREEMENT FOR OFFICE SPACE AT 203 W. PIONEER AVENUE IN HOMER

- WHEREAS,** South Peninsula Hospital, Inc. (“SPHI”) subleases and operates South Peninsula Hospital (“SPH”) pursuant to the Operating Agreement (“OA”) with the Kenai Peninsula Borough (“borough”) on behalf of the South Kenai Peninsula Hospital Service Area (“SKPHSA”); and
- WHEREAS,** the OA authorizes the SKPHSA Board to approve by resolution leases of real property by SPHI for its operation of programs for the SKPHSA; and
- WHEREAS,** SPHI currently leases from Jonas Ridge, LLC approximately 4,400 square feet of office space within the Peninsula Surgical Clinic Building in Homer; and
- WHEREAS,** the current Office Space Lease Agreement, as amended on June 27, 2019, is between Jonas Ridge, LLC, as Lessor, the borough as Lessee, and SPHI, as Sublessee, and terminates on June 30, 2021; and
- WHEREAS,** SPHI has requested a new lease for continued operations of the Home Health Office and Training Center; and
- WHEREAS,** the borough may enter into the lease on behalf of the SKPHSA and subsequently sublease it to SPHI; and
- WHEREAS,** pursuant to borough code and the OA, assembly approval of this lease agreement may be by resolution upon receipt of a planning commission recommendation; and
- WHEREAS,** the SPHI Board at its regularly scheduled meeting of May 26, 2021 approved SPH Board Resolution 2021-06 requesting execution of the subject lease; and
- WHEREAS,** the SKPHSA Board at its regularly scheduled meeting of June 8, 2021, recommended _____; and
- WHEREAS,** the Planning Commission at its regularly scheduled meeting of June 14, 2021, recommended _____;

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

SECTION 1. That the mayor is authorized to execute the Office Space Lease Agreement with Jonas Ridge, LLC as Lessor, the borough as Lessee and Sublessor, and SPHI as Sublessee, of the following office space:

Approximately 4,400 square feet of office space within the Peninsula Surgical Clinic Building, designated as Suite 1, located at 203 W. Pioneer Avenue, Homer, Alaska, and situated within:

TRACT A, Chamberlain & Watson Subdivision of Tract A, Plat No. 75-63, Homer Recording District, Third Judicial District, State of Alaska (Assessor's Parcel No. 175-143-04).

SECTION 2. The purpose of this acquisition is to provide office space for SPHI's Home Health Care Department and Community Education Department and other similar hospital uses.

SECTION 3. That pursuant to KPB 17.10.080(C), no land classification is proposed for this rental property.

SECTION 4. That the mayor is authorized to execute an Office Space Lease Agreement, substantially in the form of the agreement attached hereto and incorporated by reference, and to make any other agreement deemed necessary in accordance with this resolution.

If the OA terminates during the term of the lease, the borough may sublet the property to another entity subject to approval by the owner.

The lease shall be for a term of two (2) years and includes three 1-year renewal options. Monthly rental shall be \$6,800, subject to the appropriation and availability of funds, plus utilities and snow removal services, as described in the Office Space Lease Agreement.

SECTION 5. That expenditures for the lease will be paid by SPHI for the term of the Sublease Agreement and the Operating Agreement, including any extension or renewal thereof, or until this lease is terminated, whichever occurs first.

SECTION 6. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:


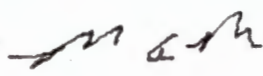
Absent:

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor 
Melanie Aeschliman, Planning Director 
Marcus Mueller, Land Management Officer 

FROM: Julie Denison, Land Management Technician 

CC: Helen Armstrong, Chair, South Kenai Peninsula Hospital Service Area Board

DATE: June 1, 2021

RE: Resolution 2021- 044, Authorizing the Kenai Peninsula Borough, on Behalf of the South Kenai Peninsula Hospital Service Area, to Enter Into an Office Space Lease Agreement for Office Space at 203 W. Pioneer Avenue in Homer (Mayor)

The Kenai Peninsula Borough leases the Peninsula Surgical Clinic building located at 203 W. Pioneer Avenue, Homer, on behalf of the South Kenai Peninsula Hospital Service Area (SKPHSA), and subleases that space to South Peninsula Hospital, Inc. (SPH, Inc.) under the terms of the Operating Agreement.

The lease, as amended, provides space for South Peninsula Hospital's Home Health Care and Community Education departments and expires on June 30, 2021. SPH, Inc. has requested a new lease for a two-year term.

SPH, Inc.'s operating board, at its regularly scheduled meeting held on May 26, 2021, adopted SPH Resolution 2021-06, approving such a lease.

This resolution is scheduled to come before the SKPHSA board on June 8, 2021. The recommendations of the SKPHSA board will be provided to the assembly prior to its consideration of this resolution.

This resolution is scheduled to be brought before the planning commission at its June 14, 2021 meeting. The recommendations of the planning commission will be provided to the assembly prior to its consideration of this resolution.

Your consideration of this resolution is appreciated.

OFFICE SPACE LEASE AND SUBLEASE AGREEMENT

THIS OFFICE SPACE LEASE AND SUBLEASE AGREEMENT (Hereinafter the "Lease") is made on the last signature date set forth below by and between JONAS RIDGE, LLC, an Alaska limited liability company ("Lessor") whose address is 203 Pioneer Street, Suite 2, Homer, AK 99603, and the KENAI PENINSULA BOROUGH, an Alaska municipal corporation ("KPB" or "Sublessor") whose address is 144 N. Binkley Street, Soldotna, AK 99669, on behalf of SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA ("SKPHSA"), together with SOUTH PENINSULA HOSPITAL, INC. ("SPHI" or "Sublessee"), an Alaska nonprofit corporation whose address is 4300 Bartlett Street, Homer, Alaska 99603.

WHEREAS, SPHI is the lessee and operator of South Peninsula Hospital and other facilities and programs in the South Kenai Peninsula Hospital Service Area under an Operating Agreement with Kenai Peninsula Borough; and

WHEREAS, SPHI is in need of additional office space in Homer, Alaska for administrative operational purposes for some of its departments, including home health care and community education; and

WHEREAS, JONAS RIDGE, LLC owns a professional office building on land located on W. Pioneer Avenue in Homer Alaska, and the building ("Lessor's Building") contains suitable office space, facilities, and parking for lease and use by SPHI for administrative operational purposes for its departments; and

WHEREAS, pursuant to this Lease, SPHI agrees to sublease the premises subject to this lease from the KPB, with consent of the Lessor, and to assume, pay and perform all obligations of the KPB; and

WHEREAS, for purposes of performance and interpretation the term Lessee shall be interpreted to include SPHI;

NOW, THEREFORE, for and in consideration of the rental herein reserved, and of the covenants, conditions, agreements, and stipulations of the Lessee hereinafter expressed, the parties agree as follows:

1. Leased Premises. Lessor hereby leases to the KPB and consents to the KPB subleasing to Sublessee, SPHI, the following described Leased Premises::

- a. Being the offices designated for Lessee's administrative operational purposes for some of its departments, including home health care and community education, containing approximately 4,400 square feet, and located in the Lessor's Building, hereinafter referred to as either "Leased Premises" or "SPH Administrative Offices," with the following legal description:

Tract A, Chamberlain and Watson Plat of Tract A, Plat No. 75-63,
Homer Recording District, Third Judicial District, State of Alaska
203 W. Pioneer Avenue, Homer, AK 99603

- b. Together with the right to use in common with Lessor, its employees, invitees,

and patients, and Lessor's other tenants and their employees, invitees, and patients, the patient waiting room or area, the restrooms and break room, and the parking areas provided by the Lessor, its successors, or assigns, in the designated areas for the parking of automobiles, which are contiguous to the building in which the leased premises are located; provided that the Lessor retains the right to make reasonable rules and regulations with reference to the use of said parking area, including the right to provide for certain reserved parking as, from time to time, determined by the Lessor, and particularly provided that employees, agents, and principals of Lessee shall park in designated areas so as to assure Lessor's other tenants and Lessor's customers and visitors convenient and proximate parking contiguous to the building or buildings in which its tenants are located.

2. Term.

- a. The term of this Lease shall be for 24 months (two years) commencing on July 1, 2021, and terminating on June 30, 2023. Provided that this Lease is in full force and effect and Lessee and Sublessee are not in default hereunder, Lessee and Sublessee shall have the right and option to renew this Lease for three (3) successive Terms, commencing July 1, 2023, with each individual term being for a period of one year, and under the same terms, conditions, and provisions herein for the original term of the Lease, except for Rent. The renewal options to be effective must be exercised by the Lessee and/or Sublessee by written notice to Lessor in the form and manner provided in §17 at lease six months prior to the commencement of the renewal term.
- b. Any holding over after the expiration of the term of this Lease, without a signed lease agreement, shall be construed to be a tenancy from month-to-month, at a monthly rental at one hundred twenty percent (120%) greater than the monthly rental applicable to the rent due for the last month under this Lease Agreement, and may not exceed six (6) months' holdover period without execution of an extension, renewal, or replacement lease agreement.
- c. During the final four (4) months of this Lease term, Lessor shall be permitted to show prospective tenants the leased premises upon giving Lessee twenty-four (24) hours' notice.

3. Rent.

- a. Lessee hereby covenants and agrees to pay to the Lessor at Lessor's office address, or at such other place as the Lessor may from time to time designate in writing, as rental for said premises during the term of this Lease, an annual rental of \$81,600.00 payable monthly in advance for the entire term of this Lease, in the amount of \$6,800.00 per month. The annual and monthly rental payment is calculated at \$2.00 per square foot for 3,400 square feet and no additional cost for 1,000 square feet, which is consistent with fair market value, considering the age and condition of the Lessor's Building and rental market conditions in Homer, Alaska.
- b. First month's applicable rent for the month of July 2021 shall be paid upon execution of this Lease. Thereafter, all monthly rental payments shall be due and payable in advance on the first day of each month. Lessee shall ensure that rental payments shall be received by Lessor at Lessor's address no later than the tenth (10th) day of each month.

- c. Time is of the essence with regard to the payment of rents and any other performance by Lessee. Any failure by Lessee to make a timely rental payment shall constitute a material default under this Lease as provided in Section 12 below.
 - d. Compliance with Anti-Kickback and Stark II Requirements. The purpose of this Lease is to provide Lessee with suitable office space, facilities, and parking for lease and use by SPH, Inc. for administrative operational purposes for its departments. The volume or value of any business generated between these parties was not considered, and is not a factor, in determining the fair market value of the annual rental of leased premises for the term of this Lease. Nothing in this Agreement shall be construed to require Lessor, any Physician or any other health care provider retained or employed by Lessor, or who leases space from Lessor, to refer patients to SPH, Inc. or to utilize SPH, Inc. to provide inpatient, outpatient or other services to patients, or otherwise generate business for SPH, Inc., or for SPH, Inc. to refer patients to or generate business for Lessor or any Physician or any other health care provider retained or employed by Lessor, or who leases space from Lessor. Notwithstanding any unanticipated effect of any of the provisions herein, the parties intend to comply with 42 U.S.C. §1320a-7b(b), commonly known as the federal Anti-Kickback Statute, 42 U.S.C. §1395nn, commonly known as Stark II, Stark III ("Stark Laws"), and any federal or state law provision governing fraud and abuse or self-referrals under the Medicare or Medicaid programs, or any other federal or state health care program, as such provisions may be amended from time to time. The parties intend that this Lease comply with the conditions for meeting the Anti-Kickback Statute "space rental" safe harbor set forth in 42 C.F.R. § 1001.952(b), and comply with the requirements of the "rental of office space" exception to the Stark Laws at 42 CFR §411.357(a), as such regulations may be amended. This Lease shall be construed in a manner consistent with compliance with such statutes and regulations, and the parties agree to take such actions as are necessary to construe and administer this Lease consistent with compliance. In the event any court or administrative agency of competent jurisdiction determines that this Lease violates any of such statutes or regulations, then the parties agree to take such actions as are necessary to amend this Lease for compliance with the applicable statutes or regulations, as provided herein.
4. Security Deposit. The Lessee shall deposit with the Lessor on or before July 1, 2021, the sum of \$1,000 in cash as security for the payment of the rent provided herein and for the observance and performance by the Lessee of all of the terms, provisions, and conditions of this Lease on its part to be kept and performed; and further to indemnify the Lessor for any loss, costs, fees, and expenses which the Lessor may incur by reason of any default by the Lessee. The Lessor shall repay to the Lessee the security deposit or any balance thereof upon the termination or expiration of the term of this Lease or any extension thereof, either (1) by crediting the same on account of payment of the rent for the last month of the Lease or additional term, as the case may be, or (2) refunding the security deposit to Lessee, net or less any loss, costs, fees, and expenses which the Lessor may incur by reason of any default by the Lessee. In the event of any failure in the payment of rent or other sum, or of any default by the Lessee in the performance of the terms, provisions, and conditions of this Lease, the Lessor shall have the right to apply the security deposit against any loss, costs, fees, and expenses caused thereby. The security deposit shall bear no interest.

5. Use. The premises shall be used exclusively for Lessee's business purpose of SPH Administrative Offices. Lessee shall not use said premises or any part thereof for any illegal purpose. Lessee agrees to conform to municipal and state statutes or codes, ordinances, and regulations concerning the use and occupation of said premises.
6. Renovations, Alterations and Changes by Lessee; Repairs and Maintenance.
- a. The Lessee shall not make any renovations, changes, alterations, additions, or improvements to the leased premises and the Lessor's Building without the written consent of the Lessor.
 - b. The Lessor shall make all necessary repairs to the interior of the leased premises, including door, windows and plate glass (if any) and the fixtures therein or used in connection therewith, including the maintenance of all fixtures located within the leased premises, which repairs shall be in quality and class equal to the original work, in order to maintain said premises, and fixtures, in good condition and repair; provided, however, that the Lessee shall be responsible for any painting, carpeting, or any other repair that is due to Lessee's later neglect or omission.
 - c. The Lessee is not responsible or liable to maintain the structural condition of the leased premises or the Lessor's Building, including roof, walls, and foundation, and is not responsible or liable for major repairs to the electrical, plumbing and heating systems. The Lessor shall maintain the structural condition of the leased premises and the Lessor's Building; however, all repairs to the plumbing and heating lines necessitated by the action of the Lessee or the Lessee's agents or employees shall be at the expense of the Lessee.
 - d. The Lessee shall be responsible for maintenance, repair, and replacement of all equipment and furniture installed or placed by Lessee for Lessee's use in the leased premises. Lessor is not responsible for damage to, or for maintenance, repair, or replacement of any equipment and furniture installed or placed by Lessee for Lessee's use in the leased premises.
 - e. The Lessee shall keep the leased premises in a clean and sanitary condition; shall properly use and operate all electrical, gas, heating, and plumbing facilities, fixtures and appliances; and except as permitted in §6(a) above with the Lessor's written consent, the Lessee shall not intentionally or negligently destroy, deface, damage, or remove any part of the premises, their appurtenances, facilities, equipment, furnishings, and appliances, nor permit anyone else to do so.
7. Utilities. Lessee agrees to be responsible for and to pay for the Lessee's share of the cost of electric light, heat, power, fuel, water and sewer and other utility service (prorated and charged monthly), commencing July 1, 2021. Lessor remains responsible for and liable to pay for all other costs. Lessor shall be responsible for all lot maintenance, landscaping, lawn maintenance, including snow removal and ice sanding, at Lessor's expense.
8. Janitorial Services. Lessee agrees to keep all rubbish and garbage in containers while on the leased premises and shall dispose of all of such rubbish and garbage in the dumpster or other containers provided by Lessor. The Lessee shall perform and provide for all of Lessee's janitorial services required inside of the leased premises; however, Lessee agrees to use the

janitorial service used or suggested by Lessor for such period of time if the cost of such services is reasonable and its services are of reasonable quality.

9. Damages to Property or Premises.

- a. Limitations on Lessor's Liability. The Lessor and its agents shall not be liable in damages, by abatement in rent or otherwise, for any damage either to the person or the property of the Lessee, or for the loss of or damage to any property of the Lessee by theft or from any other cause whatsoever, whether similar or dissimilar to the foregoing. The Lessor or its agents shall not be liable for any injury or damage to persons or property, or loss or interruption to business resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, snow, or leaks from any part of the building, or from the pipes, appliances, or plumbing works, or from the roof, street, or subsurface, or from any other place, or by dampness, or by any cause of whatsoever nature; nor shall the Lessor or its agents be liable for any damage caused by other tenants or persons in said building, or caused by operations in construction of any private or public or quasi-public work. None of the limitations of the liability of Lessor or its agents provided for in this subsection (a) shall apply if such loss, injury, or damages are proximately caused by the gross negligence or breach by the Lessor its agents, employees, or independent contractor.
- b. Lessee's Liability (or Damage to Lessor's Property). The Lessee shall be liable for any damage to the building or property therein which may be caused by its act or negligence, or the acts of its agents, employees, or customers, and the Lessor may, at its option, repair such damage. The Lessee shall thereupon reimburse and compensate the Lessor as additional rent, within fifteen (15) days after rendition of a statement by the Lessor, for the total cost of such repair and damage.

10. Insurance.

- a. Lessee's Insurance. Lessee agrees to obtain, carry and maintain premises liability insurance covering claims against Lessee by persons on the premises, and property damage and fire and casualty insurance for Lessee's business personal property and contents, during the entire term of this Lease and any renewal, at Lessee's sole cost and expense. Lessee agrees to provide proof of such insurance at the request of Lessor. Lessee is not responsible to provide insurance coverage for claims against Lessor, or for loss or destruction of the building due to fire or other casualty.
- b. Lessor's Insurance. During the entire term of this Lease and any renewal, Lessor, at its sole cost and expense, agrees to keep the building and improvements (including the leased premises) insured against loss or damage by fire or other casualty insurable under standard fire and extended coverage insurance in an amount equal to the full current replacement cost of said building(s). Lessor also agrees to obtain, carry and maintain premises liability insurance covering claims against Lessor by persons on the premises, at Lessor's sole expense. Lessee is not responsible to provide insurance coverage for claims against Lessee.

11. Taxes. Lessee is responsible only for payment of taxes, if any, on Lessee's business

operations. Lessee is not responsible for payment of real property taxes on the premises, or for any other tax related to either Lessor's businesses or property.

12. Default. If the Lessee is in default in the payment of rent or any part thereof for more than ten (10) days after it is due, or if there shall be default in the performance of any other covenant, agreement, condition, rule, or regulation herein contained or thereafter established on the part of the Lessee for more than sixty (60) days after written notice of such default by the Lessee, this Lease (if Lessee so elects) shall thereon be terminated, and the Lessee shall have the right to re-enter or possess and remove therefrom the Lessee or other occupants thereof, and their effects, without being liable to any prosecution therefore; or, if such cannot be done peaceably, Lessee shall be entitled to possession upon entry of an order for eviction by the court. Lessee will be liable for all costs incurred by Lessor including actual attorney's fees.
13. Sublease to SPHI. Lessor hereby approves subletting this lease to SOUTH PENINSULA HOSPITAL, INC. ("Sublessee" or "SPHI") under the terms and conditions of the Operating Agreement between Lessee and Sublessee, as may be amended from time to time. The Lessee hereby sublets the entire Leased Premises to the Sublessee. The Sublessee hereby assumes all of the Lessee's rights, responsibilities and obligations under this Lease. In this Lease, unless context specifically obligates the KPB's performance, the term Lessee shall mean SPHI and the terms "Lessee" and "Sublessee" shall be considered interchangeable.
14. Assignment and Additional Subletting. Except as previously approved herein at paragraph 13, the Sublessee shall not assign, mortgage, encumber or otherwise transfer this Lease or its interests hereunder, in whole or in part, or sublet the Leased Premises in whole or in part, without the prior written consent of Lessor and Lessee as to both the terms of such assignment or sublease and the identity of such assignee or Sublessee, which will not be unreasonably withheld. In the event Lessor consents to any such transaction, Sublessee shall remain fully liable to perform all the obligations of Lessee under this Lease, including but not limited to payment of Rent, unless the Lessor has also consented in writing to the release of Sublessee or Lessee from this Lease.
15. Signs. The Lessee shall be able to install and maintain reasonable signage for Lessee's business in the Lessor's Building with the consent of Lessor, which consent shall not be unreasonably withheld.
16. Quiet Enjoyment. The Lessor covenants and agrees with the Lessee that upon the Lessee paying the said rent and performing all the covenants and conditions on the Lessee's part to be observed and performed, the Lessee shall and may peaceably and quietly have, hold, and enjoy the premises hereby leased, for the entire term; subject, however, to the terms of this Lease and any mortgage or other deed of trust now or hereafter created by the Lessor.
17. Surrender of Premises. Upon the expiration of or prior termination of this Lease, the Lessee shall remove all property of the Lessee from the leased premises, except plumbing and other fixtures and leasehold renovations, alterations, and improvements which may have been installed by the Lessee and, except as otherwise provided in this Lease, surrender the leased premises to the Lessor "broom clean" in as good order and condition as they were upon Lessee commencing business, or were placed by Lessee thereafter, ordinary wear and tear and damage by fire excepted. Any property left on the premises after the expiration or other termination of this Lease may be disposed of by Lessor in any manner and without any

liability to the Lessee.

18. Notices. All notices required under the terms of this Lease or by law shall be in writing, shall contain a clear and concise statement setting forth the reasons therefore, and shall be sent by certified mail, return receipt requested, to the appropriate party, or shall be delivered personally, at the following addresses:

To Lessor:

Dr. M. Todd Boling
JONAS RIDGE, LLC
362 Tyee Street
Soldotna, AK 99669

To Lessee:

Planning Director
Kenai Peninsula Borough
144 N. Binkley Street
Soldotna, AK 99669

Attn: Chief Executive Officer
South Peninsula Hospital, Inc.
4300 Bartlett Street
Homer, AK 99603

In the event that a properly sent notice is returned undelivered, the notice shall nonetheless be effective.

19. Miscellaneous Provisions.

a. Entire Agreement.

- 1) This Lease constitutes the whole agreement between the parties as to the Lessee's lease and use of the SPH Administrative Offices for Lessee's business operations in the Lessor's Building. No warranties, agreements or representations have been made or shall be binding upon either party unless set forth in this Lease.
- 2) No oral statements or prior written material not specifically incorporated herein shall be recognized unless incorporated herein by amendment(s) or other addenda to either Agreement, such amendment(s) or addenda to become effective on the date stipulated in such amendment(s) or addenda. Both parties specifically acknowledge that in entering into and executing this Lease, they rely solely upon the representations and agreements contained in this Lease, and no others.

b. Assignment and Delegation. Neither this Lease, nor any interest, rights or duties herein, may be assigned, transferred, delegated or conveyed by either party, either voluntarily, or involuntarily, by operation of law, or otherwise, without the written consent of the other party during the term of this Lease.

c. Binding Effect. This Lease shall be binding upon and inure to the benefit of the respective successors, heirs, assigns, or personal representatives of the parties hereto, but nothing contained in this paragraph shall be construed as a consent by either party to any specific assignment, delegation, sale, transfer or conveyance.

d. Applicable Law. This Lease is made under and shall be interpreted and construed in accordance with the laws of the State of Alaska.

e. Waiver of Breach. The waiver by either party of a breach or violation of any provision

- f. Severability. In the event any provision of this Lease is held to be unenforceable for any reason, such lack of enforceability shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms or as otherwise may be provided by law or equity.
- g. Headings. The headings contained in this Lease are for reference purposes only and shall not affect in any way the meaning or interpretation of this Lease.
- h. Amendments. This Lease may be amended by mutual agreement of both parties in writing.
- i. Agreement Not To Be Construed Against Drafter. Both parties to this Lease have had a full opportunity to obtain legal advice concerning this Lease or have declined to obtain such advice. The fact that this Lease may be drafted by an attorney for one of the parties or by one of the parties is a matter of convenience to all parties. Accordingly, the parties agree that the rule of construction that an instrument or document is to be construed and interpreted most strictly against the drafter of the instrument or document shall not apply in the construction or interpretation of this Lease.
- j. Memorandum of Lease. The parties agree that they will not record this Lease at full length, but may record a Memorandum of Lease, which Memorandum shall not disclose any financial terms.
- k. Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

SO AGREED.

DATED this _____ day of _____, 2021

KENAI PENINSULA BOROUGH
LESSEE,

By: Charlie Pierce, Mayor

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by Charlie Pierce, Mayor of the KENAI PENINSULA BOROUGH, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public in and for State of Alaska
My Commission Expires: _____

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

Johni Blankenship
Borough Clerk

Colette Thompson
Borough Attorney

SO AGREED.

DATED this _____ day of _____, 2021

SOUTH PENINSULA HOSPITAL, INC.
SUBLESSEE,

By: Ryan Smith, Chief Executive Officer

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by Ryan Smith, Chief Executive Officer of SOUTH PENINSULA HOSPITAL, INC., an Alaska nonprofit corporation, on behalf of the corporation.

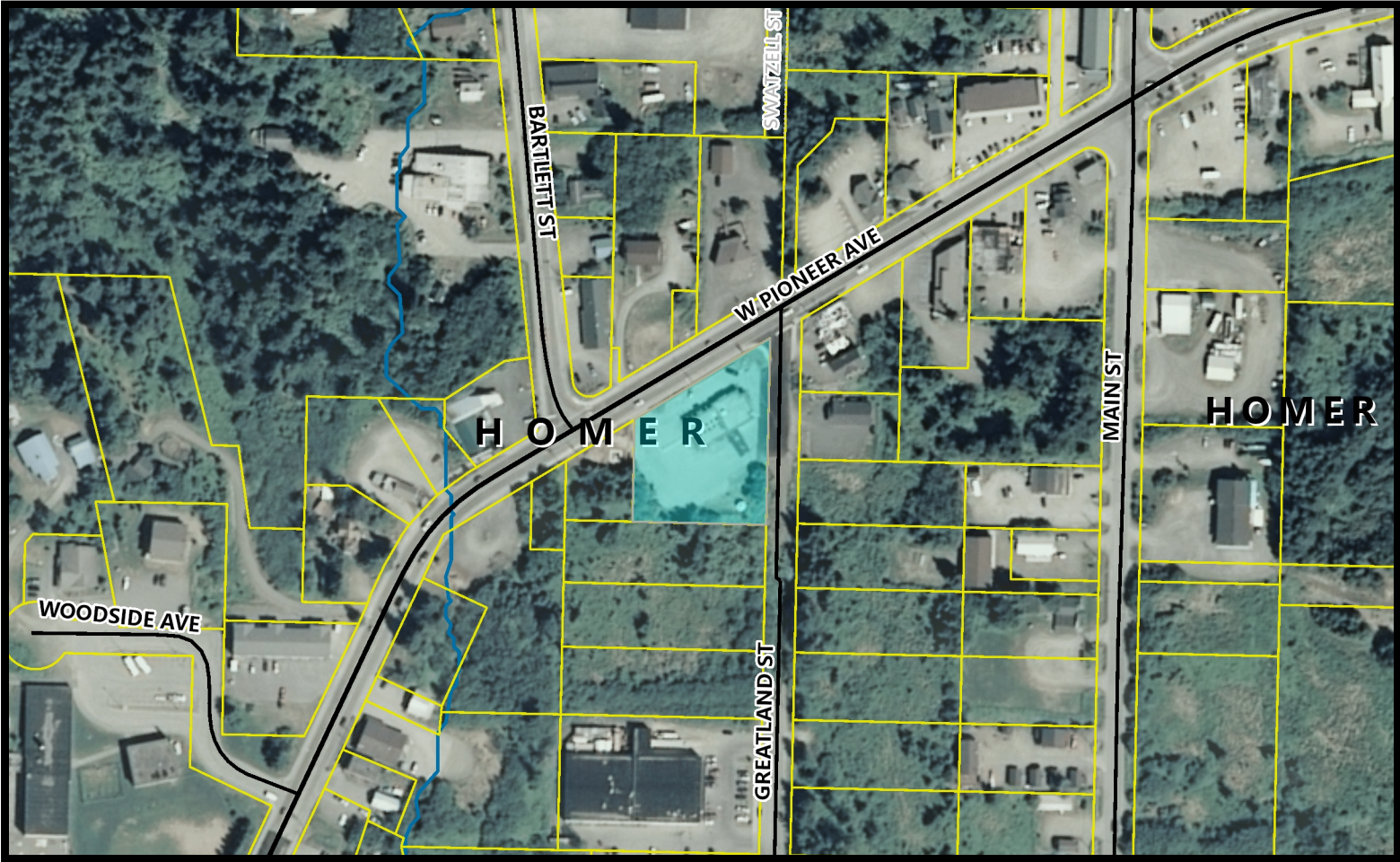
Notary Public in and for State of Alaska
My Commission Expires: _____



PARCEL REPORT

5/19/2021 12:44

PARCEL ID: 17514304 Total Acreage: 0.97



LEGAL DESCRIPTION:
T 6S R 13W SEC 19 SEWARD MERIDIAN HM 0750063 CHAMBERLAIN & WATSON SUB PLAT OF TR A TRACT A

ALL PHYSICAL ADDRESSES ON THIS PARCEL:
203 W PIONEER AVE

| | | | |
|---------------------------|-----------|------------------------|-----------|
| LAND VALUE: | \$163,500 | ASSESSED VALUE: | \$661,800 |
| IMPROVEMENT VALUE: | \$498,300 | TAXABLE VALUE: | \$661,800 |

BUILDINGS ON THIS PARCEL:

| Building Type | Square Footage | Year Built |
|---------------|----------------|------------|
| GENOFF | 4,492 | 1960 |
| GENOFF | 720 | 2014 |

OWNERS:

Name:
JONAS RIDGE LLC

Address:
203 W PIONEER AVE STE 2
HOMER, AK 99603

| | |
|-----------|--|
| Intro by: | Administration |
| Date: | 05/26/2021 |
| Action: | Approved |
| Vote: | Yes- 8, No- 0, Excused-2, Abstain - 1 |

**SOUTH PENINSULA HOSPITAL
BOARD RESOLUTION 2021-06**

**A RESOLUTION OF THE SOUTH PENINSULA BOARD OF DIRECTORS
AUTHORIZING THE BOROUGH, ON BEHALF OF THE SOUTH KENAI PENINSULA
HOSPITAL SERVICE AREA, TO EXECUTE A PROPERTY LEASE FOR 203 W.
PIONEER AVENUE.**

WHEREAS, the South Peninsula Hospital, Inc. (“SPH, Inc.”) operates the South Peninsula Hospital (“SPH”) pursuant to an Operating Agreement with the Kenai Peninsula Borough on behalf of the South Kenai Peninsula Hospital Service Area (“SKPHSA”); and

WHEREAS, the Kenai Peninsula Borough currently leases space from Jonas Ridge LLC at 203 W. Pioneer Ave, Homer, Alaska 99603, on behalf of South Peninsula Hospital; and

WHEREAS, South Peninsula Hospital has operated a Home Health Office and Training Center from this leased space to provide home health administrative services and staff education and training; and

WHEREAS, South Peninsula Hospital’s current lease will end on June 30, 2021; and

WHEREAS, South Peninsula Hospital anticipates the need to utilize this additional clinic space until June 30, 2023; and

WHEREAS, South Peninsula Hospital would like to enable the Kenai Peninsula Borough Land Management Department to negotiate a new lease on its behalf for a period of 1 to 2 years, with 3 one-year extensions; and

WHEREAS, this resolution was reviewed at the SPH Finance Committee meeting on May 20, 2021 and approved up to \$7,500 per month for the lease extension; and

WHEREAS, the SPH, Inc. board, at its regularly scheduled meeting of May 26, 2021, recommended approval of such a lease.


**NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH PENINSULA HOSPITAL
BOARD OF DIRECTORS:**

1. That this resolution will be forwarded for approval to the Kenai Peninsula Borough Assembly.

2. That the mayor is requested to execute a lease with Jonas Ridge LLC for 203 W. Pioneer Ave, Homer and to make any other agreements deemed necessary in accordance with this resolution.
4. That expenditures for the lease will be paid by SPH, Inc., for the term of the Operating Agreement, including any extension or renewal thereof, or until the lease is terminated, whichever occurs first.
5. That Management is hereby authorized to take any other actions that are necessary or desirable to achieve the intent of these Resolutions.
6. That this resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA AT ITS MEETING HELD ON THIS 26th DAY OF MAY 2021.

ATTEST:


Keriann Baker, Board Vice President


Melissa Jacobsen, Board Secretary

Introduced by: Mayor
Date: 06/15/21
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-045**

**A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH, ON BEHALF
OF THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA, TO ENTER INTO
A LEASE AGREEMENT WITH FIRST RIGHT OF REFUSAL AND OPTION TO
PURCHASE, FOR OFFICE SPACE AT 4117 BARTLETT STREET IN HOMER**

WHEREAS, South Peninsula Hospital, Inc. (“SPHI”) subleases and operates South Peninsula Hospital (“SPH”) pursuant to the Operating Agreement (“OA”) with the Kenai Peninsula Borough (“borough”) on behalf of the South Kenai Peninsula Hospital Service Area (“SKPHSA”); and

WHEREAS, the OA authorizes the SKPHSA Board to approve by resolution leases of real property by SPHI for its operation of programs for SKPHSA; and

WHEREAS, the borough currently leases from Westwing, LLC approximately 1,500 square feet of office space within the Women’s Clinic Building in Homer and subleases that space to SPHI; and

WHEREAS, the current lease agreement, as amended on June 27, 2019, is between Westwing, LLC, as Lessor, the borough as Lessee and SPHI, as Sublessee, and terminates on June 30, 2021; and

WHEREAS, SPHI has requested a new lease term for continued operations of the Women’s Health Clinic; and

WHEREAS, the borough may enter into the lease on behalf of the SKPHSA and subsequently sublease it to SPHI; and

WHEREAS, pursuant to borough code and the OA, assembly approval of this lease agreement may be by resolution upon receipt of a planning commission recommendation; and

WHEREAS, the SPHI Board at its regularly scheduled meeting of May 26, 2021, recommended approval of this lease of office space; and

WHEREAS, the SKPHSA Board at its regularly scheduled meeting of June 8, 2021, recommended _____; and

WHEREAS, the KPB Planning Commission at its regularly scheduled meeting of June 14, 2021, recommended _____;

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

SECTION 1. That the borough mayor is authorized to execute the lease agreement with a first right of refusal and option to purchase by and between Westwing, LLC as Lessor, the borough as Lessee and Sublessor, and SPHI as Sublessee, of the following office space:

Approximately 1,500 square feet within the Women's Clinic Building, located at 4117 Bartlett Street, Homer, Alaska, and more particularly described as:

Lot 4, Block 10, Fairview Subdivision, Plat No. 56-2936, Homer Recording District, Third Judicial District, State of Alaska (Assessor's Parcel No.: 175-061-04).

SECTION 2. The purpose of this acquisition is to provide space for SPHI's Women's Health Clinic.

SECTION 3. That pursuant to KPB 17.10.080(C), no land classification is proposed for this rental property.

SECTION 4. That the mayor is authorized to execute a lease agreement, substantially in the form of the agreement attached hereto and incorporated by reference, and to make any other agreement deemed necessary in accordance with this resolution.

If the OA terminates during the term of the lease, the borough may sublet the property to another entity subject to approval by the owner.

The lease shall be for a term of five years and includes five one-year renewal options. Monthly rental shall be \$3,000.00 subject to the appropriation and availability of funds, plus utilities and snow removal services, as described in the lease agreement.

SECTION 5. That expenditures for the lease will be paid by SPHI for the term of the Sublease Agreement and the Operating Agreement, including any extension or renewal thereof, or until this lease is terminated, whichever occurs first.

SECTION 6. Exercise of the option to purchase is subject to separate authorizations, in accordance with KPB 17.10, and the appropriation and availability of funds.

SECTION 7. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:



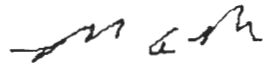
Absent:


Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough

THRU: Charlie Pierce, Mayor 
Melanie Aeschliman, Planning Director 
Marcus Mueller, Land Management Officer 

FROM: Julie Denison, Land Management Technician 

CC: Helen Armstrong, Chair, South Kenai Peninsula Hospital Service Area Board

DATE: June 3, 2021

RE: Resolution 2021-045, Authorizing the Kenai Peninsula Borough, on Behalf of the South Kenai Peninsula Hospital Service Area, to Enter Into a Lease Agreement with First Right of Refusal and Option to Purchase, for Office Space at 4117 Bartlett Street in Homer (Mayor)

The Kenai Peninsula Borough leases the Women's Clinic building located at 4117 Bartlett Street, Homer, on behalf of the South Kenai Peninsula Hospital Service Area (SKPHSA), and subleases that space to South Peninsula Hospital, Inc. (SPH, Inc.) under the terms of the Operating Agreement.

The lease, as amended, provides space for South Peninsula Hospital's Obstetrician/Midwifery service and expires on June 30, 2021. SPH, Inc. has requested a new lease for a five-year term.

At its regularly scheduled meeting held on May 26, 2021, the SPH, Inc. board recommended that the assembly approve this resolution.

The SKPHSA board will consider this resolution at its June 8, 2021 meeting. The recommendations of the board will be provided to the assembly prior to its consideration of this resolution.

The planning commission will consider this resolution at its June 14, 2021 meeting, and provide its recommendations to the assembly prior to the June 15th assembly meeting.

Your approval of this resolution is appreciated.

WOMEN'S CLINIC LEASE AGREEMENT
(With Right of First Refusal and Option to Purchase)

THIS WOMEN'S CLINIC LEASE AND SUBLEASE AGREEMENT ("Lease") is entered by and between WESTWING, LLC, an Alaska limited liability company, whose address is PO BOX 537, HOMER, AK 99603 ("Lessor"), and KENAI PENINSULA BOROUGH, an Alaska municipal corporation, whose address is 144 N. Binkley St., Soldotna, AK 99669, on behalf of SOUTH PENINSULA SERVICE AREA ("SKPHSA"), hereinafter referred to as either "KPB" or "Sublessor" together with SOUTH PENINSULA HOSPITAL, INC. ("SPHI" or "Subessee"), an Alaska nonprofit corporation whose address is 4300 Bartlett Street, Homer, Alaska 99603.

1. DEFINITIONS AND TERMS

- 1.1 **Lessor:** WESTWING, LLC.
- 1.2 **Lessee/Sublessor:** KENAI PENINSULA BOROUGH.
- 1.3 **Sublessee:** SOUTH PENINSULA HOSPITAL, INC.
- 1.4 **Term:** Five (5) years.
- 1.5 **Commencement Date:** July 1, 2021.
- 1.6 **Expiration Date:** June 30, 2026.
- 1.7 **Building:** Women's Clinic Building
4117 Bartlett Street
Homer, Alaska 99603.
- 1.8 **Land:** The real property described in Section 2.1.
- 1.9 **Rent:** a) **Annual Rent:** \$36,000.00.
b) **Monthly Rent:** \$2.00 per s.f., 1500 s.f., for \$3,000.00 per month.
- 1.10 **Premises/Leased Premises:** The land and building, including appurtenances, described in Section 2.1.
- 1.11 **Permitted Use:** The Leased Premises will be used by SOUTH PENINSULA HOSPITAL, INC., an Alaska non-profit corporation, and Lessee's permitted Sublessee, for the operation and conduct of a Women's Clinic for the benefit of KPB and the SKPHSA.
- 1.12 **KPB:** The Kenai Peninsula Borough, a municipal corporation.

1.13 KPB Assembly: The Assembly of the Kenai Peninsula Borough.

1.14 SKPHSA: The South Kenai Peninsula Hospital Service Area.

2. **INTERPRETATION.** Pursuant to this Lease, and per the Operating Agreement between SPHI and the KPB, SPHI agrees to sublease the premises subject to this lease from the KPB, with consent of the Lessor, and to assume, pay and perform all obligations of the KPB. For purposes of performance and interpretation, the term Lessee shall include SPHI and the terms “Lessee” and “Sublessee” shall be considered interchangeable, unless context specifically requires performance by KPB.

3. **PREMISES**

- 3.1 **Leased Premises.** Lessor hereby leases to the KPB and consents to the KPB subleasing to Sublessee, SPHI, the following described Leased Premises:

The Women’s Clinic Building that is situated on the real property, and the real property described as follows:

**T 6S R 13W SEC 18 Seward Meridian HM 0562936 FAIRVIEW SUB
LOT 4 BLK 10**

Street address: 4117 Bartlett Street, Homer, Alaska 99603

Assessor’s Parcel No.: 17506104;

Hereinafter referred to as “Leased Premises”.

4. **TERM, RENEWALS, HOLDING OVER, AND SURRENDER OF PREMISES**

- 4.1 **Commencement of Term; Term.** The Term shall begin on the Commencement Date, July 1, 2021. The Term shall be for a period of five (5) years from the Commencement Date, ending on June 30, 2026, subject to 3.1(a) and to §14 RIGHT OF FIRST REFUSAL; OPTION TO PURCHASE below.

- (a) **Subject to KPB Assembly Approval and Annual Appropriation of Funds.** This Lease is subject to KPB Assembly approval and to the annual appropriation and availability of funds. In the event that the KPB Assembly fails to approve this Lease or is required to appropriate funds for the Rent payments and fails to annually appropriate funds for the obligations due under this Lease, then the Borough may provide ninety (90) days’ written notice of termination and this Lease will terminate. Termination is effective immediately upon expiration of the ninety days’ notice period without penalty.

4.2 Renewal Options. Provided that this Lease is in full force and effect and Lessee and Sublessee are not in default hereunder, Lessee and Sublessee shall have the right and option to renew this Lease for five (5) successive Additional Terms, with each individual Additional Term being a period of one year, and under the same terms, conditions, and provisions herein for the original Term of the Lease, except for Rent. The renewal options to be effective must be exercised by the Lessee and/or Sublessee by written notice to Lessor in the form and manner provided in §15.4 at least six (6) months prior to the commencement date of the renewal term.

4.3 Holding Over. Any holding over after the expiration of the term of this Lease, without a signed lease agreement, shall be construed to be a tenancy from month to month, at the monthly rental applicable to the rent due for the last month under this Lease Agreement, and may not exceed six (6) months' holdover period without execution of an extension, renewal, or replacement lease agreement. The provisions of this Section do not exclude Lessor's rights of reentry or any other right hereunder.

4.4 Surrender of Premises. Upon the expiration of or prior termination of this Lease, the Lessee and Sublessee shall remove all property of the Lessee and Sublessee from the leased premises, except plumbing and other fixtures and leasehold renovations, alterations, and improvements which may have been installed by the Lessee or Sublessee and except as otherwise provided in this Lease, and shall repair any damage caused by removal of any property which they are permitted to remove, and shall surrender the leased premises to the Lessor "broom clean" in as good order and condition as they were upon Sublessee commencing business, or were placed by Lessee or Sublessee thereafter, ordinary wear and tear and loss by fire or other unavoidable casualty excepted. Any property left on the premises after the expiration or other termination of this Lease may be disposed of by Lessor in any manner and without any liability to the Lessee or Sublessee.

- (a) During the final four (4) months of the Lease's Term, Lessor shall be permitted to show prospective tenants the leased premises upon giving the Lessee and its Sublessee at least twenty-four (24) hours' prior notice.

5. RENT, OTHER FINANCIAL OBLIGATIONS, SECURITY DEPOSIT AND COMPLIANCE

5.1 Rent. Monthly Rent shall be paid monthly in advance, on the first (1st) day of each month, without notice or demand, at the address of Lessor, or at such other place as Lessor shall from time to time designate in writing. In the event the Lessee fails

to pay any monthly installment of rent within twenty (20) days of the due date of such installment, Lessee shall pay in addition to such rent due a late charge of \$30.00. Furthermore, Lessee shall pay interest, assessed at the Federal Discount Rate but not exceeding 1.0% per month, on all delinquent unpaid rent after 30 days of the day the monthly installment was due. Such interest shall be calculated from the due date of the installment until the date received by Lessor.

- (a) Sublessee may perform Lessee's obligation to pay rent to Lessor.
- (b) **Renewal Rent.** For each renewal option exercised under §3.2 above, the Annual Rent, and the corresponding Monthly Rent, shall be adjusted to the then existing fair market value by mutual agreement of the parties based upon the opinion of a real estate broker who does business in Homer, Alaska, which agreements shall be amendments or addenda to this Lease signed by the parties. If the parties are unable to agree upon a rent adjustment for any such one year period utilizing the opinion of a real estate broker, then the parties will agree upon a qualified appraiser who will determine fair market value for the Annual Rent and the corresponding Monthly Rent. In that event, the appraiser's determination shall be documented in an amendment or addendum to this Lease that is executed by the parties. The parties agree that if an appraisal is obtained, then Lessor and Sublessee shall each pay 50% of the cost of the appraisal.

5.2 Security Deposit. The Lessee or Sublessee shall deposit with the Lessor upon execution of this Lease the sum of \$1,000.00 in cash as security for the payment of rent provided herein and for the observance and performance by Lessee and Sublessee of all of the terms, provisions, and conditions of this Lease on its part to be kept and performed; and further to indemnify the Lessor for any loss, costs, fees and expenses which the Lessor may incur by reason of any default by the Lessee. The Lessor shall repay to the depositing Lessee or Sublessee the security deposit or any balance thereof upon the termination or expiration of the Term of this Lease or any extension thereof, either (1) by crediting the same on account of payment of the rent for the last month of the Lease or additional term, as the case may be; or (2) refunding the security deposit to depositing Lessee or Sublessee, net or less any loss, costs, fees and expenses which the Lessor may incur by reason of any default by the Lessee or Sublessee. In the event of any failure in the payment of rent or other sum, or of any default by the Lessee or Sublessee in the performance of the terms, provisions, and conditions of this Lease, the Lessor shall have the right to apply the security deposit against any loss, costs, fees, and expenses caused thereby. The security deposit shall bear no interest.

- (a) Sublessee may perform Lessee's obligation to pay the security deposit to Lessor.

5.3 Compliance with Anti-Kickback & Stark Laws Requirements. The purpose of this Lease is to provide Lessee and Sublessee with Leased Premises that are suitable for Lessee's Sublessee to establish and operate a Women's Clinic in the City of Homer, Alaska, in order to provide services to patients, which is a community benefit to the SKPHSA. The volume or value of any business generated between these parties and Sublessee was not considered, and is not a factor, in determining the fair market value of the annual rental of the Leased Premises for the term of this Lease, and for any Additional Terms. Except as specifically required by duties hereunder, nothing in this Agreement shall be construed to require Lessor, or any Physician, any other health care provider, or any provider of Designated Health Services retained or employed by Lessor (if any), or who has a financial interest in or financial arrangement with Lessor, to refer patients to South Peninsula Hospital ("Hospital"), to the Women's Clinic located on the Leased Premises, or to utilize Hospital or Women's Clinic to provide inpatient, outpatient or other services to patients, or otherwise to generate business for Lessee or for Sublessee or for any of their Medical Facilities or programs, or for Lessee or Sublessee to generate business for Lessor. Notwithstanding any unanticipated effect of any of the provisions herein, the parties intend to comply with 42 U.S.C. §1320a-7b(b), commonly known as the federal Anti-Kickback Statute, 42 U.S.C. §1395nn, commonly known as Stark II and Stark III ("Stark Laws"), and any federal or state law provision governing fraud and abuse or self-referrals under the Medicare or Medicaid programs, or any other federal or state health care program, as such provisions may be amended from time to time. The parties intend that this Lease comply with the conditions for meeting the Anti-Kickback Statute "space rental" safe harbor set forth in 42 C.F.R. §1001.952(b), and comply with the requirements of the "rental of office space" exception to the Stark Laws at 42 CFR §411.357(a), as such regulations may be amended. This Lease shall be construed in a manner consistent with compliance with such statutes and regulations, and the parties agree to take such actions as are necessary to construe and administer this Lease consistent with compliance. In the event any court or administrative agency of competent jurisdiction determines that this Lease violates any of such statutes or regulations, or that the compensation hereunder exceeds reasonable compensation for purposes of any limitations applicable to tax-exempt entities, then the parties agree to take such actions as are necessary to amend this Lease for compliance with the applicable statutes or regulations, as provided herein.

6. LEASEHOLD IMPROVEMENTS

6.1 Leasehold Improvements. There will be no leasehold improvements prior to Lessee's occupancy. The parties agree that the Leased Premises do not require leasehold improvements to suit Lessee's and Sublessee's use prior to Lessee's and Sublessee's occupancy.

7. USE AND OTHER COMPLIANCE WITH LAWS

7.1 General Use and Compliance with Laws. Lessee certifies that it or its Sublessee shall use the Leased Premises for the operation of a Women's Clinic as defined as the Permitted Use above, and all activities incident thereto, and for no other purposes whatsoever without the written consent of Lessor. Lessor certifies that, to the best of its knowledge, the Leased Premises, Building, and Land, as of the date of delivery of possession of the Leased Premises to Lessee, are or will be in compliance with all applicable laws, ordinances, rules, regulations and orders of any governmental authority, including but not limited to those governing zoning, health, safety and occupational hazards and pollution and environmental control, and with the Americans with Disabilities Act, and with all recorded declarations, restrictions and covenants applicable to the Land. Subject to such certification, Lessee and its Sublessee shall, at their sole cost and expense, comply with all applicable laws and regulations, specifically including, but not limited to, the generation, handling, storage, and disposal of biohazardous medical waste materials and other materials and matter commonly used in the health care industry.

8. UTILITIES, MAINTENANCE AND REPAIRS

8.1 Utilities. Lessee agrees to be responsible for and to pay for the cost of electric light, heat, power, fuel, water and sewer and other utility service to the Leased Premises, and to any exterior storage, if any, as agreed as of the Commencement Date.

(a) Sublessee may perform Lessee's obligation to pay the utilities.

8.2 Maintenance, Repair and Replacement.

(a) **Lessor Responsibilities.** Lessor shall be responsible for the following:

(1) Lessor shall keep, maintain, repair and replace as necessary or appropriate the foundations, roof, and structural portions of the Building in good operating condition and in compliance with all requirements of applicable governmental authorities. Lessor shall keep the exterior and

interior of the Building in good repair in a condition comparable to other medical office buildings in the City of Homer.

- (2) All equipment, excluding Lessee's own equipment, including but not limited to heating, air conditioning, electric, water and plumbing equipment and facilities in the Premises, shall be maintained and kept in proper working condition by Lessor at Lessor's sole expense, except that the cost of any repairs to the plumbing and heating lines necessitated by the action of the Lessee or its Sublessee, agents or employees shall be at the expense of the Lessee. Lessor will provide such maintenance and repairs with reasonable promptness and Lessee is prohibited from performing any maintenance or repairs to any of the aforesaid equipment and from hiring any contractors or persons to repair the same without the prior written approval of Lessor except in the case of emergency.
- (3) The Lessor will maintain in a neat and slightly condition the exterior grounds, parking areas, ingress and egress, parking lot maintenance and repair, and other requisite services as needed to maintain the aesthetic appearance of the Building in a manner comparable to other medical office complexes in the City of Homer.
- (4) Lessor shall not be required to make any such repairs occasioned by an act or negligence of Lessee, its agents, employees, invitees, or licensees, except to the extent that Lessor is reimbursed therefore under any policy of insurance permitting waiver of subrogation in advance of loss.

(b) **Lessee Responsibilities.** Lessee will be responsible for the following:

- (1) Lessee shall maintain the Leased Premises, and together with other lessees and occupants, if any, shall maintain the Common Areas in a good, neat and clean condition, including but not limited to tenant improvements. Lessee shall comply with all requirements of law, ordinance, health officer, fire marshal or building inspector regarding its use of the Leased Premises. Lessee shall permit no waste, damage, or injury to the Leased Premises and shall, at its own cost and expense, replace any plate or window glass which may become broken in the Leased Premises.
- (2) Lessee shall keep the Leased Premises, and together with other lessees and occupants, if any, shall keep the Common Areas and exterior grounds, driveways and parking areas free and clean from rubbish,

trash, and garbage at all times; shall provide lawn and landscape maintenance, snow removal, trash removal, shall provide routine maintenance for the Leased Premises; and together with other lessee and occupants, if any, shall keep all rubbish, trash and garbage within the Building in containers, and shall dispose of all rubbish, trash and garbage in dumpsters or other containers specified by the Lessor.

- (3) Lessee shall, in all matters, act in compliance and conformity with all Federal, State, and local laws and regulations and in conformity with generally accepted health and safety standards. Any and all hazardous medical wastes materials and other materials and matter commonly used in the health care industry shall be generated, dealt with, handled, stored, and disposed of by Lessee or its Sublessee at Lessee's or Sublessee's sole cost and expense in conformity with said Federal, State, and local laws and regulations and in conformity with generally accepted health and safety standards, and shall not be disposed of in any respect in any area of the property. Lessee agrees to indemnify, defend, and hold harmless Lessor, its Managing Agent, and any of their officers, directors, employees, agents, licensees, or invitees from and against any and all claims, demands, liabilities, suits, actions, judgments, losses, costs, damages, and any expenses, including, without limitation, attorneys fees, arising or resulting from, or suffered, sustained or incurred by said parties with respect to violation of any Federal, State, and local laws and regulations or violation of any generally accepted health and safety standards.
- (4) Sublessee may perform Lessee's Responsibilities for maintenance, repair and replacement. Lessee may assign to Sublessee the Lessor's indemnity obligation, and Sublessee may perform Lessee's obligation to indemnify Lessor.

8.3 Inspection of Premises and Access. Lessor, at reasonable times with the consent of Lessee or its Sublessee (excepting emergencies, as to which no consent shall be required), which consent shall not be unreasonably withheld, may enter the Leased Premises to complete improvements undertaken by Lessor on the Leased Premises or Building, to inspect, clean, maintain or repair the same, and for other reasonable purposes. Lessor shall give Lessee or its Sublessee at least twenty four (24) hour notice prior to any entry into the Leased Premises (excepting emergencies, as to which such notice, if any, as is reasonable under the circumstances shall be given, and Lessor's entry shall be solely for the purpose of taking necessary actions to remedy and/or repair the emergency situation), and in no event shall Lessor

unreasonably interfere with access to or use of the Leased Premises or Parking Area by Lessee, its Sublessee, its agents, employees or invitees.

9. FIXTURES AND ALTERATIONS

- 9.1 Fixtures.** Lessee and its Sublessee may install any trade fixtures, equipment, furnishings, furniture and other fixtures or removable personal property in the Leased Premises, provided, that the same are installed and removed without permanent or structural damage to the Building. All such property shall remain Lessee's property and shall be removed by Lessee and its Sublessee upon expiration or termination of this Lease.
- 9.2 Alterations.** Lessee may make non-structural alterations, additions or changes in or to the Leased Premises with prior notification to and written consent of the Lessor, provided that Lessor may require Lessee to remove them upon expiration or termination of this Lease, at Lessee's expense and without damage to the Leased Premises. Lessee and its Sublessee shall not make alterations, additions or changes to the Leased Premises affecting the structure of the Building without Lessor's prior written consent.
- 9.3 Mechanic's Liens.** No person shall be entitled to any lien upon the Leased Premises or the Land, in whole or in part, or any interest or estate in any such property, by reason of any work, labor, services or material claimed to have been performed or furnished to or for Lessee or Sublessee, or otherwise on account of any act or failure to act on the part of Lessee or its Sublessee, and Lessee and its Sublessee shall neither cause nor permit the filing of any such lien. If any such lien claim or notice shall be filed, Lessee or its Sublessee shall cause the same to be released or provide other satisfactory security to Lessor with respect to the same (which may be in the form of a bond, title insurance endorsement or other assurance reasonably satisfactory to Lessor) within sixty (60) days; and if not so released or secured, Lessor, at its option, may pay up to the full amount of such lien claim to cause its release, and such amount, together with interest thereon from the date of payment, assessed at the Federal Discount Rate but not exceeding 1.0% per month, shall be deemed due and payable by Lessee immediately. Nothing in this Lease shall be deemed or construed to constitute consent to or request to any party for the performance of any labor or services or the furnishing of any materials for the improvement, alteration or repairing of the Leased Premises; nor as giving Lessee and its Sublessee the right or authority to contract for, authorize or permit the performance of any labor or services or the furnishing of any material that would permit the attaching of a valid mechanic's lien.

10. SUBLEASE TO SPHI.

Lessor hereby approves subletting this lease to SOUTH PENINSULA HOSPITAL, INC. ("Sublessee" or "SPHI") under the terms and conditions of the Operating Agreement between Lessee and Sublessee, as may be amended from time to time. The Lessee hereby sublets the entire Leased Premises to the Sublessee. The Sublessee hereby assumes all of the Lessee's rights, responsibilities and obligations under this Lease.

Except as previously approved herein, the Sublessee shall not assign, mortgage, encumber or otherwise transfer this Lease or its interests hereunder, in whole or in part, or sublet the Leased Premises in whole or in part, without the prior written consent of Lessor and the Lessee, which will not be unreasonably withheld. In the event Lessor consents to any such transaction, Sublessee shall remain fully liable to perform all the obligations of Lessee under this Lease, including but not limited to payment of Rent, unless the Lessor has also consented in writing to the release of Sublessee or Lessee from this Lease.

11. INSURANCE AND INDEMNIFICATION

11.1 Lessor's Insurance. During the Term, and Additional Terms, Lessor, at its sole cost and expense, agrees to keep the Land, Building, and improvements (including the Leased Premises) insured against loss or damage by fire or other casualty insurable under standard fire and extended coverage insurance in an amount equal to the full current replacement cost of said building(s).

11.2 Lessee's Property and Fixtures. Lessee and its Sublessee assume the risk of damage to any of their fixtures, furniture, equipment, machinery, goods, supplies contents, and their other personal property on the Leased Premises or used in connection with Lessee's or Sublessee's business or as to which Lessee or Sublessee retains the right of removal from the Leased Premises.

11.3 Lessee's Insurance.

(a) Lessee shall, at its own cost and expense, keep and maintain in full force during the Term, and any Additional Terms, the following:

- (1) Comprehensive general liability insurance, insuring Lessee's activities in or about the Leased Premises against loss, damage or liability for personal injury or death of any person or loss or damages to property occurring in, upon or about the Leased Premises covering bodily injury in the amounts of not less than One Million Dollars (\$1,000,000) per person and not less than One Million Dollars (\$1,000,000) per claim or occurrence, and covering property damage in the amount of not less than Two Million Dollars (\$2,000,000), in aggregate or combined single limit coverage. Lessor shall be named as an additional insured on such policy or policies of insurance; and

(2) Insurance coverage for Lessee's fixtures, furniture, equipment, machinery, goods, supplies, contents, and other personal property on the Leased Premises or used in connection with Lessee's business.

(b) Lessee may assign to Sublessee the Lessee's insurance obligation, and Sublessee may perform Lessee's obligation to provide insurance.

11.4 Indemnification of Lessor.

(a) Sublessee shall indemnify, defend and save harmless Lessor and the KPB from and against any and all claims, demands, causes of action, law suits, judgments, losses, and liabilities for personal injury, death or property damage, and from and against all expenses incident thereto or incurred by Lessor of the KPB as a result thereof, including attorney's fees and costs, that arise out of or relate to Lessee's use and occupation of the Premises during the Term or any Additional Terms of this Lease. Notwithstanding the preceding sentence, however, Lessee shall not be required to indemnify, defend or save harmless Lessor from or against any claim, demand, cause of action, law suit, judgments, loss, and liability to the extent it results from or is alleged to result from any negligent or intentional conduct of Lessor, Lessor's agents, employees or independent contractors.

(b) Lessee may assign to Sublessee the Lessor's indemnity obligation, and Sublessee may perform Lessee's obligation to indemnify Lessor.

11.5 Insurance Certificates. At the Lessor's request, Lessee or Sublessee shall provide Lessor with a certificate or certificates of insurance or letter of self-insurance evidencing the insurance coverage required under Section 10.3, and Lessee or Sublessee shall promptly notify the Lessor of any cancellation, reduction, or other material change in the amount or scope of any coverage required hereunder.

12. DAMAGE AND DESTRUCTION

12.1 Damage and Restoration. If either the Leased Premises or Building is damaged or destroyed to the extent that Lessor reasonably determines that it cannot, with reasonable diligence, be fully repaired or restored by Lessor within one hundred eighty (180) days after the date of such damage or destruction, either Lessor or Lessee may terminate this Lease. Lessor shall notify Lessee of any such determination in writing, within thirty (30) days after the date of such damage or destruction. If Lessor so determines that the Building can be fully repaired or restored within the one hundred eighty (180) day period, or if Lessor so determines to the contrary but neither party terminates this Lease, then this Lease shall remain in full force and effect and Lessor shall, to the extent insurance proceeds are not required to be applied to mortgagee indebtedness on the Building or Land,

diligently repair or rebuild the Leased Premises and/or Building to return such improvements to the condition in which it/they existed immediately prior to such damage or destruction, as soon as possible and within the maximum period of one hundred eighty (180) days, if applicable.

- 12.2 Rent Abatement.** Rent due and payable hereunder shall be abated proportionately during any period in which, by reason of any such damage or destruction to the Leased Premises or the Building, the operation of Sublessee's business in the Leased Premises experiences substantial interference, and that continuation of all or part of Sublessee's business in the Leased Premises is not practical pending reconstruction. In such event, the Rent payable hereunder, or an equitable proportion thereof in the event Sublessee continues to conduct business in the Leased Premises, shall abate from the date of damage or destruction until Sublessee is able to conduct its full business operations in the Leased Premises.

13. EMINENT DOMAIN

- 13.1 Total Condemnation.** If the whole of the Building is acquired or condemned by eminent domain or inversely condemned or sold in lieu of condemnation, for any public or quasi-public use or purpose ("Condemned"), then this Lease shall terminate as of the date of title vesting in such proceeding or conveyance in lieu of any proceeding, and Rent shall be prorated to the date of such termination.
- 13.2 Partial Condemnation.** If less than the whole of the Building is Condemned, but such partial condemnation renders the Leased Premises unusable for the full and normal conduct of the business of Sublessee, or constitutes a substantial portion of the Building, as reasonably determined by Lessor, then the Lease shall terminate as of the date of the title vesting in such proceeding or conveyance in lieu of any proceeding and Rent shall be prorated to the date of termination. Otherwise, Lessor shall promptly restore the Leased Premises to a condition comparable to its condition immediately prior to such partial Condemnation, less the portion thereof lost in such partial Condemnation, and this Lease shall continue in full force and effect, except that after the date of such title vesting, the Rent shall be proportionately reduced to reflect the percentage of the Leased Premises, Building and/or the Parking Area Condemned.
- 13.3 Notices and Award.** Lessor shall, immediately upon receipt of notice in connection with any condemnation or potential condemnation, give Lessee notice in writing thereof. If Lessee receives notice of any such occurrence, Lessee shall immediately notify Lessor thereof. If the Leased Premises are wholly or partially condemned, Lessor shall be entitled to the entire award paid for such condemnation, except as

set forth herein. Lessee shall have the right to claim such compensation as may be separately awarded or recoverable by Lessee in Lessee's own right on account of any and all costs or loss that Lessee and Sublessee would incur in removing Lessee's and Sublessee's furniture, fixtures, leasehold improvements and equipment to a new location.

14. **DEFAULT**

14.1 Events of Default. Each of the following shall constitute an "Event of Default" on the part of Lessee:

- (a) **Payment.** Failure to pay any installment of Rent or other monies when due and payable under this Lease, if such failure continues for a period of thirty (30) days after written notice of such failure from Lessor to Lessee;
- (b) **Performance.** Except as otherwise set forth below, Default in the performance of any of Lessee's and Sublessee's non-payment obligations or covenants under this Lease, including Lessee's and Sublessee's compliance with the Permitted Use defined in Section 1.11, if such default continues for thirty (30) days after written notice thereof from Lessor to Lessee, provided, however, that if the obligation or covenant to be performed by Lessee and Lessee is of such nature that the same cannot reasonably be performed or cured within such thirty (30) day period, such default shall not constitute an Event of Default if Lessee commences such performance or cure within said thirty (30) day period and thereafter diligently undertakes to complete, and does so complete, the required performance or cure within a reasonable time;
- (c) **Assignment.** A general assignment by Lessee or Sublessee for the benefit of creditors;
- (d) **Bankruptcy.** The filing of a voluntary petition by Lessee or Sublessee seeking the rehabilitation, liquidation or reorganization of Lessee under any law relating to bankruptcy, insolvency or other relief of debtors, or the filing of an involuntary petition by any of Lessee's or Sublessee's creditors seeking any such relief, if not dismissed or otherwise removed within ninety (90) days;
- (e) **Receivership.** The appointment of a receiver or other custodian to take possession of substantially all of Lessee's or Sublessee's assets or of this leasehold, if not dismissed or otherwise removed within ninety (90) days;
- (f) **Dissolution.** Entry of a court decree or order directing the winding up or

liquidation of Lessee or Sublessee or of substantially all of its assets, if not reversed or otherwise removed within ninety (90) days; or any action by Lessee toward the dissolution or winding up of its affairs; or

- (g) **Attachment.** Attachment, execution or other judicial seizure of substantially all of Lessee's or Sublessee's assets or this leasehold, if not dismissed or otherwise removed within ninety (90) days.

14.2 Lessor's Remedies. Upon the occurrence of an Event of Default, Lessor may, at its option:

- (a) Without terminating this Lease or Lessee's obligations hereunder, including but not limited to the Lessee's obligation to pay rents, and with or without legal process, peaceably re-enter and retake possession of the Leased Premises, and remove Lessee's and Sublessee's property therefrom and store or dispose of such property at the expense of the Lessee, all without liability to Lessor or other persons for any such property so removed at the time of re-entry, except if caused solely by the willful act or gross negligence of Lessor;
- (b) Terminate this Lease by written notice to the Lessee, without terminating Lessee's obligations hereunder, including but not limited to the Lessee's obligation to pay Rent;
- (c) Relet the Leased Premises or any part thereof following repossession of the Leased Premises by Lessor, whether or not this Lease has been terminated, and without duty to so relet, for such term or terms, which extend beyond the Term, at such rental or rentals and upon such other terms and conditions, as Lessor in its sole discretion shall determine, and making such alterations and repairs to the Leased Premises as Lessor may reasonably determine to be necessary in connection therewith, provided that the net amount, if any, realized by Lessor from such reletting shall be credited against the amounts owed by Lessee under this Lease;
- (d) Following termination of this Lease, recover from Lessee all rent and other amounts due and unpaid under the terms of this Lease as of the date of termination, together with such other amounts as may be recoverable under applicable law to compensate Lessor for all damages proximately caused by Lessee's failure to perform its obligations under this Lease;
- (e) Exercise or seek any other right or remedy allowed at law or in equity under the statutes or common law of the state in which the Land is located.

In connection with any of the foregoing, Lessor shall be entitled to recover from Lessee, promptly upon demand, any and all costs and expenses incurred by Lessor, including but not limited to reasonable attorneys' fees and costs of reletting, following any such Event of Default by Lessee. Lessee also shall be liable for and agrees to pay to Lessor interest assessed at the Federal Discount Rate but not exceeding 1.0% per month, with respect to the following: (1) all Rent under this Lease remaining unpaid for thirty (30) days after the due date, from the due day until paid; (2) all costs and expenses incurred by Lessor following any Event of Default, from the date paid or incurred by Lessor until reimbursed; and (3) all other amounts at any time becoming due and payable hereunder, from the date due and payable until paid.

14.3 Lessor's Default. It shall be a default under this Lease by Lessor if Lessor shall fail to perform or observe any obligation or covenant required to be performed or observed by it under this Lease for a period of thirty (30) days after written notice thereof from Lessee. Upon the occurrence of any such default, if the same has not been reasonably cured by Lessor within said period of thirty (30) or fewer days (provided, however, that if no emergency exists and the default is of such nature that the same cannot reasonably be cured within a thirty (30) day period, such cure period shall be extended for a reasonable time if Lessor commences such performance within said thirty (30) day period and thereafter diligently undertakes to complete the same), then Lessee may, at its option cure the default and offset against the rents next due and payable hereunder the reasonable costs, if any, advanced by Lessee to effect such cure. Provided, however, that Lessee's right of offset shall be subject to the following limitations: (A) The subject default must be of a nature that materially affects Lessee's or Sublessee's parking, access to the Building or Leased Premises, or ability to conduct its Permitted Use in the Leased Premises; (B) Lessee and Sublessee shall submit to Lessor a written statement of their actual expenditures incurred to effect the cure of the default, and Lessor shall not have paid the same within fifteen (15) days after receipt of said statement; (C) Lessee or Sublessee shall submit a written notice of their exercise of said right of offset at the time the Rent payment or portion thereof against which the right is exercised otherwise would be due; and (D) Lessee's and Sublessee's right of offset during any period of twelve (12) consecutive months shall be limited to fifty percent (50%) of the total Rent payments payable during such twelve (12) month period.

14.4 Remedies Cumulative; No Waiver. Each right and remedy provided to a party under this Lease shall be cumulative and shall be in addition to every other right or remedy provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise. The exercise or beginning of the exercise by a party of any one or more of the rights or remedies provided for in this Lease, or now or hereafter existing at law or in equity or by statute or otherwise, shall not constitute

a waiver of any other right or remedy provided for in this Lease or now or hereafter existing at law in equity or by statute or otherwise. No failure by a party to insist upon the strict performance of any term hereof or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial payment by a party during the continuance of any such breach, shall constitute a waiver of any such breach or of any such term. The waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Lease nor shall it be considered a waiver by such party of any other covenant, condition or promise hereunder. The waiver by any party of the time for performing any act shall not constitute a waiver of the time for performing any other act or an identical act required to be performed at a later time.

15. RIGHT OF FIRST REFUSAL; OPTION TO PURCHASE.

15.1 Right of First Refusal. In consideration of this Lease, in the event that the Lessor receives an offer to purchase the building and land described in § 2.1 during the term of this Lease or any Additional Terms, the Lessor agrees to first offer the property to Lessee for the same price and on the same terms and conditions as the offer made by the third party to Lessor.

- (a) Lessor agrees to notify Lessee in writing, as provided in §15.4, of the offer to purchase the land and building described in § 2.1, including all terms and conditions of the intended sale.
- (b) Lessee shall have ninety (90) days from the date of receipt of Lessor's written notice in which to exercise Lessee's right of first refusal by written notice to Lessor, as provided in §15.4, of Lessee's acceptance or rejection of the intended sale upon the same price, terms, and conditions as the offer made by the third party to Lessor.
- (c) If Lessee determines to exercise its right of first refusal by acceptance of the intended sale, then, to be valid and binding, Lessee must deliver written notice of its acceptance of the intended sale to Lessor, as provided in §15.4, before the ninety-first (91st) day following the date of Lessee's receipt of Lessor's written notice of intended sale.
- (d) If Lessee determines to exercise its right of first refusal by rejection of the intended sale, then Lessor may accept the offer from the third party and the land and building described in § 2.1 may be sold, transferred and conveyed to the third party free and clear of any right of first refusal in Lessee under this Lease. In addition, at Lessor's request, Lessee agrees to execute any other instrument suitable for recording, if necessary, to document for the

record Lessee's rejection of the intended sale and termination of its right of first refusal.

- (e) The parties agree that if Lessee does not provide written notice to Lessor of Lessee's exercise of its right of first refusal by acceptance or rejection of the intended sale before the ninety-first (91st) day following the date of Lessee's receipt of written notice of intended sale from Lessor, or if Lessee does not provide an instrument suitable for recording to document its rejection of the intended sale and the termination of their right of first refusal before the ninety-first (91st) day following the date of Lessee's receipt of written notice of intended sale from Lessor, then Lessee's right of first refusal will terminate automatically as of the ninety-first (91st) day following the date of Lessee's receipt of written notice of the intended sale from Lessor, and this right of first refusal shall terminate without any need for further action or documentation by Lessor or Lessee.
- (f) The termination of the right of first refusal does not terminate this Lease.

15.2 Grant of Option to Purchase. The Lessor, as part of the consideration herein, hereby grants to Lessee the exclusive option to purchase the land and building described in §2.1 ("Option") upon the terms and conditions stated herein and/or to be stated in a written Purchase and Sale Agreement to be executed by Lessor and Lessee.

- (a) **Option Period.** The Option shall run with the land and building described in §2.1 ("Leased Premises") during the term of this Lease or any Additional Terms thereof.
- (b) **Exercise of Option.** The Option to purchase must be exercised within three years from the first day of the initial Term ("option period") by written notice to the Lessor as provided in §15.4. However, the option to purchase cannot be exercised after the Lessee receives notice from the Lessor of an offer to purchase under § 14.1. But if the Lessor does not close a sale in connection with that offer, then the Lessee may exercise the option to purchase during the option period.
- (c) **Purchase Price and Terms.** The purchase price shall be the Fair Market Value for the Leased Premises. Such Fair Market Value will be based on the appraised value of the Leased Premises as established by a qualified appraiser, whose assignment is agreed to by the Lessor and Lessee. The purchase price shall be payable in full to Lessor at Closing. The Lessor shall convey marketable title to the Leased Premises, by good and sufficient

Warranty Deed in fee simple absolute, on or before Closing; said title to be free, clear, and unencumbered, except for restrictions and easements of record. Title to be insured by a policy of title insurance acceptable to Lessee and Sublessee. All other terms and conditions applicable to the sale and purchase of the Lease Premises shall be in a Purchase and Sale Agreement to be executed by Lessor and Lessee.

- (d) **Specific Performance.** It is acknowledged and agreed that the remedy of damages for breach of performance by either party is inadequate and therefore either party is entitled to the remedy of specific performance of this option.

16. MISCELLANEOUS

- 16.1 Quiet Possession.** If Lessee shall perform all of the covenants and obligations herein provided to be performed by Lessee, either directly or through Sublessee, Lessee and its Sublessee shall at all times during the Term have the peaceable and quiet enjoyment of possession of the Leased Premises without any manner of hindrance from Lessor or any persons lawfully claiming under Lessor.
- 16.2 Memorandum of Lease.** The parties agree that they will not record this Lease at full length, but may record a Memorandum of Lease in compliance with AS 40.17.120 that shall include the §14 RIGHT OF FIRST REFUSAL; OPTION TO PURCHASE.
- 16.3 Signage.** The Sublessee shall be able to install and maintain reasonable signage for Sublessee's business on the Leased Premises and in Building with the consent of Lessor, which consent shall not be unreasonably withheld.
- 16.4 Notices.** All notices, demands and other communications authorized or required under this Agreement shall be given in writing, and shall be given by (i) personal delivery, or (ii) registered or certified mail, postage prepaid, and return receipt requested, or (iii) delivery by commercially recognized courier service. Notice shall be considered given on the date of delivery or refusal to accept delivery. Notices shall be addressed as shown below for each party, except that, if any party gives notice of a change of name or address, notices to that party shall thereafter be given as shown in that notice.

Lessor:

Westwing, LLC
Attn: Members
PO BOX 537
Homer, AK, 99603

Lessee:

KENAI PENINSULA BOROUGH
Attn: Mayor
144 N. Binkley St.
Soldotna, AK 99669

Sublessee:

SOUTH PENINSULA HOSPITAL, INC.
Attn: Chief Executive Officer
4300 Bartlett Street
Homer, AK 99603

The foregoing addresses for purposes of notice may be changed by giving notice of such change to the other parties as provided herein.

- 16.5 Parties.** This Lease and all of the terms and provisions hereof shall inure to the benefit of and be binding upon Lessor, Lessee, and Sublessee, and their respective heirs, successors, assigns and legal representatives.
- 16.6 Time.** Time is of the essence of every provision hereof.
- 16.7 Captions.** The captions appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.
- 16.8 Severability.** If any provision of this Lease shall to any extent be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Lease shall remain in full force and effect and shall in no way be affected, impaired or invalidated.
- 16.9 Governing Law, Forum and Venue.** This Lease, and the rights and obligations of the parties hereto, shall be construed and enforced in accordance with the internal laws of the State of Alaska and in accordance with any applicable federal laws. The forum and venue for any lawsuit between these parties arising out of this Agreement shall be in the Trial Courts for the State of Alaska in the Third Judicial District, Homer Venue District.
- 16.10 Entire Agreement.** This Lease sets forth all covenants, promises, agreements, conditions and understandings between Lessor, Lessee, and Sublessee concerning the subject matter of the lease of the Leased Premises, Building and Land, and there are no covenants, promises, agreements, conditions or understandings, either oral

or written, between Lessor, Lessee, and Sublessee as to that subject other than as are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Lessor, Lessee, or Sublessee unless reduced to writing and signed by the parties.

16.11 Agreement not to be Construed Against Drafter. The parties to this Lease have had a full opportunity to obtain legal advice concerning this Lease or have declined to obtain such advice. The fact that this Lease may be drafted by an attorney for one of the parties or by one of the parties is a matter of convenience to all parties. Accordingly, the parties agree that the rule of construction that an instrument or document is to be construed and interpreted most strictly against the drafter of the instrument or document shall not apply in the construction or interpretation of this Lease.

16.12 Waiver of Breach. The waiver by either party of a breach or violation of any provision of this Lease shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

16.13 Counterparts. This Lease may be executed in several or separate counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

**WESTWING, LLC
LESSOR**

SONJA MARTIN YOUNG, Member

**KENAI PENINSULA BOROUGH
LESSEE/SUBLESSOR**

CHARLIE PIERCE, Mayor

)

) ss.

)

Notary Public in and for State of Alaska
My Commission Expires: _____



PARCEL REPORT

5/19/2021 12:42

PARCEL ID: 17506104

Total Acreage:

0.19



LEGAL DESCRIPTION:

T 6S R 13W SEC 18 SEWARD MERIDIAN HM 0562936 FAIRVIEW SUB LOT 4 BLK 10

ALL PHYSICAL ADDRESSES ON THIS PARCEL:

4117 BARTLETT ST

LAND VALUE: \$36,400

ASSESSED VALUE: \$242,400

IMPROVEMENT VALUE: \$206,000

TAXABLE VALUE: \$242,400

BUILDINGS ON THIS PARCEL:

| Building Type | Square Footage | Year Built |
|---------------|----------------|------------|
| MEDOFF | 1,612 | 1977 |

OWNERS:

Name:
WESTWING LLC

Address:
PO BOX 537
HOMER, AK 99603



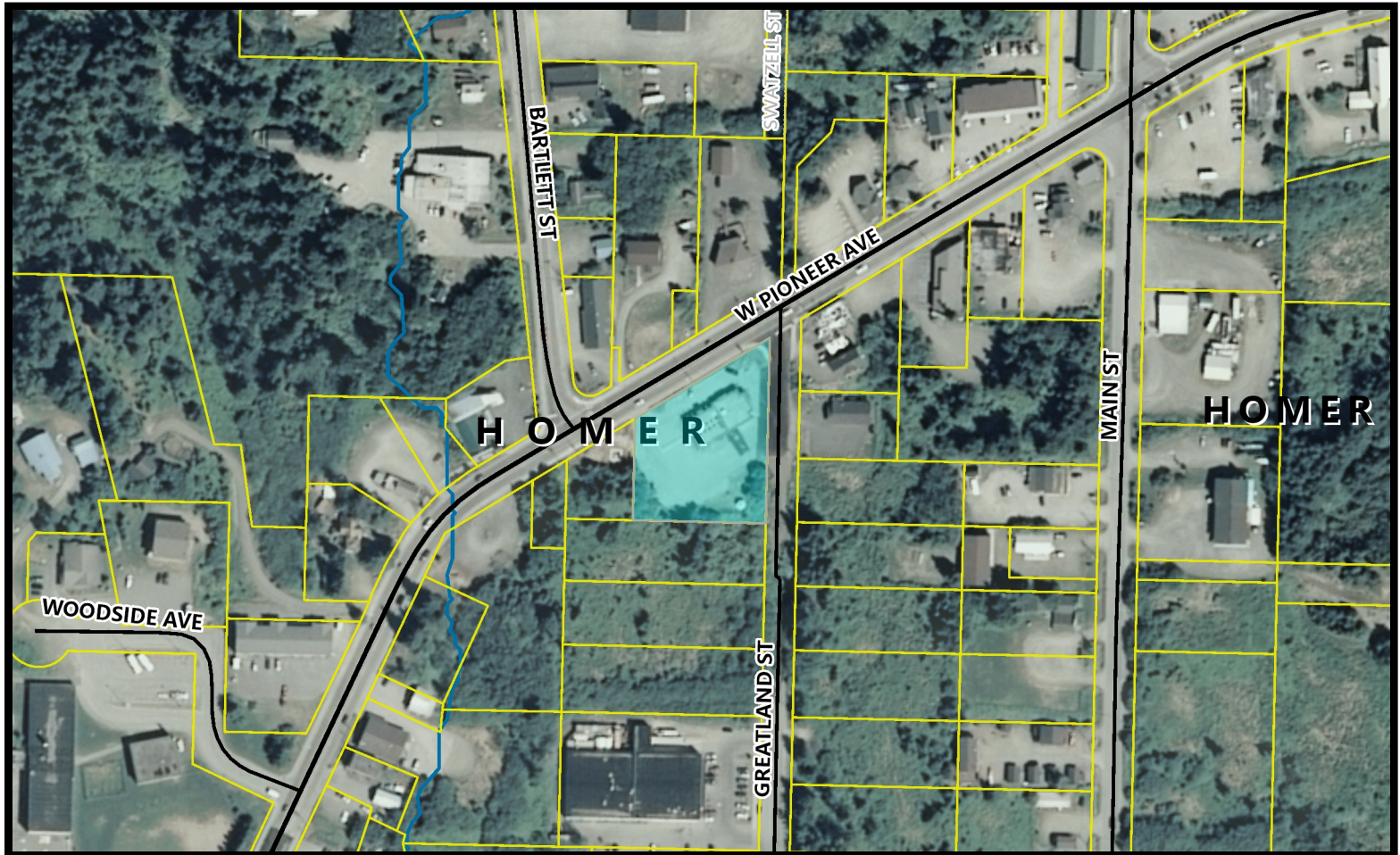
PARCEL REPORT

5/19/2021 12:44

PARCEL ID: 17514304

Total Acreage:

0.97



LEGAL DESCRIPTION:

T 6S R 13W SEC 19 SEWARD MERIDIAN HM 0750063 CHAMBERLAIN & WATSON SUB PLAT OF TR A TRACT A

ALL PHYSICAL ADDRESSES ON THIS PARCEL:

203 W PIONEER AVE

LAND VALUE: \$163,500

ASSESSED VALUE: \$661,800

IMPROVEMENT VALUE: \$498,300

TAXABLE VALUE: \$661,800

BUILDINGS ON THIS PARCEL:

| Building Type | Square Footage | Year Built |
|---------------|----------------|------------|
| GENOFF | 4,492 | 1960 |
| GENOFF | 720 | 2014 |

OWNERS:

Name:

JONAS RIDGE LLC

Address:

203 W PIONEER AVE STE 2
HOMER, AK 99603

Introduced by: Mayor
Date: 06/15/21
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-046**

**A RESOLUTION CLASSIFYING 420 ACRES OF BOROUGH LAND LOCATED
WITHIN SECTION 1, T5S, R14W, SEWARD MERIDIAN, ALASKA AS RURAL
AND AGRICULTURE**

WHEREAS, the Kenai Peninsula Borough has received title to the subject land; and

WHEREAS, pursuant to KPB Chapter 17.10.080 classification provides direction for the management of borough land; and

WHEREAS, public notice was published and notification was sent to land owners and/or leaseholders of record within a one-half mile radius of the land proposed for classification, applicable departments, agencies, and interested parties in accordance with KPB 17.10.080(H); and

WHEREAS, the Kenai Peninsula Borough Planning Commission, at its regular scheduled meeting of June 14, 2021, recommended _____;

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

SECTION 1. Based on the findings of fact, analysis, and conclusions contained in the staff report of June 14, 2021, the following classifications for borough lands described below are compatible with the surrounding land use.

SECTION 2. The following described borough land shall be classified as follows:

| PARCEL No. | GENERAL LOCATION | LEGAL DESCRIPTION | ACRES | CLASSIFICATION |
|-----------------------|-------------------------|--|--------------|-----------------------|
| Portion of 171-040-22 | Anchor Point | Section 1, T5S, R14W, S.M.: NE1/4NW1/4 | 40± | Rural |
| Portion of 171-040-22 | Anchor Point | Section 1, T5S, R14W, S.M.: SE1/4NW1/4 & NE1/4SW1/4 & S1/2SW1/4 & N1/2NE1/4 & SW1/4NE1/4 & NW1/4SE1/4 & W1/2SW1/4SE1/4 & W1/2SE1/4SW1/4 & SE1/4 & W1/2NE1/4SW1/4SE1/34 & NW1/4SE1/4NE1/4 & N1/2NE1/4SE1/4NE1/4 & SW1/4NE1/4SE1/4NE1/4 & NE1/4SW1/4SE1/4NE1/4 & W1/2SW1/4SE1/4NE1/4 & NW1/4NW1/4NE1/4SE1/4 | 380± | Agriculture |

SECTION 2. This resolution shall take effect immediately upon adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY OF JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:



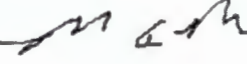
Absent:


Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor 
Melanie Aeschliman, Planning Director 
Marcus Mueller, Land Management Officer 

FROM: Julie Denison, Land Management Technician 

DATE: June 1, 2021

RE: Resolution 2021-046, Classifying 420 Acres of Borough Land Located within Section 1, T5S, R14W, Seward Meridian, Alaska as Rural and Agriculture (Mayor)

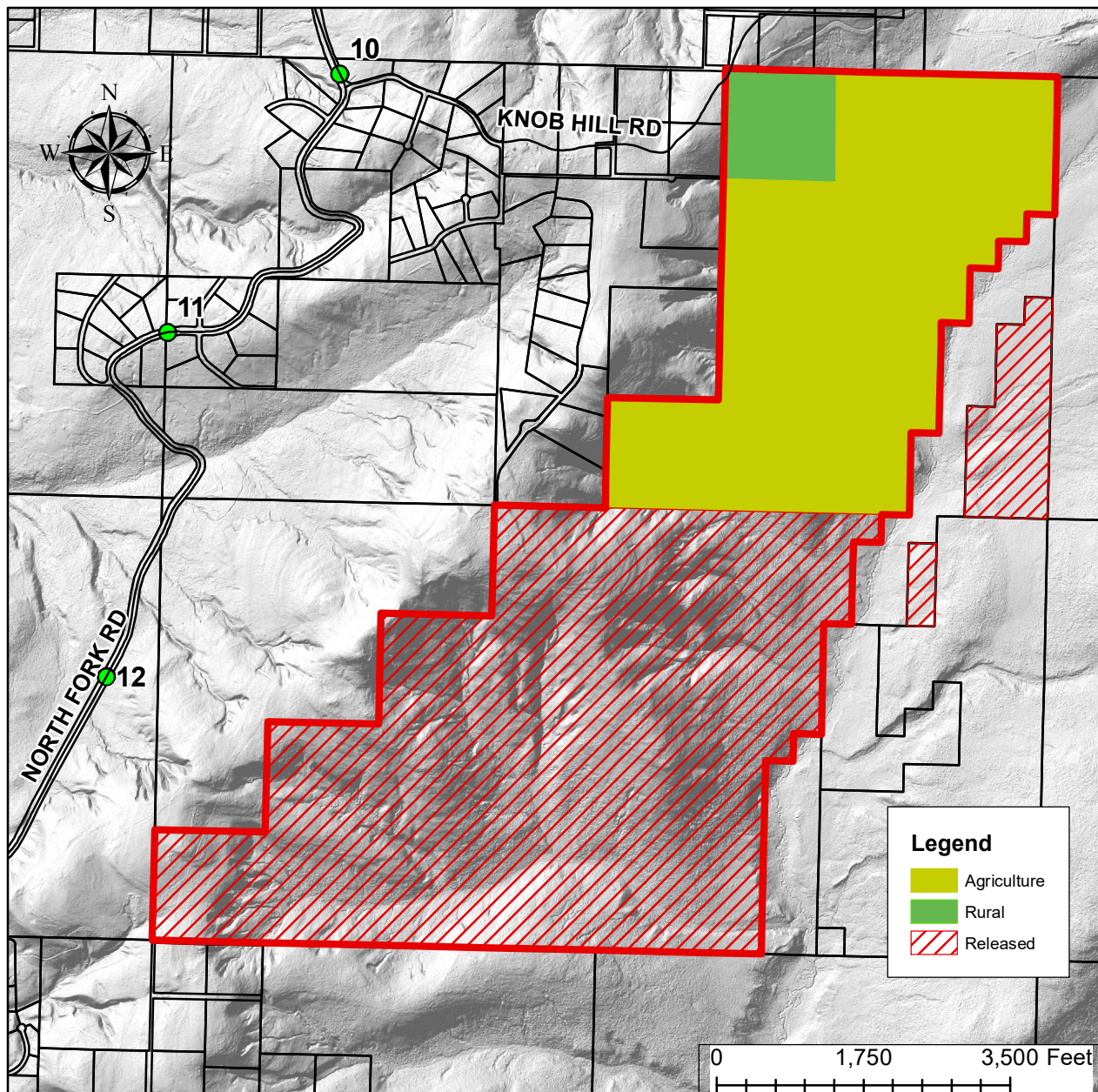
Pursuant to KPB 17.10.080, classification provides direction on how the Borough should manage its land. An application has been received to classify a 40-acre portion of a 1,115.64-acre parcel in the Anchor Point area. The parcel is subject to a 55-year Grazing-Resource Management lease issued by the State of Alaska in 1974. Land Management proposes to classify an additional 380-acre portion to reflect the uses currently conducted and the land's ability to support agriculture. The remaining 695-acres of the parcel are not being proposed for classification.

Public notice was published and notification was sent by US mail as required to all owners/leaseholders of record within a one-half mile radius of the parcel proposed for classification. Notice was also sent to borough and state agencies. The notice consists of a cover letter, map and list of land classification definitions.

The attached draft staff report provides information regarding the classification process and detailed information regarding the parcel proposed for classification. This resolution would classify a 420-acre portion of the parcel, consistent with the findings contained in the staff report.

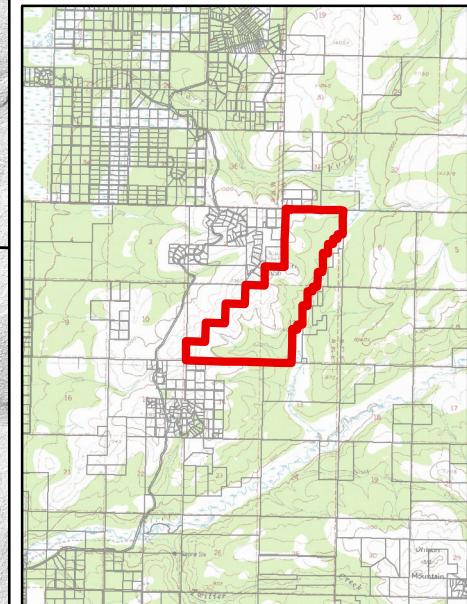
This resolution is scheduled to come before the Planning Commission at its June 14, 2021 meeting. The recommendations of the Planning Commission will be submitted to the assembly prior to its consideration of this resolution.

Your consideration of this resolution is appreciated.



Proposed Land Classification

Assessor Tax
Parcel Number
171-040-22



*The information depicted hereon
is for a graphical representation
only of best available resources.*

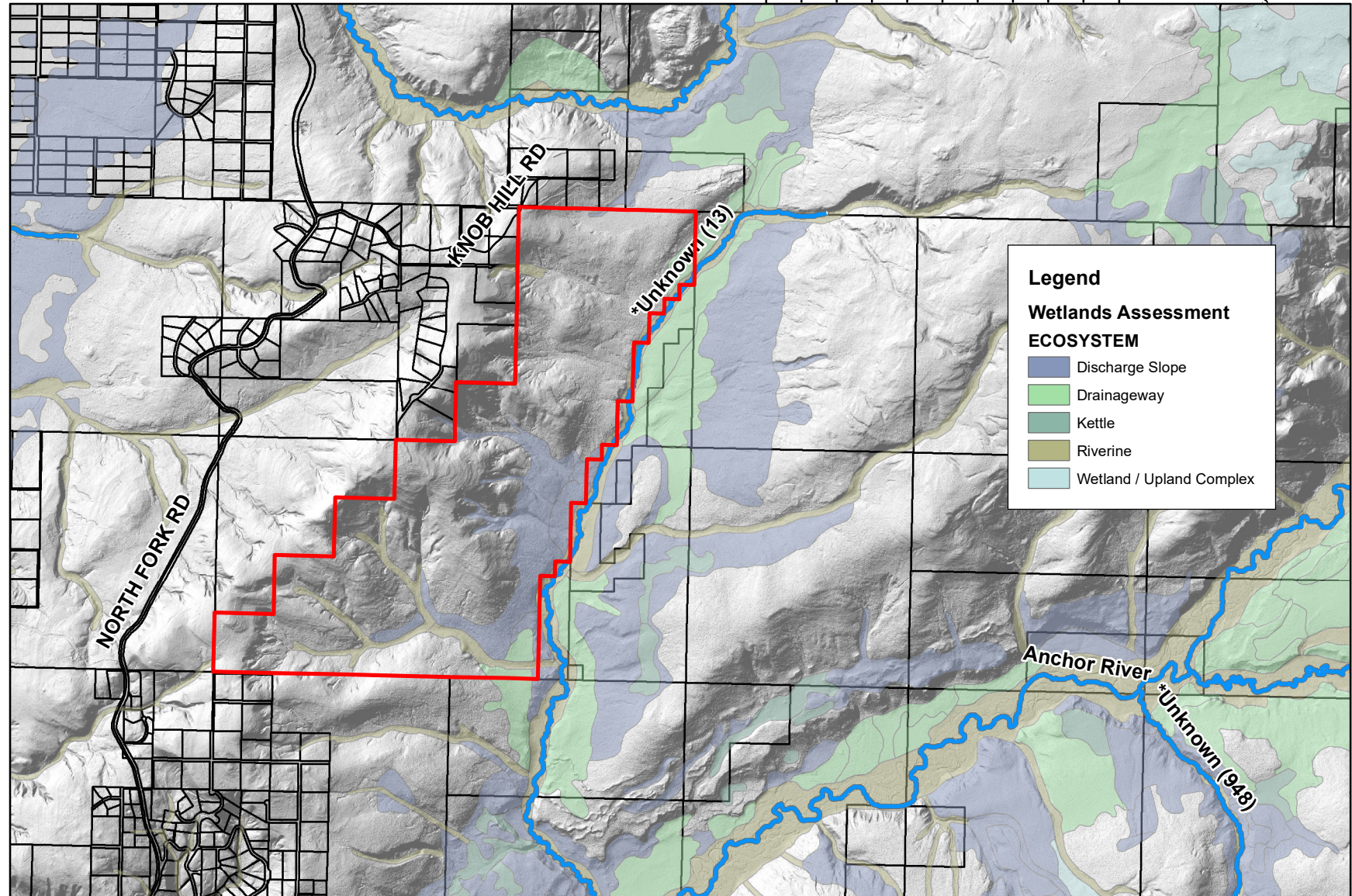
*The Kenai Peninsula Borough
assumes no responsibility for
any errors on this map*

jd 4.29.21

TOPOGRAPHY

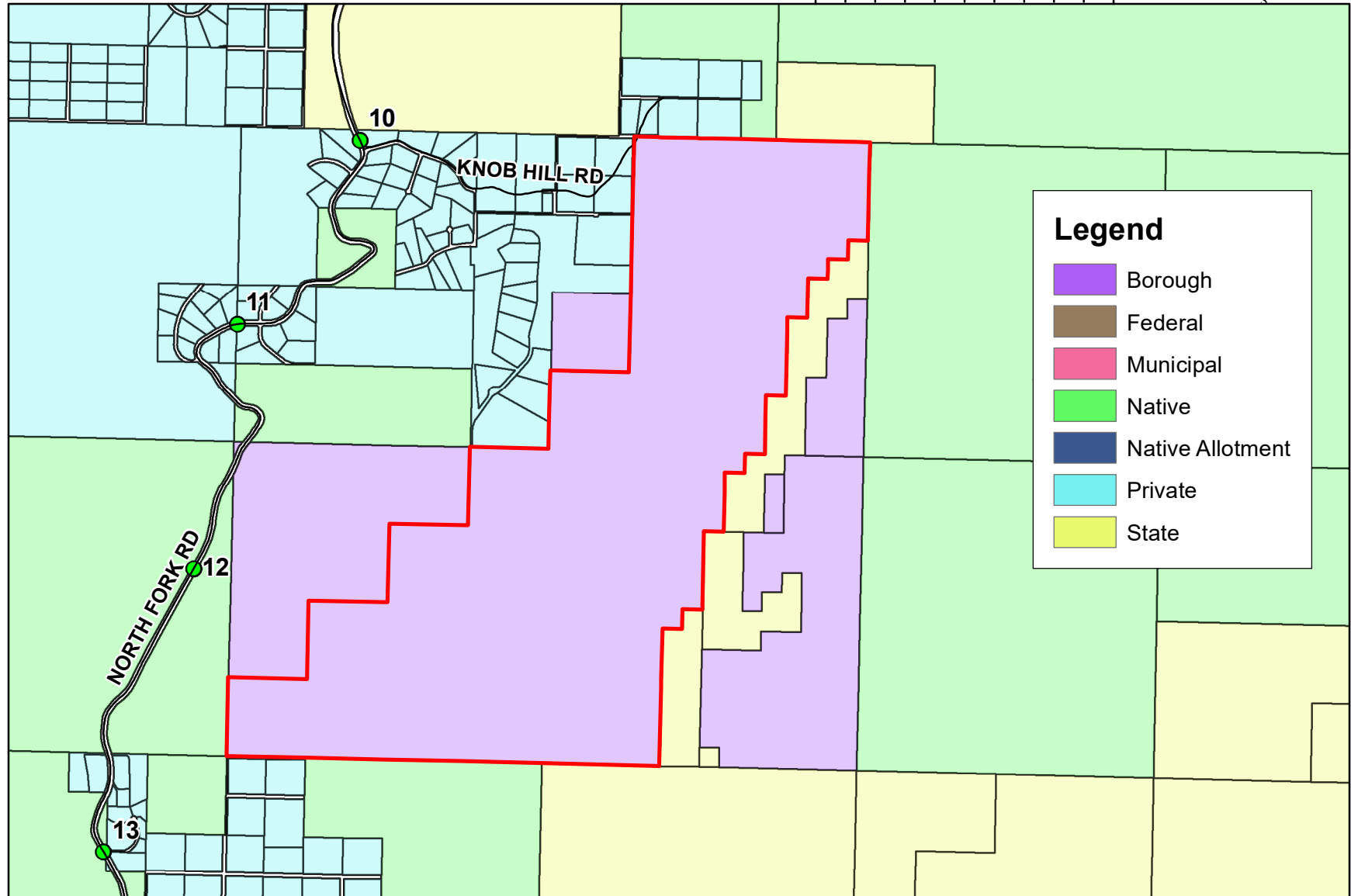
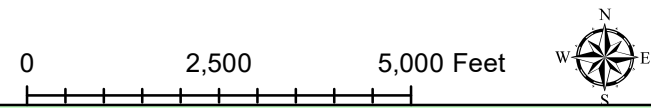
APN: 17104022

0 3,950 7,900 Feet



SURROUNDING LAND OWNERSHIP

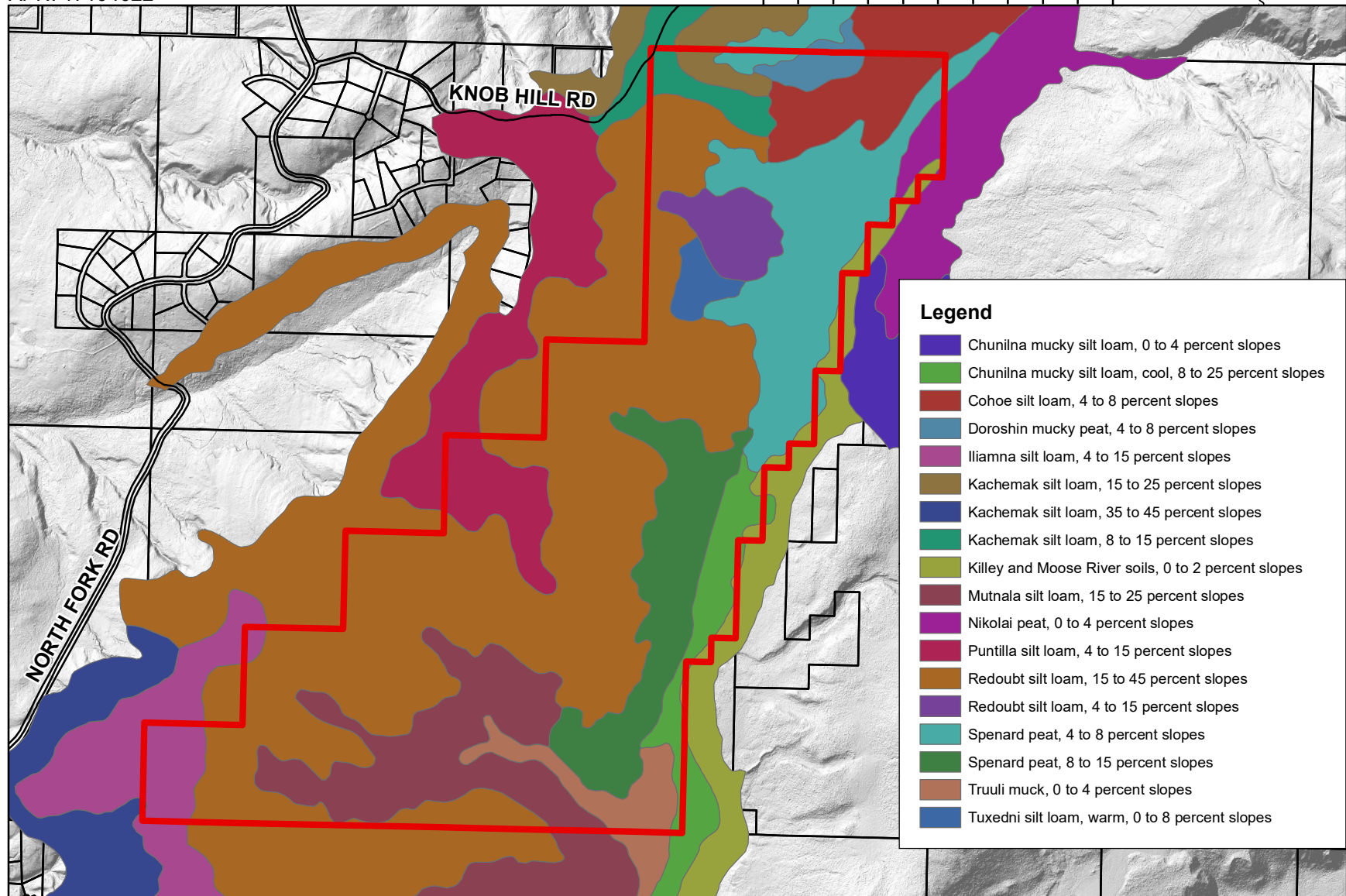
APN: 17104022



SOILS

APN: 17104022

0 2,350 4,700 Feet



____. Proposed Classification of 420 acres of Borough Land Located in the Anchor Point Area, Pursuant to KPB Code of Ordinances, Chapter 17.10.080(G).

STAFF REPORT

PC Meeting: June 14, 2021

Petitioner: Ronald and Charlotte Broste.

Basis for Classification: To establish the most appropriate use and management intent of borough land. This parcel is not classified.

Proposed Classifications:Rural

Rural means lands which are located in a remote area. This classification will have no restrictions.

Agriculture

Agriculture means activities that result in products for human or animal use. Agriculture activities may include raising crops, animals, or grazing animals. Agriculture does not include human habitation.

Location of Borough Land Proposed for Classification: As shown on the attached map, the land proposed for classification is located in the Anchor Point area on Epperson Knob, Section 01, Township 05 South, Range 14 West, Seward Meridian, Homer Recording District, Third Judicial District, State of Alaska, containing 420 acres more or less (APN: 17104022).

Public Notice: Public notice was published in the Peninsula Clarion Newspaper on May 16 & 26, 2021 and in the Homer News on May 20 & 27, 2021. Public notice is sent to all land owners and/or leaseholders within a one-half mile radius of the land proposed to be reclassified, applicable agencies, and interested parties. The notice consists of a cover letter, map and list of land classification definitions. Written public comments were requested to be returned by 5:00 p.m. on June 2, 2021 to be included in the Planning Commission mail-out packets.

Anchor Point Advisory Planning Commission (APAPC) Review: The APAPC is scheduled to hold a public meeting on June 10, 2021. The APC's recommendation will be forwarded to the Planning Commission.

Department / Agency Review: The following agencies provided written comments:

- KPBSD; No Comment
- River Center; No Objection. Any development within 50 feet of ordinary high water of the regulated anadromous stream along the southeastern property line is subject to KPB Chapter 21.18.
- Maintenance/Roads; No Objection

Findings of Fact:

1. Property Status: The borough received title by State patent. The patent is subject to the petitioners lease issued by the State of Alaska in 1974 as ADL 63239 for a 55-year term. The parcel is subject to a Community Trail Management Agreement with Snomads, Inc. Hidden Hills Trail is shown as traversing through the property, however, the trail, its location and status is unverified and not currently maintained by Snomads.
2. Topography: Subject parcel is located on east side Epperson Knob and contains many areas of escarpment. The parcel is relatively steep with discharge and riverine ecosystems which feed into *Unknown (13) river, Anchor River, and North Fork Anchor River, each being cataloged as anadromous waterbodies. There are a few areas of relatively flat, rolling terrain.

Source Data: Homer Soil & Water Conservation District

Land cover on the parcel is primarily white or black spruce, with areas of dwarf, low, and tall shrub.

Source Data: UAA, [Alaska Land Cover and Wetlands](#)

3. Soil:

3.3% Chuniina mucky silt loam. 8% to 25% slopes, poorly drained with a depth to water table at 28 inches or less, very limited for a dwelling with a basement and for a commercial building site, somewhat limited for a dwelling without a basement.

4% Cohoe silt loam. 4% to 8% slopes, well drained with a depth to water table at more than 80 inches, not limited for a dwelling with or without a basement, somewhat limited for a commercial building site.

1% Doroshin mucky peat. 4% to 8% slopes, very poorly drained with a depth to water table at more than 80 inches, very limited for a dwelling with or without a basement and for a commercial building site.

2.3% Iliamna silt loam. 4% to 15% slopes, well drained with a depth to water table at more than 80 inches, somewhat limited for a dwelling with or without a basement and very limited for a commercial building site.

1.5% Kachemak silt loam. 8% to 15% slopes, well drained with a depth to water table at more than 80 inches, somewhat limited for a dwelling with or without a basement and very limited for a commercial building site.

0.9% Kachemak silt loam. 15% to 25% slopes, well drained with a depth to water table at more than 80 inches, very limited for a dwelling with or without a basement and a commercial building site.

1.5% Killey and Moose River soils. 0% - 2% slopes, poorly drained with a depth to water table between 12 and 24 inches, and very limited for dwellings with or without a basement and a commercial building site.

10.7% Mutnanla silt loam. 15% to 25% slopes, well drained with a depth to water table at more than 80 inches, very limited for dwellings with or without a basement and a commercial building site.

0.9% Nikolai peat. 0% to 4% slopes, poorly drained with a depth to water table about 0 to 18 inches, very limited for dwellings with or without a basement and a commercial building site.

3.5% Puntilla silt loam. 4% to 15% slopes, well drained with a depth to water table at more than 80 inches, somewhat limited for a dwelling with or without a basement and very limited for a commercial building site.

2.7% Redoubt silt loam. 4% to 15% slopes, well drained with a depth to water table at more than 80 inches, somewhat limited for dwellings with or without a basement and very limited for a commercial building site.

42.6% Redoubt silt loam. 15% to 45% slopes, well drained with a depth to water table at more than 80 inches, very limited for dwellings with or without a basement and a commercial building site.

12.4% Spenard peat. 4% to 8% slopes, very poorly drained with a depth to water table about 8 to 24 inches, very limited for dwellings with or without a basement and a commercial building site.

8.8% Spenard peat. 8% to 15% slopes, very poorly drained with a depth to water table about 8 to 24 inches, very limited for dwellings with or without a basement and a commercial building site.

2.7% Truuli muck. 0% to 4% slopes, poorly drained with a depth to water table about 8 to 18 inches, very limited for dwellings with or without a basement and a commercial building site.

1.2% Tuxedni silt loam. 0% to 8% slopes, somewhat poorly drained with a depth to water table about 14 to 30 inches, very limited for a dwelling with a basement, somewhat limited for a dwelling without a basement and a commercial building site.

Source Data: USDA Natural Resource Conservation Service [Web Soil Survey](#)

4. Surrounding Land Use. Subject land is a large acre parcel containing 1,115.64 acres. The parcel is situated between the North Fork Anchor River and the Anchor River and is surrounded by recreational land uses. Some residential uses exist to the west, while land to the east is primarily undeveloped, large acre parcels.
5. Surrounding Land Ownership. The borough owns five other parcels which abut the subject parcel or are within close proximity. Nine privately owned parcels abut the north, west, and south of the parcel. The remaining surrounding ownership is State of Alaska and Cook Inlet Region, Inc.
6. Access. Access to the parcel is provided by Knob Hill Road, an existing gravel road located at approximately MP 10 of North Fork Road. The borough provides maintenance on the first 2,350 feet of Knob Hill Road, which ends approximately 2,900 feet from the subject parcel.

A 50' wide section line easement exists on each side of the section lines common to Section 1, T05S, R14W and Section 31, T04S, R13W, Section 1, T05S, R14W and Section 6, T05S, R13W, and Sections 1 & 12, T05S, R14W. A 33' wide section line easement exists on each side of the section line common to Sections 1 & 2, T05S, R14W, Seward Meridian.

Knob Hill Road is a prior existing road which has been dedicated in part. A 100'-wide grant of right of way easement was issued in 1974 to the Alaska Department of Highways along the existing road for ingress and egress to a gravel pit known as Material Source 21-1-04-1, recorded in Book 88 Page 980, Homer Recording District.

When the subject parcel is subdivided, rights-of-way will be dedicated, including Knob Hill Road and a matching dedication at Biblegum Street.

7. Utilities. Electric and telephone utilities are available. No other utilities are available at this time.

Analysis:

Access to the parcel is from Knob Hill Road and utilities are within close proximity. Over the last 42 years, the parcel has been developed to support grazing operations, and is currently operated as *Circle B Ranch*. Since 2011, the petitioners have maintained a non-commercial land use permit for structures used to support farming and agriculture but were not allowed under the grazing lease. An approved Grazing Lease Conservation Plan for the leasehold was developed in conjunction with the Homer Natural Resource Conservation Service. The draft South Peninsula Plan recommends a rural classification for this parcel. There is no comprehensive land use plan for borough lands in the Anchor Point area.

The intent of this classification is to reflect the uses currently conducted within the leasehold and the recommendation of the draft South Peninsula Plan. Land Management has identified this parcel as being capable of supporting agriculture and is proposing to classify 380-acres as agriculture. In consideration of a negotiated sale of 40-acres, Petitioners are willing to release the south 695 acres from the lease. Classification of this area is not proposed.

An agriculture classification meets the objectives of Goal 1, Focus Area: Agriculture and Mariculture, Objective A, Strategies 1 & 2, as well as Objective B, Strategy 1 and Goal 2, Focus Area: Land Use, Objective C, Strategies 1 & 2 of the Kenai Peninsula Borough Comprehensive Plan.

Conclusion:

RURAL CLASSIFICATION: (40-acres)

The proposed Rural classification is compatible with the surrounding land use. A Rural classification is consistent with the recommendation of the draft South Peninsula Plan and is appropriate for the current onsite activities.

AGRICULTURE CLASSIFICATION: (380-acres)

The proposed Agriculture classification is compatible with the surrounding land use in that the parcels abutting the subject land are large acreage parcels of undeveloped land. An Agriculture classification is appropriate and is supported by the Kenai Peninsula Borough Comprehensive Plan.

STAFF RECOMMENDATION: Based on the findings of fact, analysis, and conclusion, KPB staff recommends that the KPB Planning Commission recommend adoption of the resolution classifying subject 40-acres as Rural and 380-acres as Agriculture, as shown on Attachment 'A' of the Resolution.

END OF STAFF REPORT

Introduced by:

Mayor

Date:

06/15/21

Action:

Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-047**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AGREEMENTS WITH
NUMEROUS GOVERNMENTAL AGENCIES AND NONPROFIT ORGANIZATIONS
FOR SERVICES PROVIDED BY THE BOROUGH SOLDOTNA PUBLIC SAFETY
COMMUNICATIONS CENTER**

WHEREAS, the Kenai Peninsula Borough (“borough”) is in the process of changing its operation of the multi-agency E911 dispatch center, known as the Soldotna Public Safety Communications Center (“SPSCC”), from being jointly operated with the state to operating it alone and charging all responding agencies using the SPSCC services a fee for the services it provides; and

WHEREAS, as a part of this process the borough hired a contractor to conduct an audit of the services it provides to the numerous agencies and borough service areas so it could more accurately identify services provided and costs associated with the services provided to each such agency; and

WHEREAS, pursuant to Resolution 2021-035 the borough and the State of Alaska Department of Public Safety (“DPS”) have entered into an agreement in which the DPS pays the borough for services provided by the SPSCC; and

WHEREAS, in addition to the DPS, the SPSCC provides services to three other Alaska State agencies, five borough fire and emergency medical service (“EMS”) areas, three private volunteer fire and EMS organizations in the borough, the Soldotna Police Department, the US Forestry Service, US Fish and Wildlife Protection, and the National Oceanic and Atmospheric Administration; and

WHEREAS, the administration sent notice of this upcoming change to all of these entities in January, 2021 and followed up with a letter and proposed agreements sent to all agencies in mid-May, 2021; and

WHEREAS, the administration has received one signed agreement from the State of Alaska Department of Transportation & Public Facilities Measurement Standards & Commercial Vehicle Enforcement Division;

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

SECTION 1. That the mayor is authorized to execute agreements substantially similar to the accompanying agreements for the provision of E911 dispatch services with the following agencies:

City of Soldotna
Cooper Landing Emergency Services, Inc.
Moose Pass Volunteer Fire Company
Hope Sunrise Emergency Services, Inc.
US Fish & Wildlife Service Office of Law Enforcement
National Oceanic & Atmospheric Administration
State of Alaska, Dept. of Transportation, Commercial Vehicle Enforcement
State of Alaska, Department of Corrections
United States Department of Agriculture, Forest Services

SECTION 2. That this resolution shall take effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY OF JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough 911 Operations

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Tammy Goggia-Cockrell, 911 Emergency Communications Coordinator *TGC*
Colette Thompson, Borough Attorney *CT*
Brandi Harbaugh, Finance Director *BT*

DATE: June 4, 2021

RE: Resolution 2020-047, Authorizing the Mayor to Execute Agreements with Numerous Governmental Agencies and Nonprofit Organizations for Services Provided by the Borough Soldotna Public Safety Communications Center

The borough is in the process of converting the Soldotna Public Safety Communications Center to operate on a fee-for-services basis. It hired an outside firm to conduct a time study of SPSCC operations to identify the time spent providing services for each agency it serves. Based upon that study the finance department allocated costs incurred for each agency. The mayor's office sent letters to each agency in January 2021 advising them of the upcoming change and the amount each agency would be charged. In resolution 2021-035 the assembly authorized the mayor to sign agreements with the Alaska Department of Natural Resources, Division of Parks & Outdoor Recreation and the State of Alaska Department of Public Safety.

This resolution would authorize the mayor to sign agreements with the remaining agencies substantially in the form of the accompanying agreements. If the borough has not reached agreements with any agencies before the June 15, 2021 meeting, the administration will request an amendment to remove those agencies from the resolution. If the administration subsequently reaches an agreement with any of these agencies, it will seek assembly approval at a future meeting.

Borough emergency service areas will be charged their share of fees through the budget. An agreement is not needed as they are part of the borough.

Your consideration of this resolution is appreciated.

MEMORANDUM OF AGREEMENT
BETWEEN _____ AND
THE KENAI PENINSULA BOROUGH
FOR DISPATCH SERVICES

This Memorandum of Agreement (MOA) is hereby entered into by and between the _____ and the Kenai Peninsula Borough (KPB) on behalf of the Soldotna Public Safety Communications Center (SPSCC).

A. Purpose.

The purpose of this MOA is to provide for the continuation of dispatch services for _____ officers. _____ officers conduct law enforcement patrols, participate in search and rescues, and respond to public safety incidents. The SPSCC, a KPB department, provides dispatch services to the KPB and other agencies. This MOA will establish a partnership between the _____ and KPB, on behalf of the SPSCC, that will enhance communication and interaction between these organizations.

B. SPSCC Shall:

1. Provide radio dispatch coverage for the officers within the _____ in addition to public safety incidents handled by SPSCC. SPSCC will notify _____ officers of any incidents that occur in _____.
2. Be responsible for processing criminal justice information queries into the Alaska Public Safety Information Network (APSIN) on behalf of the _____ officers covered by this agreement.
3. Conduct regular welfare checks on the _____ officers consistent with the SPSCC Policy and Procedure Manual, section 2016.

C. _____ Shall:

1. Provide SPSCC with a list of all commissioned officers that includes contact information.
2. Provide SPSCC with a schedule of when _____ officers are working. _____ will provide this schedule to SPSCC monthly. Any

changes to the schedule will be communicated to SPSCC in a timely manner by providing SPSCC an updated shift calendar.

3. Require each _____ officer to contact SPSCC and identify when they are in and out of service.
4. Require each _____ officer to report the area and duration of specialized patrols such as boat and snow machine patrols.
5. Assign and track case numbers for law enforcement and public safety activities.
6. Be responsible for all clerical support, excluding that which is stated in Section B(2).

D. It is Mutually Agreed by All Parties That:

1. _____ shall pay the KPB \$_____ for the year commencing July 1, 2021. The KPB will submit an invoice to _____ by July 1 each year thereafter in an amount based upon the estimated cost incurred by SPCSS attributable to services provided by the SPSCC for _____ while this agreement remains in effect. The payment will be due in full by September 30 each year. If the payment is not received in full by the due date, KPB will issue a notice of default and this agreement shall terminate 30-days thereafter if payment is not received by that date.
2. The KPB's fiscal year and the basis for this agreement is July 1 to June 30.
3. This MOA is effective July 1, 2021 and valid through June 30, 2022. The MOA may be extended for one additional one-year term upon mutual written agreement of both parties.
4. Except for termination for non-payment, in the event that either party desires to withdraw from this Agreement before the end of the one year term, or extension of the Agreement if the parties agree as provided in Section D(3), written notice of termination must be provided no later than January 1 for the subsequent KPB fiscal year.
5. Each person signing this Agreement warrants that he or she has authority to sign the Agreement and bind their respective entities. This Agreement may be executed in counterparts and may be executed by way of facsimile or electronic signature in compliance with AS 09.80, and each of which when executed shall constitute an original and all of which together shall constitute one and the same instrument. This agreement may be modified in writing with the consent of all parties.

E. Notice.

When required under this agreement notice shall be provided to each party by prepaid first class mail delivered to the following addresses:

[Agency Contact Info]

Kenai Peninsula Borough
Soldotna Public Safety Communications Center
Attn: Tammy Goggia-Cockrell, Emergency Communications Coordinator
253 Wilson Lane
Soldotna, AK 99669

KENAI PENINSULA BOROUGH

[AGENCY NAME]

Charlie Pierce, Mayor

_____[Title]

ATTEST:

**APPROVED AS TO FORM & LEGAL
SUFFICIENCY:**

Johni Blankenship, Borough Clerk

Colette Thompson, Borough Attorney

(KPB Seal)

KPB ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by **Charlie Pierce, Mayor** of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public for the State of Alaska
My Commission Expires _____

ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by _____, _____.

Notary Public for the State of Alaska
My Commission Expires _____

MEMORANDUM OF AGREEMENT
BETWEEN _____ AND
THE KENAI PENINSULA BOROUGH
FOR DISPATCH SERVICES

This Memorandum of Agreement (MOA) is hereby entered into by and between _____ and the Kenai Peninsula Borough (KPB) on behalf of the Soldotna Public Safety Communications Center (SPSCC).

A. Purpose

The purpose of this MOA is to provide for the continuation of dispatch services for _____. The SPSCC, a KPB department, provides dispatch services to the KPB and other agencies. This MOA will establish a partnership between _____ and the KPB, on behalf of the SPSCC, that will enhance communication and interaction with these organizations.

B. SPSCC Shall:

1. Answer and process all emergency medical and fire calls for service utilizing International Academy of Emergency Dispatch medical and fire protocols in the _____ response area via the 911 system or other sources, and dispatch and track responding units via the radio.
2. Provide structure fire timer alerts and welfare checks for units on scene on all calls for service.
3. Provide run reports from the Computer Aided Dispatch- System (CAD) for call information and time stamps.
4. Provide notification of utility companies and other ancillary agencies when necessary.

C. Cooper Landing Emergency Services Shall:

1. Coordinate with appropriate 911 staff with CAD unit maintenance.
2. Participate and contribute to SPSCC Working Group communicating needs and requests for policy changes.

D. It is Mutually Agreed by all Parties That:

1. _____ shall pay the KPB \$_____ for the borough's fiscal year 2022. The KPB will submit an invoice to _____ by July 1 each year thereafter in an amount based upon the estimated cost incurred by SPCSS attributable to services provided by the SPSCC for _____ while this agreement remains in effect. The payment will be due in full by September 30 each year. If the payment is not received in full by the due date, KPB will issue a notice of default and this agreement shall terminate 30-days thereafter if payment is not received by that date.
2. The KPB's fiscal year, and this basis for this agreement, is July 1 to June 30.
3. This MOA is effective July 1, 2021 and valid through June 30, 2022. The MOA may be extended for one additional one-year term upon mutual written agreement of both parties.
4. Except for termination for non-payment, in the event that either party desires to withdraw from this Agreement before the end of the term, or any extensions thereof, written notice of termination must be provided no later than January 1 for the subsequent KPB fiscal year.
5. Each person signing this Agreement warrants that he or she has authority to sign the Agreement and bind their respective entities. This Agreement may be executed in counterparts and may be executed by way of facsimile or electronic signature in compliance with AS 09.80, and each of which when executed shall constitute an original and all of which together shall constitute one and the same instrument. This agreement may be modified in writing with the consent of all parties.

E. Notice.

When required under this agreement notice shall be provided to each party by email and/or prepaid first class mail delivered to the following addresses:

[Agency Contact Info]

Kenai Peninsula Borough
Soldotna Public Safety Communications Center
Attn: Tammy Goggia-Cockrell, Emergency Communications Coordinator
253 Wilson Lane
Soldotna, AK 99669

KENAI PENINSULA BOROUGH

[AGENCY NAME]

Charlie Pierce, Mayor

_____, President

_____, Secretary

ATTEST:

**APPROVED AS TO FORM & LEGAL
SUFFICIENCY:**

Johni Blankenship, Borough Clerk

Colette Thompson, Borough Attorney

(KPB Seal)

KPB ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by **Charlie Pierce, Mayor** of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public for the State of Alaska
My Commission Expires _____

ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by _____, **President**, _____.

Notary Public for the State of Alaska
My Commission Expires _____

ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by _____, **Secretary**, _____.

Notary Public for the State of Alaska
My Commission Expires _____

DISPATCH SERVICES AGREEMENT BETWEEN

CITY OF SOLDOTNA

AND

THE KENAI PENINSULA BOROUGH

6-4-21 Draft

ARTICLE 1. PARTIES

The parties to this agreement are the City of Soldotna (COS) and the Kenai Peninsula Borough (KPB).

ARTICLE 2. PURPOSE

The KPB will provide dispatch services to the COS in accordance with the terms and conditions of this agreement.

ARTICLE 3. DEFINITIONS

"24/7" means twenty-four hours a day, seven days a week.

"City" means the City of Soldotna.

"CJIS Security Policy" means the US Department of Justice Federal Bureau of Investigation Criminal Justice Information Services (CJIS) Security Policy version 5.9 dated June 1, 2019.

"Continuous" means without interruption or delay.

"Dispatch" and "Dispatching" means the interpretation of request for service information and the transmission of that information to an agency for their response to the desired location, as well as the recording of communications related to that response.

"COS Dispatch Service Area" means the KPB and the geographic area served by only the City of Soldotna,

"COS" means the City of Soldotna

"FTE" means full time employee.

"KPB" means the Kenai Peninsula Borough.

"SPSCC" means the regional dispatch center facility and organization owned and operated by the KPB located at 253 Wilson Lane, Soldotna, AK 99669.

"SPD" means the Soldotna Police Department located at 44510 Sterling Highway, Soldotna, AK 99669.

ARTICLE 4. Emergency services communications center advisory board.

The KPB agrees to submit an ordinance to the assembly to repeal KPB 2.60.040 concerning an Emergency Services Communications Center Advisory Board as it is outdated. The parties to this agreement agree to meet with each other and to invite representatives of all other paying user groups of the SPSCC, to consider proposing the establishment of a new Emergency Services Communications Center Advisory Board. Discussions shall include identifying the purpose and scope of an advisory board, if the parties agree this is appropriate, and membership of the board. If the KPB and all other parties reach an agreement on these issues then the KPB agrees to request the mayor or an assembly member submit an ordinance to the assembly to approve the formation of the board in accordance with the agreed provisions.

ARTICLE 5. EFFECTIVE DATE AND PERIOD OF AGREEMENT

The effective date of this agreement is the date of the last signature, on or after July 1, 2021. This agreement shall expire on June 30, 2022 unless otherwise amended in accordance with this agreement.

ARTICLE 6. SCOPE OF SERVICES TO BE PERFORMED BY SPSCC

KPB will provide the services described in this agreement in a manner that does not discriminate concerning the level of service provided based on calls from the public or the agency to which the call is directed, but which may be prioritized based on the nature of the call.

SPSCC is required to affirmatively identify any questions or issues with SPD methods, means, procedures or communications protocols that impact SPSCC's ability to provide services. SPD will respond in a timely manner with specific clarification or will undertake good faith consideration of SPSCC's proposed changes to operating procedures.

a. Facility

KPB will provide a secure facility for its operations sufficient to maintain 911 equipment and provide dispatch services to COS and will comply with the applicable requirements of CJIS Security Policy.

b. Administrative Calls

SPSCC staff will answer SPD administrative phone lines after normal business hours, on weekends, and on holidays. SPSCC staff will appropriately route administrative calls on behalf of SPD. SPD will be responsible for forwarding administrative calls to interface with the KPB-owned phone lines integrated into the 911 management software system. SPD will also be responsible for insuring SPD recipients of returned calls are provisioned with voicemail services for the purpose of message taking.

c. Dispatch Services

KPB will provide the personnel to staff the SPSCC and shall adhere to applicable industry standards when processing calls.

SPSCC staff will capture in CAD incident history all SPD staff or unit activities and status changes directed to SPSCC via radio or telephone, as well as service requests directed to SPSCC originating from SPD.

SPSCC staff will receive and record the availability and activity of any SPD member communicated through radio channels. This will include an off-duty SPD member using a radio to relay a call for service requirement for assignment to an on-duty SPD officer or a request for another agency to respond.

d. Radio Channels

All CJIS-related information and Personally Identifiable Information will only be transmitted on encrypted talk groups.

SPSCC staff will have the following talk groups on 'Selected' audio and monitored by dispatch personnel at one or more console positions 24 hours per

day:

AST E (A) Dispatch

SPSCC staff will monitor A Detachment talk groups on "Unselected" audio and monitored by dispatch personnel at one or more console positions 24 hours per day, seven days per week:

AST E (A) NCIC AST E (A) TRAF
AST E (A) TAC

SPD has provided SPSCC with a SPD-recommended list of Ten Code abbreviations which SPSCC and SPD staff will use over SPD radio talk groups.

As operational requirements change and demand for services increases, COS may request that one or more additional talk groups be monitored on a temporary basis. SPD is required to provide advance notification when possible.. KPB will provide its reasonable best efforts to allocate SPSCC staffing to accommodate surges in radio communications demands.

e. Computer Aided Dispatch

All calls for service that conform to SPD incident types shall be recorded in SPSCC's CAD system. SPSCC staff may codify and enter other incident types at its own discretion.

f. Database Inquiry and Update

SPSCC staff will monitor at least one APSIN/NCIC terminal position 24 hours a day, seven days per week. SPSCC staff will reply to APSIN/NCIC confirmation requests as received. Confirmation requests may be received through APSIN/NCIC/NLETS messaging or via telephone call. Confirmations to requesting entities will be provided within ten minutes or one hour as required by applicable CJIS standards.

g. ARMS Incident Entry

SPSCC staff will perform data entry of incident report information into the Automated Records Management System ("ARMS") based on the COS-provided incident types and officer activity within the COS Dispatch Service Area.

This information entry will include: CAD incident number, incident classification (type and priority), incident location, reporting party name, names of witnesses, victims, suspects, officer assigned, and, any involved vehicles. This data entry will only be required once per ARMS incident number (i.e., updates to ARMS incidents once created by SPSCC will be made by SPD personnel).

h. Special Operations

On occasion, SPD may deploy special operations teams that require specific dispatch support including temporary modifications to SPSCC's staffing requirements. SPD will include SPSCC staff in pre-operation planning to communicate specific roles and expectations of dispatch center support.

i. Surges in SPSCC Demands

If SPSCC experiences an unexpected demand for service, a manager or supervisor may contact SPD and request specific relief such as a pause in targeted enforcement activities.

SPD will in good faith consider these requests if they do not interfere with public safety priorities.

j. SPSCC Personnel

KPB will recruit, train and schedule sufficiently qualified personnel to perform the call taking and dispatch tasks required by this agreement.

ARTICLE 7. KPB PROVIDED TECHNOLOGY

SPSCC will be the primary point of contact for its contractors and technology providers, including the management of vendor scope of services, configuration change requests, trouble reporting, updates, upgrades and quotations for additional services.

a. Remote Access

KPB will provide remote, read-only access to the KPB-owned CAD system (CAD View) to SPD personnel.

This access is intended to allow SPD to query CAD history for the purpose of

incident research and unit activity.

The SPD Chief or his designee will have unrestricted remote access to all dispatch records pertaining to SPD operations.

b. ARMS Access

KPB will provide for and support the installation of ARMS-capable computers and displays in the dispatch center.

c. Logging Recorder

KPB will provide for an audio recording system that will record and archive telephone calls and voice radio traffic. Communications to be recorded for SPD purposes include:

- All inbound and outbound 911 calls
- Inbound and outbound telephone calls identified specifically for SPD Radio talk groups to be recorded for SPD purposes include:
 - AST E (A) Dispatch
 - AST E (A) TAC
 - AST E (A) TRAF
 - AST E (A) NCIC

SPSCC will provide access to a logging recorder to copy selected telephone and radio talk group recordings onto transportable electronic media such as a CD-ROM or thumb drive. COS will be responsible for costs associated with making copies for all SPD related audio records at the rate for time spent researching and preparing the records as allowed under the Public Records Act.

ARTICLE 8. RELEASE OF INFORMATION

KPB will be the custodian of records for communications answered by telecommunications equipment at the SPSCC dispatch center and residing in the SPSCC CAD system, and shall release such records to the extent required by applicable law. The KPB shall contact the SPD Chief prior to releasing any SPD related records and obtain approval to release any such records.

a. Records Requests

KPB will route any SPD public records information requests for any SPD radio

traffic, 911 or administrative phone audio to SPD. Public requests for SPD information shall be forwarded to the City within one business day of receipt.

b. Public Reports

KPB shall release a report to the City by April 1, 2022, summarizing calls for service activity of the SPSCC for all SPD agency operations for the time period beginning on the effective date of this Agreement and ending February 28, 2022.

All records kept by KPB in support of this agreement shall be the property of KPB and these records shall be made available to SPD upon reasonable notice.

c. Records Retention

The ability for SPD to review written or electronic records held by KPB continues for six years after the termination of this agreement.

KPB will also comply with state and federal criminal justice requirements and COS records retention policy for retention of access logs, database maintenance and audit trails which is currently _____. COS shall promptly inform KPB of any changes to the relevant provisions of its records retention policy.

Audio recordings of telephone calls and radio traffic shall be maintained by SPSCC for five years unless otherwise required by law or COS records retention policy. The COS records retention schedule for such recordings is _____ years. COS shall promptly inform KPB of any changes to the relevant provisions of its records retention policy

ARTICLE 8. EQUIPMENT AND SERVICES TO BE PROVIDED BY COS

a. Inter-Agency Communications

SPD will identify a primary and secondary point of contact for SPSCC staff to use with formal administrative communications. This is intended to provide a reliable and consistent means of transmitting and receiving technical and operational information as well as accountability for complaints and contractual issues.

b. Contact Information

SPD will provide a comprehensive listing of members to SPSCC staff to include telephone contact information and assigned radio designators. The list will be updated by SPD as changes occur. This list contains confidential information and will be protected from disclosure or further dissemination by KPB to the fullest extent allowed by law.

SPD will facilitate the provision of a list containing the statewide radio designators of all units using ALMR resources.

c. Operational Directives and Protocols

KPB will incorporate SPD policies and procedures as appropriate into SPSCC Policy and Procedures documentation as well as internal training and reference materials. KPB may, at its discretion, incorporate SPD protocols into automated (CAD) call taking screens.

d. APSIN/NCIC

KPB will continue to conform and comply with prior agreements relating to CJIS information including:

- CJIS Systems User Agreement
- Holder of Record Agreements for SPD
- SPSCC will remain the Terminal Access Control (TAC) for SPD
- SPD will remain the Local Agency Security Officer (LASO)

e. ARMS

SPD will provide SPSCC with user (application) access to ARMS for each dispatch and admin workstation position.

Subsequent CJIS audits of SPSCC may include ARMS data management activities performed by SPSCC.

f. Electronic Mail

All SPSCC employees will maintain KPB email accounts as their primary email communications system.

g. Technical Trouble Reporting

SPSCC staff will promptly notify appropriate on-duty SPD staff of any outage or interruption in service of any SPD or Alaska Office of Information Technology provided technology or telecommunications service.

ARTICLE 9. MANAGEMENT REPORTING

a. Annual Operating Budget and Staffing Plan

KPB will provide City a copy of the Mayor's proposed SPSCC Budget no later than March 1, 2022, including any changes to the proposed staffing of the SPCC.

b. Management Report.

KPB will provide a report to the City no later than March 15, 2022. The report will discuss the following related to SPD: activities performed under this agreement through January 31, 2022, call volume, any changes or proposed changes in staffing of the SPSCC, including changes to the number of FTE; revenue received by KPB from July 1, 2021 through February 28, 2022 for the E-911 surcharge; a copy of the annual review of the E-911 surcharge conducted pursuant to AS 29.35.131(a) and indicate revenue received by KPB from July 1, 2021 through February 28, 2022 from all other entities/service areas for SPCC operations.

In order for any recommendations for changes to budgetary items from the COS to be considered for the next fiscal year the COS must first submit them in writing to the KPB Emergency Communications Coordinator by April 1, 2022. It is anticipated this would be followed with a subsequent meeting with the mayor and Finance Director.

c. Ad Hoc Reporting

On an as-need basis with reasonable advance notice, SPSCC will provide SPD the following formal reports to include:

Significant Event After-Action Report

SPSCC activity related to incidents involving the SPD in multi-agency responses includes:

- Regional impact (e.g., earthquake, wildfire)
- Incidents resulting in fatalities
- More than five agencies responding to incidents lasting more than 48 hours

ARTICLE 10. COMPLIANCE WITH LAWS AND PERMITS

The KPB and City shall comply with all statutes, ordinances, rules, regulations, and requirements of all federal, state, and local governments and agencies and departments thereof which are applicable to the KPB for the services provided under this agreement and to the City for actions taken by the City under this agreement.

ARTICLE 11. APPLICABLE LAW

This agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

ARTICLE 12. NO ASSIGNMENT OR DELEGATION

The KPB shall not assign or delegate this agreement, or any part of it, or any right to any of the money to be paid under it, except with the written approval of COS.

ARTICLE 13. INSURANCE

It is agreed that the KPB is self-insured and has purchased at its own expense and will maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. Certificates of self-insurance and excess coverage must be furnished to COS prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this agreement and shall be grounds for termination of KPB's services under this agreement. All insurance policies shall comply with and be

issued by insurers licensed to transact the business of insurance under Alaska Statutes (AS) Title 21.

Workers' Compensation Insurance: KPB shall provide and maintain, for all employees engaged in work under this agreement, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements.

Commercial General Liability Insurance: covering all business premises and operations used by the KPB in the performance of services under this agreement with minimum coverage limits of \$1,000,000 combined single limit per claim.

Commercial Automobile Liability Insurance: covering all vehicles used by the KPB in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

ARTICLE 14. CHANGES AND AMENDMENTS

Changes and/or amendments to this agreement shall be formalized by a written amendment that will outline in detail the exact nature of the change. Any amendment to this agreement will be executed in writing and signed by the authorized representative of each party. The parties signing this agreement 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 shall be interpreted as amending or otherwise affecting the terms of this agreement. Any party to this agreement may request that it be amended, whereupon the parties will consult to consider such amendment.

ARTICLE 15. PAYMENT FOR SERVICES

The compensation for the scope of work outlined in this agreement for July 1, 2021 to June 30, 2022 shall be three hundred fifty thousand dollars (\$350,000). The City shall pay this amount in prorated quarterly payments, payable on July 15, October 15, January 15, and April 15. Any request for an adjustment to the time, scope, or cost of the agreement must be negotiated between the KPB and COS.

The COS is not responsible for and will not pay local, state, or federal taxes. All costs associated with the agreement must be stated in U.S. currency.

The COS is a government entity and it is understood and agreed that the COS's payments herein provided for may be paid from COS appropriations; and approval or continuation of an agreement is contingent upon COS appropriation and payment of sufficient funds for this purpose. KPB reserves the right to terminate the agreement in whole or part upon at least fourteen (14) days written notice if the COS fails, neglects, or refuses to appropriate sufficient funds as may be required for the COS to continue such payments as of the date of the notice, or if funds are not budgeted or otherwise available within fourteen (14) days of the date of the notice.

ARTICLE 16. NOTICES.

Notices: Notices by the parties pursuant to this agreement shall be in writing sent to the following addresses:

Borough Mayor
144 N. Binkley Street
Soldotna, AK 99669
Email: _____

City Manager
City of Soldotna
177 N. Birch Lane
Soldotna, AK 99669
Email: squeen@soldotna.org

ARTICLE 17. TERMINATION FOR DEFAULT

Either party may, in good faith, terminate this agreement for default at any time prior to its expiration date, for good cause shown, after first giving the other party at least ninety days prior written notice of default. Such notice shall with specificity identify the effective date of termination, the material contract provisions alleged to have been violated, and the facts supporting the claimed violation or violations. If the party receiving the notice has not cured the default by the identified termination date or commenced to cure the default and be diligently working to complete a cure, this agreement may be terminated by providing an additional written notice of termination.

The ninety (90) days' advance written notice of the alleged default in the agreement is intended to provide time for both parties to in good faith cooperatively address the identified violations and attempt to resolve the

matter. The party initiating the written notice of termination will not incur any liability or obligation to the terminated party, other than payment of amounts due and owing and performance of obligations accrued in each case on or prior to the termination date, as applicable. All funds due after termination will be established based on payments issued and charges incurred prior to termination and, as appropriate, a refund or bill will be issued and paid within 60 days of the date of termination.

ARTICLE 18. DISPUTES

Where possible, disputes will be resolved by informal discussion between the parties. In the event the parties are unable to resolve any dispute through good faith negotiations, the parties must participate in good faith in a formal mediation process. If the dispute is not resolved by mediation either party may file suit in the courts of the State of Alaska, Third Judicial District at Kenai.

ARTICLE 19. ENTIRE AGREEMENT

This document is the entire agreement of the parties, who accept the terms of this agreement as shown by their signatures below. In the event the parties duly execute any amendment to this agreement, the terms of such amendment will supersede the terms of this agreement to the extent of any inconsistency.

Signed and sealed by the parties on the dates shown:

CITY OF SOLDOTNA

KENAI PENINSULA BOROUGH

Stephanie Queen
City Manager

Charlie Pierce
Mayor

Date: _____

Date: _____

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

Johni Blankenship, MMC
Borough Clerk

Colette Thompson
Borough Attorney

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

Brooks Chandler
City of Soldotna Attorney

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Charlie Pierce, Mayor of the Kenai Peninsula Borough, an Alaska Municipal Corporation, for and on behalf of the Corporation.

Notary Public in and for Alaska
My Commission Expires: _____

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Stephanie Queen, City Manager of the City of Soldotna, an Alaska Municipal Corporation, for and on behalf of the Corporation.

Notary Public in and for Alaska
My Commission Expires: _____

| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 05/04/21 |
| Action: | Adopted |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-035**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT
FOR SERVICES PROVIDED BY THE BOROUGH SOLDOTNA PUBLIC SAFETY
COMMUNICATIONS CENTER FOR THE ALASKA DEPARTMENT OF NATURAL
RESOURCES, DIVISION OF PARKS, AND RATIFYING THE MAYOR'S SIGNATURE
ON THE AGREEMENT WITH THE ALASKA DEPARTMENT OF PUBLIC SAFETY**

WHEREAS, the Kenai Peninsula Borough (“borough”) and the State of Alaska Department of Public Safety (“DPS”) have cooperatively operated a multi-agency E911 dispatch center staffed by both borough and state employees for over 32 years, initially located in the Alaska State Trooper E Detachment headquarters building in Soldotna, Alaska and since 2007 located in the Emergency Operations Center in Soldotna; and

WHEREAS, throughout the history of that relationship, both the borough and DPS have employed roughly half of the public safety dispatchers, and the SPSCC has been managed by a borough employee, the SPSCC Manager; and

WHEREAS, in 2019 the DPS informed the borough it was intending to make significant changes to its provision of dispatch services at the SPSCC, and thereafter stopped filling vacant state positions at the center, which resulted in much higher overtime costs for the borough, which the DPS subsequently paid to the borough pursuant to the existing agreement; and

WHEREAS, after numerous discussions between the parties, on February 28, 2020, the borough gave the DPS notice of its intent to withdraw from the agreement with the state as of June 30, 2021, with the intent to continue to discuss the transition and work towards a new agreement that would meet both parties’ needs for a successful outcome; and

WHEREAS, as a part of this process the borough conducted an audit of the services it provides to the DPS as well as numerous other agencies and borough service areas so it could more accurately identify services provided and costs associated with the services provided to each such agency; and

WHEREAS, in addition to the DPS, the SPSCC provides services to three other Alaska State agencies, five borough fire and emergency medical service (“EMS”) areas, three private volunteer fire and EMS organizations in the borough, the Soldotna Police

Department, and the US Forestry Service, US Fish and Wildlife Protection, and the National Oceanic and Atmospheric Administration; and

WHEREAS, following numerous negotiations the DPS and KPB negotiated a new agreement in which the KPB will provide SPSCC emergency call taking, dispatching and other related services to the DPS for a fee, and all personnel in the SPSCC shall be KPB personnel; and

WHEREAS, that newly negotiated agreement was executed April 12, 2021 but assembly ratification of the signed agreement is necessary for the agreement to become effective; and

WHEREAS, the administration is also preparing draft agreements to be negotiated with the other agencies served by the SPSCC that will be provided to the assembly for review and authorization to sign when agreements are reached with each agency;

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

SECTION 1. That the assembly ratifies the mayor's execution of the attached Dispatch Services Agreement between the DPS and the Kenai Peninsula Borough signed April 12, 2021.

SECTION 2. That the mayor is authorized to execute a Memorandum of Agreement with the Alaska Department of Natural Resources, Division of Parks & Outdoor Recreation substantially in the form of the MOA accompanying this resolution.

SECTION 3. That this resolution shall take effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 4TH DAY OF MAY, 2021.

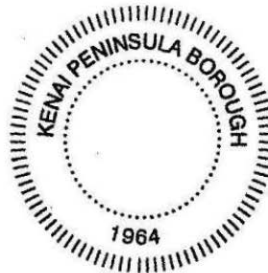


Brent Hibbert, Assembly President

ATTEST:



Jonni Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Carpenter, Chesley, Cox, Derkevorkian, Dunne, Elam, Johnson, Hibbert
No: None
Absent: None

DISPATCH SERVICES AGREEMENT
BETWEEN
STATE OF ALASKA DEPARTMENT OF PUBLIC SAFETY AND
THE KENAI PENINSULA BOROUGH

ARTICLE 1. PARTIES

The parties to this agreement are the State of Alaska Department of Public Safety (DPS) and the Kenai Peninsula Borough (KPB).

ARTICLE 2. PURPOSE

The Kenai Peninsula Borough, Soldotna Public Safety Communications Center (SPSCC) will provide dispatch services to DPS in accordance with the terms and conditions of this agreement.

ARTICLE 3. DEFINITIONS

"24/7" means twenty-four hours a day, seven days a week.

"CJIS Security Policy" means the US Department of Justice Federal Bureau of Investigation Criminal Justice Information Services (CJIS) Security Policy version 5.9 dated June 1, 2020.

"Continuous" means without interruption or delay.

"Dispatch" and "Dispatching" means the interpretation of request for service information and the transmission of that information to an agency for their response, as well as the recording of communications related to that response.

"DPS" means the organization and functions of the State of Alaska Department of Public Safety.

"DPS Dispatch Service Area" means the Kenai Peninsula Borough and the geographic area served by only the Soldotna, Seward, and Anchor Point posts of DPS A Detachment. "DPS" means the organization and functions of

the State of Alaska Department of Public Safety to include Alaska State Troopers, Alaska Wildlife Troopers and Judicial Services.

"SPSCC" means the regional dispatch center facility and organization owned and operated by the Kenai Peninsula Borough located at 253 Wilson Lane, Soldotna, AK 99669".

"Monitoring" means the attention of dispatch personnel to a radio communications channel and responding in a prompt and affirmative manner when the dispatch center designator is called; it also refers to the constant observation and response to a computer screen or terminal for time-sensitive messages.

ARTICLE 4. EFFECTIVE DATE AND PERIOD OF AGREEMENT

The effective date of this agreement is July 1, 2021. This agreement shall expire on June 30, 2022 unless otherwise amended in accordance with this agreement. This agreement also includes four – one-year renewal options exercisable by either party. All renewal options shall be exercised in writing with nine months' advance notice to the other party. All exercised renewal options shall be executed via written amendment to the agreement. Renewal rates shall be negotiated based upon the COLA, call volumes and other services provided.

ARTICLE 5. SCOPE OF SERVICES TO BE PERFORMED BY SPSCC

SPSCC will provide the services described in this agreement in a manner that does not discriminate concerning the level of service provided based on calls from the public or the agency to which the call is directed, but which may be prioritized based on the nature of the call.

SPSCC is required to affirmatively identify any questions or issues with DPS methods, means, procedures or communications protocols that impact SPSCC's ability to provide services. DPS will respond in a timely manner with specific clarification or will undertake consideration of proposed changes to operating procedures.

a. Facility

SPSCC will provide a secure facility for its operations and will comply with the applicable requirements of CJIS Security Policy section.

b. Requests for Service

SPSCC will receive calls from the public and requests for service from any source on a 24 hour per day, seven days a week basis originating from telephone calls, radio communications, or other electronic means including the National Crime Information Center ("NCIC")/National Law Enforcement Telecommunications ("NLETS"), electronic mail and facsimile.

Nothing in this provision authorizes SPSCC to respond to calls outside the DPS Dispatch Service Area. Should that occur, additional fees may be incurred.

All requests for service, regardless of geographic location or source, will be communicated to the appropriate public safety entity, DPS post or officer whether or not located within the Dispatch Service Area, using the same screening and prioritization criteria as requests received from or within the Dispatch Service Area.

c. 911 Calls

DPS shall not otherwise direct the routing of 911 calls outside the DPS Dispatch Service Area to be received by SPSCC unless both parties first reach a signed written agreement to amend services as such.

d. Administrative Calls

SPSCC will answer and appropriately route administrative calls on behalf of DPS. DPS will be responsible for forwarding administrative calls to interface with the KPB-owned phone lines integrated into the 911-management software system. DPS will also be responsible for insuring DPS recipients of returned calls are provisioned with voicemail services for the purpose of message taking. Any changes made to the DPS administrative phone lines call forwarding must be discussed with KPB no less than 30 days before the change is made.

e. Dispatch Services

SPSCC will dispatch DPS resources consistent with DPS's statutory law enforcement and public safety responsibilities.

SPSCC staff will capture in CAD incident history all DPS staff or unit activities and status changes directed to SPSCC via radio or telephone, as well as

service requests directed to SPSCC originating from DPS.

SPSCC will receive and record the availability and activity of any DPS member communicated through radio channels. This will include an off-duty DPS member using a radio to relay a call for service requirement for assignment to an on-duty DPS officer or a request for another agency to respond.

SPSCC will relay any priority support request ('officer needs assist') immediately to DPS units as well as adjacent jurisdiction's law enforcement agencies. Coordination of subsequent communications shall occur according to adopted inter-agency procedures.

f. Radio Channels

All CJS-related information will only be transmitted on encrypted talk groups. SPSCC will exercise due diligence when broadcasting Personally Identifiable Information (PII) over radio channels.

SPSCC will have the following A Detachment talk groups on 'Selected' audio and monitored by dispatch personnel at one or more console positions 24 hours per day:

AST E (A) Dispatch

SPSCC will monitor A Detachment talk groups on "Unselected" audio and monitored by dispatch personnel at one or more console positions 24 hours per day:

AST E (A) NCIC AST E (A) TRAF

AST E (A) TAC

DPS will provide SPSCC with a DPS-recommended list of Ten Code abbreviations for use by and with SPSCC over DPS radio talk groups.

As operational requirements change and demand for services increases, DPS may request that one or more additional talk groups be monitored on a temporary basis. DPS will be required to provide advance notification when possible, but SPSCC will otherwise provide their reasonable best efforts to allocate staffing to accommodate surges in radio communications demands.

Computer Aided Dispatch

All calls for service that conform to DPS incident types shall be recorded in SPSCC's CAD system. SPSCC may codify and enter other incident types at its own discretion.

g. Database Inquiry and Update

SPSCC will query available law enforcement database systems as requested by DPS personnel. These queries may include subject, vehicle, location, property or other law enforcement databases.

SPSCC will monitor at least one APSIN/NCIC terminal position 24 hours a day. SPSCC will reply to APSIN/NCIC confirmation requests as received. Confirmation requests may be received through APSIN/NCIC/NLETS messaging or via telephone call. Confirmations to requesting entities will be provided within ten minutes or one hour as required by applicable CJIS standards.

Courts operate on Saturdays and after-hours magistrate orders may occur; for these circumstances, recording of warrants and protective orders in APSIN & NCIC within the Dispatch Service Area will be supported by SPSCC.

The origination of documents may include Kenai Courts as well as DPS Judicial Services. Court documents arriving with a known court facsimile number (header) and/or a judge's signature will be considered valid.

If an officer receives and serves a warrant (i.e., goes directly from the magistrate, arrests the individual and then remands to jail), it is not necessary to enter and update the warrant in APSIN/NCIC after the fact. Warrant entry is only necessary if there is any likelihood that another agency may need to know and act on the warrant.

h. ARMS Incident Entry

SPSCC staff will perform data entry of incident report information into ARMS based on the DPS-provided incident types and officer activity within the DPS Dispatch Service Area. SPSCC will make best efforts consistent with established policies, procedures and protocols to obtain and record incident information.

This information entry will include the following: CAD incident number, incident classification (type and priority), incident location, reporting party name, officer assigned, and, any involved vehicles. This data entry will only be required once per ARMS incident number (i.e., updates to ARMS incidents once created by SPSCC will be made by DPS personnel).

DPS will endeavor to support integration between SPSCC's CAD system and ARMS. Until such time the integration is established, SPSCC's data entry duties will remain as they are currently as mentioned in the above paragraph.

i. Special Operations

On occasion, DPS may deploy special operations teams that require specific dispatch support in terms of temporary modifications to SPSCC's staffing requirements. These teams may consist of entirely DPS personnel or multi-agency teams. DPS will include SPSCC staff in pre-operation planning to communicate specific roles and expectations of dispatch center support.

j. Surges in SPSCC Demands

If SPSCC experiences an unexpected demand for service, a manager or supervisor may contact DPS and request specific relief such as a pause in targeted enforcement activities.

DPS will not unreasonably refuse these requests, but the parties recognize that public safety and DPS operational requirements may occasionally preclude any short-term changes to radio protocols.

k. SPSCC Personnel

SPSCC will recruit, train and schedule sufficient qualified personnel to perform the call taking and dispatch tasks required of this agreement. SPSCC will determine the specific minimum performance criteria for their staffing requirements.

SPSCC will determine the necessary number of positions and specific qualifications for shift tasking.

ARTICLE 6. SPSCC PROVIDED TECHNOLOGY

SPSCC will be the primary point of contact for its contractors and technology providers, including the management of vendor scope of services, configuration change requests, trouble reporting, updates, upgrades and quotations for additional services.

a. Telephone System

SPSCC will provide a telephone system sufficient to accept and place telephone calls to and from the public switched (carrier) telephone network.

b. Radio Consoles

SPSCC will own and maintain all radio console equipment established at SPSCC's facilities.

c. Computer Aided Dispatch

SPSCC will provide a redundant computer aided dispatch capability that supports incident entry, incident tracking, unit tracking, unit status, APSIN/NCIC inquiry, call taking and dispatch protocols.

d. Remote Access

SPSCC will provide remote, read-only access to the KPB-owned CAD system (CADView) to DPS personnel.

This access is intended to allow DPS at A Detachment to query CAD history for the purpose of incident research and unit activity.

e. ARMS Access

SPSCC will provide for and support the installation of ARMS-capable computers and displays in the dispatch center.

f. Logging Recorder

SPSCC will provide for an audio recording system that will record and archive telephone calls and voice radio traffic. Communications to be recorded for DPS purposes include:

- All inbound and outbound 911 calls
- Inbound and outbound telephone calls identified specifically for DPS Radio talk groups to be recorded for DPS purposes include:
 - ASTE (A) Dispatch
 - ASTE (A) TAC
 - ASTE (A) TRAF
 - ASTE (A) NCIC

SPSCC will provide access to a logging recorder to copy selected telephone and radio talk group recordings onto transportable electronic media such as a CD-ROM or thumb drive. DPS will be responsible for costs associated with making copies for all DPS related audio records.

g. Geographic Information

SPSCC will utilize the authoritative GIS data maintained by the Kenai borough within the calling area for use in determining the origin of calls for service and the location of DPS personnel and the public.

This may include wall maps, map books and other electronic references.

ARTICLE 7. RELEASE OF INFORMATION

a. Records Requests

SPSCC will route any DPS public records information requests to DPS. Public requests for DPS information shall be forwarded to DPS within one business day of receipt. Public record requests will continue to be processed by allowing DPS personnel access to information within the secure SPSCC Public Safety network

b. Public Information Office

SPSCC will provide information to members of the DPS Public Information Office (PIO) upon request.

Requests for information from news outlets, press and journalists shall be forwarded to the DPS PIO as soon as possible.

c. Public Reports

All records kept by SPSCC in support of this agreement shall be the property of SPSCC and these records shall be made available to DPS upon reasonable notice.

d. Records Retention

The ability for DPS to review written or electronic records held by SPSCC continues for five years after the termination of this agreement.

SPSCC will otherwise comply with state and federal criminal justice requirements for retention of access logs, database maintenance (edits) and audit trails, in particular State of Alaska Records Retention and Disposition Schedule No. 12-391.1.

Audio recordings of telephone calls and radio traffic shall be maintained by SPSCC for three years unless otherwise required by law.

ARTICLE 8. EQUIPMENT AND SERVICES TO BE PROVIDED BY DPS

a. Inter-Agency Communications

DPS will identify a primary and secondary point of contact for SPSCC to use with formal administrative communications. This is intended to provide a reliable and consistent means of transmitting and receiving technical and operational information as well as accountability for complaints and contractual issues.

b. Contact Information

DPS will provide a comprehensive listing of members to SPSCC to include telephone contact information and assigned radio designators. The list will be updated by DPS as changes occur, but no less than monthly. This list contains confidential information and will be protected from disclosure or further dissemination by SPSCC.

DPS will facilitate the provision of a list containing the statewide radio designators of all units using ALMR resources.

c. Operational Directives and Protocols

SPSCC will incorporate DPS policies and procedures as appropriate into SPSCC Policy and Procedures documentation as well as internal training and reference materials. SPSCC may at its discretion incorporate DPS protocols into automated (CAD) call taking screens.

d. APSIN/NCIC

SPSCC will continue to conform and comply with prior agreements relating to CJIS information including:

- CJIS Systems User Agreement
- Holder of Record Agreements for DPS

e. ARMS

DPS will provide SPSCC with user (application) access to ARMS for each dispatch and admin workstation position. DPS will issue and maintain access credentials for SPSCC employees.

DPS will provide initial and on-going ARMS application training and workflow familiarization to SPSCC employees. Candidates for training will be previously APSIN-certified.

Subsequent CJIS audits of SPSCC may include ARMS data management activities performed by SPSCC.

f. Electronic Mail

All SPSCC employees will maintain KPB email accounts as their primary email communications system.

g. Technical Trouble Reporting

SPSCC will promptly notify DPS of any outage or interruption in service of any DPS or Office of Information Technology provided technology or telecommunications service.

ARTICLE 9. SPSCC MANAGEMENT REPORTING

a. DPS CAD Incidents

Monthly statistics that fall within SPSCC CAD reporting capabilities to include:

- Call date
- Call time
- Call duration
- Unit assigned
- Call for Service Number (CFS)
- Location/Address
- Call Type (Problem/Nature Code)

- Monthly statistics that fall within SPSCC CAD reporting capabilities.

ARTICLE 10. COMPLIANCE WITH LAWS AND PERMITS

The KPB shall comply with all statutes, ordinances, rules, regulations, and requirements of all federal, state, and local governments and agencies and departments thereof which are applicable to the KPB for the services provided under this agreement.

ARTICLE 11. APPLICABLE LAW

This agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

ARTICLE 12. NO ASSIGNMENT OR DELEGATION

The Kenai Peninsula Borough shall not assign or delegate this agreement, or any part of it, or any right to any of the money to be paid under it except with the written approval of DPS.

ARTICLE 13. INDEMNIFICATION

Subject to the appropriation of available funds to pay the costs of the borough obligations incurred in this paragraph, which the parties agree is legally at the sole discretion of the borough assembly and that this contract imposes no duty to appropriate funds upon the assembly, the Kenai Peninsula Borough agrees to indemnify, hold harmless, and defend DPS from and

against any claim of, or liability for error, omission or negligent act of the Kenai Peninsula Borough under this agreement. The Kenai Peninsula Borough shall not be required to indemnify DPS for a claim of, or liability for, the independent negligence of DPS. If there is a claim of, or liability for, the joint negligent error or omission of the Kenai Peninsula Borough and the independent negligence of DPS, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Kenai Peninsula Borough" and "DPS", as used within this article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in DPS's selection, administration, monitoring, or controlling of the Kenai Peninsula Borough and in approving or accepting the Kenai Peninsula Borough's work.

ARTICLE 14. INSURANCE

The Kenai Peninsula Borough maintains a self-insured retention for physical damage and liability exposures that is supported by the financial resources of the Kenai Peninsula Borough. Additionally, the Kenai Peninsula Borough shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Kenai Peninsula Borough's policy contains higher limits, DPS shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to DPS prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this agreement and shall be grounds for termination of the Kenai Peninsula Borough's services under this agreement. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under Alaska Statutes (AS) Title 21.

Workers' Compensation Insurance: The Kenai Peninsula Borough shall provide and maintain, for all employees engaged in work under this agreement, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements.

Commercial General Liability Insurance: covering all business premises and operations used by the Kenai Peninsula Borough in the performance of

services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

Commercial Automobile Liability Insurance: covering all vehicles used by the Kenai Peninsula Borough in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

Professional liability Insurance: covering all errors, omissions or negligent acts in the performance of professional services under this agreement with minimum coverage limits of \$1,000,000 combined single limit per claim.

ARTICLE 15. CHANGES AND AMENDMENTS

Changes and/or amendments to this agreement shall be formalized by a written amendment that will outline in detail the exact nature of the change. Any amendment to this agreement will be executed in writing and signed by the authorized representative of each party. The parties signing this agreement 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 shall be interpreted as amending or otherwise affecting the terms of this agreement. Any party to this agreement may request that it be amended, whereupon the parties will consult to consider such amendment.

This agreement includes four – one-year renewal options, to be exercised solely at the discretion of DPS. If a renewal option is not exercised by DPS, the agreement shall be considered expired on the expiration date noted in Article 4 and does not require notification of such by DPS. All exercised renewal options shall be executed via written amendment to the agreement. DPS may enter into a month-to-month holdover extension, prior to the expiration of the current agreement term. All exercised month-to-month holdover extensions shall be executed via written amendment to the agreement. DPS will provide the Kenai Peninsula Borough written notice 30 calendar days prior to cancellation of any month-to-month holdover extension.

ARTICLE 16. PAYMENT FOR SERVICES

The compensation for the following periods of the agreement shall equal the dollar amounts identified below:

| | |
|-------------------------------|----------------|
| July 1, 2021 to June 30, 2022 | \$1,819,370.76 |
|-------------------------------|----------------|

The price for this agreement will remain firm and not fluctuate for the entire term of the agreement. Any request for an adjustment to the time, scope, or cost of the agreement must be negotiated between the KPB and DPS.

The DPS is not responsible for and will not pay local, state, or federal taxes. All costs associated with the agreement must be stated in U.S. currency.

The DPS is a government entity and it is understood and agreed that the DPS's payments herein provided for may be paid from Alaska State Legislative appropriations; and approval or continuation of an agreement is contingent upon Legislative appropriation. The state reserves the right to terminate the agreement in whole or part if, in its sole judgment, the Legislature of the State of Alaska fails, neglects, or refuses to appropriate sufficient funds as may be required for the state to continue such payments; or if the Executive Branch mandates any cuts or holdbacks in spending, or if funds are not budgeted or otherwise available. Further, in the event of non-appropriation, the state shall not be liable for any penalty, expense, or liability; or for general, special, incidental, consequential, or other damages resulting therefrom.

ARTICLE 17. INVOICES

The KPB shall submit a properly documented invoice the first month of every quarterly period in accordance with the State of Alaska fiscal year. The State of Alaska fiscal year starts July 1st and ends June 30th. Payment for services provided under this agreement shall be made as indicated below:

Payment to the Kenai Peninsula Borough is contingent upon the Kenai Peninsula Borough delivering a properly documented invoice to DPS.

Every invoice shall include the following information:

- Agreement number;
- Identification of the billing period;
- Total amount billed;
- Date invoice was submitted for payment;
- Entity name, contact information, and Alaska vendor number.

The Kenai Peninsula Borough shall send invoices to:

State of Alaska
Department of Public Safety
Office of the Commissioner
5700 East Tudor Road
Anchorage, AK 99507-1225
Email: DPS.AST.DIRECTORS.OFFICE@alaska.gov

Questions concerning payment must be addressed to the DPS point of contact identified above. Invoices from the KPB will be paid by DPS within 30 days of the date of invoice or interest will apply. Invoicing will occur within the first 15 days of the period covered.

Period Covered

Amount

| | |
|-------------------------------------|--------------|
| July 1, 2021 -September 30, 2021 | \$454,842.69 |
| October 1, 2021 – December 31, 2021 | \$454,842.69 |
| January 1, 2022 – March 31, 2022 | \$454,842.69 |
| April 1, 2022 -June 30, 2022 | \$454,842.69 |

ARTICLE 18. NOTICES.

Notices: Notices by the parties pursuant to this agreement shall be sent to the following addresses:

Borough Mayor
144 N. Binkley Street
Soldotna, AK 99669
Email: cpierce@kpb.us

State of Alaska
Department of Public Safety
Office of the Commissioner
5700 East Tudor Road
Anchorage, AK 99507-1225
Email: DPS.AST.DIRECTORS.OFFICE@alaska.gov

ARTICLE 19. TERMINATION

Either party may terminate this agreement at any time prior to its expiration date, with or without cause, by giving the other party at least nine months' prior written notice of termination. The party initiating the written notice of termination will not incur any liability or obligation to the terminated party, other than payment of amounts due and owing and performance of obligations accrued, in each case on or prior to the termination date. The party receiving the written notice of termination will take immediate steps to stop the accrual of any additional obligations that might require payment. All funds due after termination will be established based on payments issued prior to termination and, as appropriate, a refund or bill will be issued.

ARTICLE 20. DISPUTES

Where possible, disputes will be resolved by informal discussion between the parties. In the event the parties are unable to resolve any dispute through good faith negotiations, before a party files a superior court action, the dispute will proceed to alternative dispute resolution using a method and mediator mutually agreed upon by the parties, with the costs shared equally.

ARTICLE 21. ENTIRE AGREEMENT

This document is the entire agreement of the parties, who accept the terms of this agreement as shown by their signatures below. In the event the parties duly execute any amendment to this agreement, the terms of such amendment will supersede the terms of this agreement to the extent of any inconsistency.

Signed and sealed by the parties on the dates shown:

STATE OF ALASKA
DEPARTMENT OF PUBLIC SAFETY

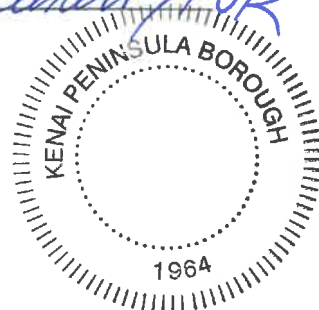
KENAI PENINSULA BOROUGH



Leon Morgan
Deputy Commissioner



Charlie Pierce
Mayor



MEMORANDUM OF AGREEMENT
BETWEEN THE ALASKA DEPARTMENT OF NATURAL RESOURCES, DIVISION OF PARKS &
OUTDOOR RECREATION AND THE KENAI PENINSULA BOROUGH FOR DISPATCH SERVICES

This Memorandum of Agreement (MOA) is hereby entered into by and between the Alaska Department of Natural Resources, Division of Parks & Outdoor Recreation (State Parks), and the Kenai Peninsula Borough (KPB) on behalf of the Soldotna Public Safety Communications Center (SPSCC).

A. Purpose

The purpose of this MOA is to provide for the continuation of dispatch services for state park rangers on the Kenai Peninsula and southern portion of Chugach State Park. State park rangers conduct law enforcement patrols, participate in search and rescues, and respond to public safety incidents. The SPSCC, a KPB department, provides dispatch services to the KPB and other agencies. This MOA will establish a partnership between State Parks and the KPB, on behalf of the SPSCC, that will enhance communication and interaction with these organizations.

B. SPSCC Shall:

1. Provide radio dispatch coverage for state park rangers on the Kenai Peninsula and southern portion of Chugach State Park. The area that SPSCC will provide service will be from Mile 115 Seward Highway beginning at the Chugach State Park Office extending southbound on Seward Highway to include State Park facilities and trailheads off the Seward Highway and the Kenai Peninsula/Prince William Sound State Park facilities/area to include Homer and Seward. In addition, SPSCC will provide dispatch services extending to Eagle River for search and rescue services only.
2. Be responsible for entries of locates into the Alaska Public Safety Information Network (APSIN) on behalf of the State Park rangers covered by this agreement.
3. Conduct regular welfare checks on State Park rangers consistent with SPSCC Policy and Procedure Manual, section 2016.

C. State Parks Shall:

1. Provide SPSCC with a list of all commissioned park rangers that includes contact information.

2. Provide SPSCC with a schedule of when park rangers are working. State Parks will provide this schedule to SPSCC monthly. Any changes to the schedule will be communicated to SPSCC in a timely manner by providing SPSCC an updated shift calendar.
3. Require each park ranger to contact SPSCC and identify when they are in and out of service.
4. Require each park ranger to report the area and duration of specialized patrols such as boat and snow machine patrols.
5. Assign and track case numbers for law enforcement and public safety activities.
6. Be responsible for all clerical support, excluding that which is stated in Section B(2).

D. It is Mutually Agreed by All Parties That:

1. State Parks shall pay the KPB the equivalent of \$51,631.87 for the borough's fiscal year 2022. The KPB will submit an invoice to State Parks by July 1 each year thereafter in an amount based upon the estimated cost incurred by SPCSS attributable to services provided by the SPSCC for State Parks. The payment will be due in full by September 30 each year. If the payment is not received in full by the due date then this agreement shall terminate by the close of business the next business day.
2. The KPB's fiscal year, and the basis for this agreement, is July 1 to June 30.
3. State Parks and SPSCC shall prepare a Department of Public Safety Holder of Record Agreement so SPSCC is the primary agency for entering and clearing locates in APSIN.
4. This MOA is effective July 1, 2021 and valid through June 30, 2022. The MOA may be extended for one additional one-year term upon mutual written agreement of both parties.
5. Except for termination for non-payment, in the event that either party desires to withdraw from this Agreement before the end of the term, or any extensions thereof, written notice of termination must be provided no later than January 1 for the subsequent KPB fiscal year.

6. Each person signing this Agreement warrants that he or she has authority to sign the Agreement and bind their respective entities. This Agreement may be executed in counterparts and may be executed by way of facsimile or electronic signature in compliance with AS 09.80, and each of which when executed shall constitute an original and all of which together shall constitute one and the same instrument. This agreement may be modified in writing with the consent of all parties.

KENAI PENINSULA BOROUGH

STATE OF ALASKA, DEPARTMENT OF
NATURAL RESOURCES

Charlie Pierce, Mayor

Ricky Gease, Director
Division of Parks & Outdoor Recreation

ATTEST:

AGREEMENT APPROVED AS TO
FORM AND LEGAL SUFFICIENCY:

Johni Blankenship, Borough Clerk

Colette Thompson, Borough Attorney

(KPB Seal)

KPB ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by **Charlie Pierce, Mayor** of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public for the State of Alaska
My Commission Expires _____

STATE ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by **Ricky Gease, Director**, State of Alaska Department of Natural Resources, Division of Parks and Outdoor Recreation.

Notary Public for the State of Alaska
My Commission Expires _____

Introduced by:

Mayor

Date:

06/15/21

Action:

Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-048**

**A RESOLUTION APPROVING AN UPDATED MANAGEMENT AGREEMENT FOR
THE SEA OTTER COMMUNITY CENTER ON BEHALF OF THE SELDOVIA
RECREATIONAL SERVICE AREA**

WHEREAS, the Seldovia Recreational Service Area (“SRSA”) was formed pursuant to Kenai Peninsula Borough (“Borough”) Ordinance 2011-28 and voter approval in the October 2011 regular election; and

WHEREAS, the SRSA provides for the furnishing of recreational services within the service area that are based out of, and utilize the Sea Otter Community Center (“SOCC”), and other facilities as may be authorized by the Borough Assembly, and additional recreational services as are recommended by the service area board and established by the assembly through the budget process; and

WHEREAS, services to be provided may include but not be limited to senior citizen and youth programs, musical instruction and practice, accommodation of visiting schools on field trips, facility rental for organizations and individuals for meetings and celebrations, adult education, nature education and outdoor activities, and that the services shall be different from those provided by the City of Seldovia (“City”); and

WHEREAS, effective July 1, 2016 through July 1, 2021 the Borough entered into a contract with the City to manage the SOCC, including scheduling events, assessing fees consistent with the Borough fee schedule, ensuring the SOCC is prepared for events and other activities associated with managing the facility for the SRSA; and

WHEREAS, the Borough and City have been discussing and negotiating updates to the agreement including clarification of services to be provided by the City, the City personnel needed to meet the SRSA’s needs and the amount to be paid for those services, consistent means of communications between the City and the SRSA, and other potential options for services to be provided by the City for SRSA subject to approval; and

WHEREAS, the City and Borough staff involved in the discussions have agreed upon the accompanying agreement subject to approval by the City Council and Borough Assembly after considering the recommendations of the SRSA Board; and

WHEREAS, at its regularly scheduled meeting held on June 14, 2021, the borough Planning Commission recommended _____;

WHEREAS, at its meeting of June 14, 2021 the Seldovia City Council considered this Agreement and recommended _____; and

WHEREAS, at its meeting of _____ the SRSA Service Area Board considered this Agreement and recommended _____;

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

SECTION 1. That the Kenai Peninsula Borough Assembly approves the accompanying Management Agreement for the Sea Otter Community Center on behalf of the Seldovia Recreational Service Area and authorizes the Mayor to execute an agreement substantially in the form of this agreement.

SECTION 2. This resolution shall become effective immediately upon adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY OF JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Melanie Aeschliman, Planning Director *MA*
Marcus Mueller, Land Management Officer *mm*

FROM: Colette Thompson, Borough Attorney *CT*
Brandi Harbaugh, Finance Director *BH*

DATE: June 3, 2021

RE: Resolution 2021-048, Approving an Updated Management Agreement for the Sea Otter Community Center on Behalf of the Seldovia Recreational Service Area (Mayor)

The Seldovia Recreational Service Area ("SRSA") provides for the furnishing of recreational services in the service area that are based out of, and use, the Sea Otter Community Center, and other facilities as may be authorized by the assembly.

The City of Seldovia and Borough entered an agreement effective July 1, 2016 for the City to operate the Sea Otter Community Center. This included employing a facility coordinator, providing janitorial services, and providing associated services.

That agreement expires on July 1, 2021. This resolution would approve a new agreement which provides for improved communications between the Borough, the SRSA and the City, better clarifies the billing and reporting by each party, and also further clarifies recreational services that may be provided. Additionally, this authorizes the City, under a separate agreement with the Borough, to use the Sea Otter Community Center for an incident command center if needed in the event of a disaster, and to pay associated costs for that usage.

Your consideration of this resolution is appreciated.

| | |
|--|------------------------------|
| FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED | |
| Account: | <u>227.61210.00000.43011</u> |
| Amount: | <u>\$37,000</u> |
| By: <u>PP</u> | Date: <u>6/3/2021</u> |

**MANAGEMENT AGREEMENT
FOR THE
SEA OTTER COMMUNITY CENTER**

1. Parties. The parties to this agreement are the Kenai Peninsula Borough (KPB) on behalf of the Seldovia Recreational Service Area (SRSA) and the City of Seldovia (SELDOVIA).
2. Purpose. The purpose of this management agreement is to contract with SELDOVIA to manage the facility known as the Sea Otter Community Center (SOCC), which is owned by the Kenai Peninsula Borough and located on the Susan B. English School campus at Tract 3B Fleming Giles Estates No 2, Plat No 96-01, Seldovia Recording District, Third Judicial District, State of Alaska. SELDOVIA will employ a facility coordinator, community recreation assistant, and janitor for this purpose, and also provide custodial services for the SOCC.
3. Allowed Activities. The coordinator employed by SELDOVIA shall manage the SOCC to provide the services which are authorized by the SRSA plan adopted by the KPB assembly on June 3, 2014, approved by the coordinator and take place at the SOCC and the Susan B. English school campus. Off campus recreational activities conducted by the SRSA are not subject to this management agreement. The SRSA and City of Seldovia may arrange a separate agreement to address off campus recreational activities subject to advance assembly approval of the use of any additional facilities, and also that any such additional recreational services are recommended by the service area board and established by the assembly through the budget process as provided in KPB 16.55.090. This shall not preclude the SRSA from contracting with other organizations to provide for off campus recreational activities by separate agreement in accordance with borough procurement processes and subject to compliance with the above restrictions.
4. Term. This management agreement is valid from July 1, 2021, to June 30, 2026.
5. Consideration. The KPB shall pay SELDOVIA on the 15th day of each month for the services SELDOVIA provided in the preceding month under this agreement beginning the month the agreement is fully executed. Services include the full cost of the employees as it relates to services provided for the SOCC. An administration fee equivalent to 3 percent of the monthly bill may be charged by the City and included in the monthly billing. The total amount of the agreement shall not exceed \$37,000 for FY2022; this total covers the 3 percent admin fee and associated personnel expenses. The total amount of the agreement for FY2023, FY2024, FY2025 and FY2026 shall not exceed the amount budgeted and appropriated by the KPB Assembly for contractual services for the SOCC for each fiscal year. The parties will enter an amendment to this agreement setting forth the contractual amount for each fiscal year covered by this agreement.
6. Keys. KPB will provide SELDOVIA with keys to the SOCC. SELDOVIA agrees that no duplication of keys will be made without the express written permission of the KPB. SELDOVIA will return all keys that KPB issued and all duplicate keys at the conclusion of the term of this management agreement. When the SOCC is not in use for activities authorized by this management agreement the facility shall be locked.

7. SELDOVIA's Obligations.

- A. To keep the SOCC in a clean, neat, and safe condition.
- B. To properly dispose of all rubbish, garbage, and waste in a clean and sanitary manner in reasonable and regular intervals.
- C. To refrain from engaging in any activity which could result in civil liability to KPB.
- D. Schedule events and ensure that all parties running events sign the most recent facility use agreement approved by the borough.
- E. Assess and collect fees for use consistent with KPB 1.26.020(C) and the fee schedule approved pursuant to KPB Chapter 1.26.
- F. Ensure events conducted at the facility are within the allowed activities set forth in Section 3 of this management agreement.
- G. Make the appropriate preparations for uses of the facility.
- H. Ensure proper oversight is available for each use with a designated responsible party.
- I. Prepare and deliver a monthly report to the SRSA board regarding uses of the facility and financial reports including all revenues and expense, and shall also provide this report to the Borough Finance Director on a monthly basis.
- J. Comply with and ensure full compliance with all applicable local, state and federal laws and regulations, including without limitation labor laws, governing SELDOVIA's operations, programs, services, facilities and equipment. SELDOVIA shall refrain from use or allowing use of the premises in any manner inconsistent with said laws, the SRSA plan and policy manual, or this agreement.
- K. Immediately notify the KPB of any lawsuits or claims pending or filed against SELDOVIA relating to SELDOVIA's services pursuant to this agreement. Immediately notify the KPB of any injuries occurring during programs operated by SELDOVIA and of any damages to KPB equipment or property.
- L. Provide monthly invoice with supporting documentation, to include employee hours by position and dollars associated to each, on or before 30 days after each month end.
- M. Comply with all Borough Finance and Purchasing Departments' code requirements, policies and procedures including but not limited to procurement, cash management, petty cash, accounts receivable and vendor payments.

N. Maintain and conduct an annual inventory of the equipment, software, and other personal property in the facility and provide copies to the SRSA Board and borough Finance Department.

O. Promptly notify the KPB of maintenance, repair, and facility concerns.

8. KPB's Obligations.

- A. KPB shall provide SELDOVIA occupancy of the subject property during the agreement term for the purposes set forth in this agreement. Additionally, SELDOVIA shall negotiate with the KPB through a separate facility use agreement, if it wishes to use of the SOCC as an incident command center for the City. The City shall be responsible for any costs associated with that use.
- B. KPB will maintain and repair the roof, exterior walls, and foundation.
- C. KPB shall pay consideration for SELDOVIA's employment of a facility coordinator, community recreation assistant, and janitor as set forth in section 5 of this agreement.

9. School Rules. It is understood that the SOCC is located on the campus of the Susan B. English KPBSD kindergarten through 12th grade school. As such, the following rules must be observed in accord with KPBSD school board policy:

- A. To provide competent adult supervision.
- B. Smoking is prohibited.
- C. Alcoholic beverages and illegal or illicit drugs are not permitted in school facilities or on school property at any time.
- D. Obscenity is prohibited.
- E. Firearms or other deadly or defensive weapons, as defined in AS 11.81.900(b) (17) and (26), are not permitted in school facilities or on school property.
- F. Installation of equipment, alteration of existing building facilities, use of materials that affect the condition of floors, walls or other building parts may not be undertaken without specific approval from KPB.
- G. Advertising or sales of merchandise and printed matter, except that incidental to school or service area programs, is prohibited on school grounds.

10. Repairs and Improvements.

- A. No alterations to the subject property shall be made by SELDOVIA.
- B. Routine Repair and Maintenance and Supplies. KPB shall supply the ordinary maintenance and repair of SOCC and equipment and replacement of supplies that are normally performed on a day-to-day, periodic, or routine basis in order keep the facility and equipment in good, clean, efficient and safe condition including

but not limited to paying electric, fuel oil, water, telephone, cleaning, pest control, and waste removal expenses. KPB shall purchase all materials and supplies necessary to carry on the day-to-day operation of the SOCC and provide the services authorized by this management agreement. SELDOVIA shall provide custodial services as follows:

Up to eight hours per week including interior cleaning such as vacuuming, mopping, garbage disposal and similar tasks, and basic maintenance such as changing light bulbs and programming thermostats and similar tasks.

11. Relationship of the Parties. The services to be rendered under this agreement are those of an independent contractor. SELDOVIA will not at any time directly or indirectly act as an agent, servant or employee of the KPB or make any commitments or incur any liabilities on behalf of the Borough without the KPB's express consent. The KPB, its administration, and the SRSA shall not supervise or direct SELDOVIA except as set forth in this agreement. During the period in which the contract is amended on an annual basis as detailed in section 5, the City Manager will annually meet with SRSA to request feedback on the services provided within the past fiscal year specifically regarding any areas that stood out as successful and any areas in need of improvement.

12. Liability. SELDOVIA shall be liable for damage to any KPB owned property resulting from its management and occupancy of the SOCC. Such damages shall be restored, repaired or replaced by SELDOVIA at SELDOVIA's sole expense; failure to repair damages subjects SELDOVIA to all available remedies KPB has at law or equity. The election of one remedy will not prohibit KPB from pursuing any and all of the available remedies.

13. Insurance. KPB shall maintain insurance on the building as respects to physical damage, except that if SELDOVIA has caused said damage SELDOVIA's General Liability insurance will respond.

SELDOVIA shall purchase at its own expense and maintain in force at all times during the term of this permit the following insurance policies:

Commercial General Liability Policy to include bodily injury, personal injury, and property damage with respect to the property and the ACTIVITIES conducted by SELDOVIA in which the coverage shall not be less than \$1,000,000.00 per occurrence and if Seldovia carries higher limits then those limits apply. The policy purchased shall name KPB as an additional insured with respect to the ACTIVITIES conducted on the property and a waiver of subrogation. SELDOVIA shall notify KPB with thirty (30) days or more advanced written notice of any pending cancellation or change in coverage.

Workers' compensation insurance coverage as required by Alaska law with statutory limits and employer liability limits of \$1,000,000 and contain a waiver of subrogation in favor of KPB. Proof of such coverage shall be provided to the SRSA and KPB upon execution of this agreement and otherwise immediately upon request.

Proof of Insurance: SELDOVIA shall deliver to KPB certificates of insurance showing coverage in place as required. This insurance shall be primary and exclusive of any other insurance held by KPB. Failure to provide insurance as required by this section, or a lapse in coverage, is a material breach entitling KPB to terminate this agreement. Upon renewal of insurance coverage during the contract, certificates of insurance shall be delivered to the KPB's address shown herein.

14. Mutual Defense and Indemnification. To the extent allowed by law SELDOVIA shall indemnify, defend and hold the KPB harmless from and against any and all claims, demands, suits or liability of any nature, kind or character whatsoever under this agreement, including costs, expenses and attorneys' fees, resulting from negligent acts, errors, or omissions of SELDOVIA or SELDOVIA's officers, agents, employees, partners, contractors, and sub-consultants who are directly responsible to SELDOVIA (collectively "SELDOVIA"). SELDOVIA is not required to indemnify, defend, or hold harmless the KPB for a claim of, or liability for, independent negligent acts, errors, and omissions that are solely the KPB's.

To the extent allowed by law, KPB shall indemnify, defend and hold SELDOVIA harmless from and against any and all claims, demands, suits or liability of any nature, kind or character whatsoever under this agreement, including costs, expenses and attorneys' fees, resulting from negligent acts, errors, or omissions of KPB or KPB's officers, agents, employees, partners, contractors, and sub-consultants who are directly responsible to KPB (collectively "KPB"). KPB is not required to indemnify, defend, or hold harmless SELDOVIA for a claim of, or liability for, independent negligent acts, errors, and omissions that are solely SELDOVIA's.

15. Termination for cause.

- A. SELDOVIA's right to occupy and manage the SOCC will, at KPB's discretion and option, cease should SELDOVIA allow any of the following to occur on the subject property:
 - 1) Failure to comply with any material term of this agreement; or
 - 2) Commit waste of the property, beyond normal wear and tear and to fail to cure such waste. Waste is defined as unreasonable conduct that results in physical damage to the property or substantial diminution in the value of the property.
- B. In the event of a default, KPB shall give SELDOVIA written notice of the default and a thirty-day opportunity in which to cure. If the default is not cured by this deadline, this agreement shall terminate and KPB may immediately take possession of the subject property.
- C. If KPB violates any material provision of this agreement SELDOVIA may give written notice of the violation and of SELDOVIA's intent to terminate the agreement. If KPB fails to correct the violation within thirty days after receipt of written notice SELDOVIA may terminate the agreement.

16. Termination for convenience. Either party may terminate this agreement for convenience upon 60 days written notice to the other party.

17. Transfer. This management agreement may not be transferred or assigned by SELDOVIA without prior written approval by the KPB Mayor. The SRSA board shall have the opportunity to comment on any proposed transfer or assignment prior to the Mayor's disapproval or approval.

18. Interpretation and Enforcement. This agreement is being executed by the parties following negotiations between them. It shall be construed according to the fair intent of the language as a whole, not for or against any party. The titles of sections in this agreement are not to be construed as limitations or definitions but are for identification purposes only.

19. Severability. If any section or clause of this agreement is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, the remainder of this agreement shall remain in full force and effect.

20. Understanding. SELDOVIA acknowledges that it has read and understands the terms of this agreement, has had the opportunity to review the same with counsel of its choice, and is executing this agreement of its own free will.

21. Notices. Any notice required pertaining to the subject matter of this agreement shall be personally delivered or mailed by prepaid first-class, registered or certified mail to the following addresses:

KENAI PENINSULA BOROUGH:

Borough Mayor
144 N. Binkley Street
Soldotna, AK 99669

CITY OF SELDOVIA:

City Manager
P.O. Drawer B
Seldovia, AK 99663

22. Jurisdiction; Choice of Law. Any civil action arising from this agreement shall be brought in the superior court for the Third Judicial District of the state of Alaska at Kenai. The law of the State of Alaska shall govern the rights and obligations of the parties.

23. Non-Waiver. The failure of the KPB at any time to enforce a provision of this agreement shall in no way constitute a waiver of the provisions, nor in any way affect the validity of this agreement or any part thereof, or the right of the KPB thereafter to enforce each and every protection hereof.

24. Agreement Administration.

- A. The mayor, or his designee, will be the representative of the KPB administering this agreement.

The foregoing instrument was acknowledged before me this _____day of _____, 2021, by Rachel Friedlander, City Manager of the City of Seldovia, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public in and for Alaska

Commission Expires: _____

Introduced by: Mayor, Haggerty, Smith
Date: 07/05/11
Hearing: 08/02/11
Action: Enacted as Amended
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2011-28**

**AN ORDINANCE ESTABLISHING THE
SELDOVIA RECREATIONAL SERVICE AREA**

WHEREAS, members of the Seldovia community have been working to find a way to ensure the continued use of the building recently vacated by the Seldovia Boys and Girls Club which is located at the southern portion of the Seldovia school property and is owned by the Kenai Peninsula Borough; and

WHEREAS, the community would like to keep the building available and operational for community recreation purposes; and

WHEREAS, more than 15 percent of the eligible voters who voted in the last regular borough election and within the area comprising the proposed Seldovia recreational service area have by petition requested the establishment of a Seldovia recreational service area in the area described by the petition which includes the Seldovia voting precinct; and

WHEREAS, as required by KPB 16.04.030 the mayor submitted a report to the assembly at the June 21, 2011, assembly meeting describing the proposed Seldovia service area boundary, the need for service, the assessed value of the area for fiscal year 2011, the estimated costs of the service area, and the population; and

WHEREAS, a special committee of the assembly conducted a public hearing within the proposed recreational service area on July 7, 2011, for the purpose of considering the necessity for the proposed service area with twenty (20) persons testifying in support of the service area and zero (0) persons opposed; and

WHEREAS, due to the size and population of the area, the lack of needs for city government in much of the proposed area and certain character, resource, population, boundary, and standards for annexation to cities as described in 3 AAC 110.090 - 140 such services cannot be provided by an existing service area, by annexation to a city, or by incorporation as a city; and

WHEREAS, pursuant to AS 29.35.450, because the city of Seldovia is included in the proposed service area, either the city council must either agree by ordinance to be included in the service area, or the service area must be approved by both a majority of the voters residing in the city and a majority of the remaining voters residing in the proposed service area;

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

SECTION 1. Title 16 of the Kenai Peninsula Borough Code of Ordinances is amended by adding a new Chapter 16.55 which shall read as follows:

CHAPTER 16.55. SELDOVIA RECREATIONAL SERVICE AREA

16.55.010. Boundaries.

There is established a service area within the borough designated as the “Seldovia Recreational Service Area” in that portion of the borough described as all the following referenced to the Seward Meridian, Alaska:

A portion of the Kenai Peninsula Borough described as follows: Beginning at the mouth of the Seldovia River in Kachemak Bay; then southerly along the thread of Seldovia River to the northern shore of Seldovia Lake; then northeast along a non-visible point-to-point line extending to the headwaters of Barabara Creek; then northerly along the thread of Barabara Creek to its intersection with Barabara Creek tributary; then southeasterly along the thread of Barabara Creek tributary to its headwaters; then northeasterly along a non-visible point-to-point line extending to Gunsight Mountain; then southeasterly along the ridgeline of Gunsight Mountain to its end; then southeasterly along a non-visible point-to-point line extending to the headwaters of Windy River; then northeasterly along the thread of Windy River to its intersection with Jakolof Creek; then northwesterly along the thread of Jakolof Creek to Jakolof Bay; then westerly along the southern shoreline of Kachemak Bay to the mouth of Seldovia River; the point of beginning. (see attached map)

16.55.020. Mill levy.

No mill levy in excess of 1.0 mills shall be levied on behalf of the service area unless an increase is approved by the assembly during the budgetary process.

16.55.030. Board of directors.

There is established a board of directors for oversight of the operations of the Seldovia Recreational Service Area composed of five members who, except as provided below, shall be elected by the qualified voters of the service area in the manner provided in the borough election code and KPB 16.04.065 as now enacted or may be hereinafter amended. Notwithstanding the provisions of KPB 16.04.060, the first board shall be appointed by the mayor and confirmed by the assembly for terms expiring upon certification of the regular election held in October 2012. Board seats to be filled at the first election of board members shall be staggered as follows: Seats A and D for one year; seats B and E for two years; and seat C for three years.

16.55.040. Board—Meetings—Quorum.

The board shall meet periodically at a regularly scheduled time and place designated by the board. Special meetings of the board may be called by the chair of the board or by any two members upon reasonable notice thereof published in a newspaper or via radio having general distribution within the service area in compliance with the open meetings act and identifying all matters to be discussed at the special meeting. The notice for all meetings shall set forth the time and place of the meeting and shall be mailed or telephoned to each board member. All meetings shall be open to the public as provided by law. Three board members shall constitute a quorum; however, an action shall require the affirmative vote of three board members.

16.55.050. Board—Election of officers.

At the first regular meeting following certification of the election by the assembly, and annually thereafter, the board shall elect by majority vote of the board members, and from the board members, a chairperson and such other officers as the board shall determine to be desirable who shall hold office until successors are elected.

16.55.060. Board—Terms of office.

Each member of the board of directors shall be elected for a term of three years and shall serve thereafter until his or her successor has been elected, qualified and sworn to assume the duties of the office, except that the first elected board shall contain members elected for lesser periods described in KPB 16.55.030.

16.55.070. Board—Vacancies—Created when.

Vacancies on the board are created upon declaration of vacancy by the board if a member:

- (a) Fails to qualify or take office within 30 days after his or her election or appointment;
- (b) Is physically absent from the service area for a 90-day period, unless excused by the board;
- (c) Changes his or her residency for a period longer than 60 days to a location outside of the jurisdiction from which the board is elected;
- (d) Resigns and his or her resignation is accepted;
- (e) Is physically or mentally unable to perform the duties of his or her office;
- (f) Misses three consecutive regular meetings unless excused; or

- (g) Is convicted of a felony or of an offense involving a violation of his or her oath of office.

16.55.080. Board—Vacancies—Filling.

Vacancies on the board shall be filled by majority vote of the remaining board until the next regular election of the borough at which time a new member shall be elected to fill the unexpired term or for a three-year term if no unexpired term remains. The clerk shall provide at least twenty-one days' advance public notice before filling the vacancy. Public notice may be provided by publication through print or broadcast media, posting at the primary service area office or at the borough administration building, and such other publication as the service area board deems appropriate.

16.55.090. Board—Powers and duties.

Pursuant to the provisions of AS 29.35.450 the board of directors of the service area, subject to KPB 16.04.001, and assembly approval and appropriation of funds, shall have the power to supervise the furnishing of recreational services within the service area that are based out of, and utilize the Seldovia Community Center, now known as the Sea Otter Community Center, presently located on Tract 3 B, Fleming Giles Estates No. 2 Subdivision according to Plat No. 96-1, Seldovia Recording District, Third Judicial District, State of Alaska, and other facilities as may be authorized by the borough assembly, and additional recreational services as are recommended by the service area board and established by the assembly through the budget process. Services to be provided may include but are not limited to senior citizen and youth programs, musical instruction and practice, accommodation of visiting schools during "Sea Week" and other Seldovia field trips, facility rental for organizations and individuals for meetings and celebrations, adult education, high speed internet access, community gatherings such as potlucks and dinners, karate instruction, arts and crafts instruction and facilitation, nature education and outdoor activities. The services shall be different from those provided by the City of Seldovia. The board shall promptly provide accurate and complete copies of minutes of all board meetings to the mayor and assembly. The board shall be responsible for developing, implementing, and updating a plan for furnishing recreational services which shall be subject to assembly approval.

16.55.100. Personnel system—Rules and regulations.

Unless specifically provided otherwise, the borough personnel system and Title 3 of the Kenai Peninsula Borough Code of Ordinances apply to personnel, if any, employed by the Seldovia Recreational Service Area.

16.55.110. Employee conduct requirements.

Employees of the Seldovia Recreational Service Area are employees of the borough, and as such, are required at all times to conduct themselves in an exemplary manner befitting the public service in which they are employed.

16. 55.120. Budget and fiscal control.

The formulation of a budget and fiscal control of expenditures of public moneys of the Seldovia Recreational Service Area are under the supervision and direction of the mayor and the assembly. The finance director of the borough shall provide the board with the rules and regulations governing the appropriation of funds, the budgeting of funds, the authorization of expenditures, and any and all rules and regulations of the borough fiscal policy to which the service area is subject. The board shall arrange for the preparation of a budget and capital program, which shall be submitted to the mayor for approval. The budget and capital expenditure proposals shall be subject to the procedures for adopting the borough budget and capital expenditures program and its consideration by the assembly. Such public hearings as are necessary shall be a part of the budgetary procedures before the board and the assembly.

16. 55.130. Officers—Appointment, qualifications, and removal.

The mayor, after considering the recommendation of the board, may appoint such administrative officers as the mayor deems necessary. These officers shall be subject to removal by the mayor as provided for administrative personnel in KPB 3.04.070. To the extent feasible, the mayor shall consider the recommendation of the service area board prior to such removal. The administrative officers shall administer policy as set by the board with the concurrence of the mayor.

16.55.140. Policies—Formulation and authority—Approval required.

The board, or its designee, shall formulate policies to govern the operation of the service area departments, and shall be responsible to the mayor for the personnel, morale, and general efficiency of the department. Prior to implementation, such policies shall be approved by the assembly by resolution.

16.55.150. Procedure—Conduct of affairs—Meetings.

The board shall adopt bylaws or regulations governing the conduct of its affairs so long as such bylaws are procedural in nature and do not conflict with the substantive rules and regulations governing the board in its delegated powers. The board shall adopt rules of procedure for the conduct of its meetings so long as such rules of procedure are not in conflict with bylaws and regulations governing the board.

16.55.160. Purchasing—Agent.

- A. The purchasing agent for the service area is the borough purchasing and contracts manager. All purchases of supplies, materials, equipment, and contractual services shall be made in accordance with the rules and regulations adopted by the assembly.
- B. All contracts for capital improvements and maintenance performed in connection with the service area shall be bid and administered by the borough capital projects department in accordance with the department's normal procedure for letting of contracts.

16.55.170. Accounts—Vouchers—Accounting.

All accounting functions for the service area shall be under the supervision of the borough finance director who shall provide rules, regulations, and procedures governing the issuance and payment of vouchers, the issuance and payment of checks, the use of the central treasury of the borough, and the manner in which all bonds, contracts, leases or other obligations requiring the payment of funds from the appropriations in the service area budget are to be processed and administered.

16.55.180. Fiscal procedures.

The service area shall abide by the fiscal policies and procedures applicable to the borough general government budget.

SECTION 2. That notwithstanding KPB 16.04.040 the public hearing held within the proposed service area boundaries may be held after this ordinance is introduced.

SECTION 3. That the following proposition shall be placed before the voters of the Seldovia Recreational Service Area at the regular election to be held October 4, 2011:

PROPOSITION NO. _____

“Shall the Kenai Peninsula borough be authorized to provide recreational services within the Seldovia Recreational Service Area established by Kenai Peninsula Borough Ordinance 2011-28 that are based out of and utilize the Seldovia Community Center, now known as the Sea Otter Community Center, presently located adjacent to Susan B. English School and other facilities as may be authorized by the borough assembly, and additional recreational services as are recommended by the service area board and established by the assembly through the budget process? Services to be provided may include but are not limited to senior citizen and youth programs, musical instruction and practice, accommodation of visiting schools during “Sea Week” and other Seldovia field trips, facility rental for organizations and individuals for meetings and celebrations, adult education, high speed internet access, community gatherings such as

potlucks and dinners, karate instruction, arts and crafts instruction and facilitation, nature education and outdoor activities. The service area shall be different from those provided by the City of Seldovia.”

YES _____ NO _____

SECTION 4. That Section 3 of this ordinance takes effect immediately upon enactment of this ordinance. Section 1 shall take effect upon approval of the proposition in Section 3 by the majority of voters in the service area voting on the proposition at the borough election to be held October 4, 2011, and upon the date the election is certified by the borough assembly or the date the U.S. Department of Justice issues its nonobjection to preclearance, whichever is later. If the U.S. Department of Justice does not issue a nonobjection to preclearance, the effective date shall be 60 days from the date of receipt of the ballot proposition for preclearance by the U.S. Department of Justice or the date of the certification of the election results, whichever is later. If an objection is imposed by the U.S. Department of Justice, the ordinance shall not be effective until the objection is resolved.

SECTION 5. That this ordinance shall also only take effect after the city of Seldovia either agrees by ordinance to be included in the service area or approval is granted by a majority of the voters residing in the city and also by a majority of the remaining voters residing in the service area as required by AS 29.35.450(a).

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 2ND DAY OF AUGUST, 2011.

Gary Knopp, Assembly President

ATTEST:

Johni Blankenship, Borough Clerk

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp
No: None
Absent: None

Introduced by:

Mayor

Date:

06/15/21

Action:

Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-049**

**A RESOLUTION APPROVING A COOPERATIVE AGREEMENT FOR EMERGENCY
AID BETWEEN EASTERN PENINSULA HIGHWAY EMERGENCY SERVICE AREA
AND BEAR CREEK FIRE & EMERGENCY SERVICE AREA, CENTRAL
EMERGENCY SERVICES, COOPER LANDING EMERGENCY SERVICES, HOPE
SUNRISE EMERGENCY SERVICES, INC., MOOSE PASS VOLUNTEER FIRE
COMPANY, SEWARD VOLUNTEER AMBULANCE CORP. AND THE CITY OF
SEWARD ON BEHALF OF THE SEWARD FIRE DEPARTMENT**

WHEREAS, mutual aid agreements and their operation plans provide for additional resources to residents of the Kenai Peninsula Borough in the form of fire and medical personnel when required; and,

WHEREAS, cooperative aid agreements provide for additional resources to residents of the Kenai Peninsula Borough in the form of emergency services and fire and medical personnel when required; and

WHEREAS, cooperative aid agreements along the Eastern Peninsula would allow the parties to work together to provide consistent and coordinated responses to incidents requiring emergency medical or fire services along the heavily traveled highway corridors in that portion of the Kenai Peninsula; and

WHEREAS, Alaska Statute 18.70.150 provides that: “A city, other incorporated entity, and other fire protection groups may organize a mutual-aid program by adopting an ordinance or resolution authorizing and permitting their fire department, fire company, emergency relief squad, fire police squad, or fire patrol to go to the aid of another city, incorporated entity, or fire protection group, or territory outside of it;” and

WHEREAS, the Alaska Administrative Code authorizes state certified emergency medical service providers to enter into mutual aid agreements with other such providers in accordance with a municipal ordinance or resolution; and

WHEREAS, the cooperative agreement reflects the commitment by the many agencies located along that area of the borough to provide emergency response for visitors and citizens; and

WHEREAS, all associated costs are borne by each responding agency, and, upon request, reimbursed at set rates by EPHESA; and

WHEREAS, rates paid by EPHESA are tied to individual agency ratings providing incentive for emergency response agencies to continue training and recruitment of qualified individuals; and

WHEREAS, EPHESA has been instrumental in funding training opportunities as well as much needed rescue equipment; and

WHEREAS, at their various independent agency meetings, the Boards of each agency named herein has voted to recommend approval of the cooperative agreement;

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

SECTION 1. That the cooperative agreement between EPHESA and (1) Bear Creek Fire and Emergency Service Area; (2) Central Emergency Services; (3) Cooper Landing Emergency Services, Inc.; (4) Hope Sunrise Emergency Services, Inc.; (5) Moose Pass Volunteer Fire Company; (6) Seward Volunteer Ambulance Corp.; and, (7) City of Seward on behalf of the Seward Fire Department is in the best interest of the borough and its citizens and is hereby approved. The mayor is authorized to execute a cooperative agreement substantially in the form of the attached agreement.

SECTION 2. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY OF JUNE, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Western Emergency Service Area

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Roy Browning, Fire Chief, Central Emergency Services *RB*

FROM: Richard Brackin, EPHESA Coordinator *RB*

DATE: June 2, 2021

RE: Resolution 2021- 049, Approving a Cooperative Agreement Between Eastern Peninsula Highway Emergency Service Area, Bear Creek Fire Department, Central Emergency Services, Cooper Landing Emergency Services, Hope Sunrise Emergency Services, Inc., Moose Pass Volunteer Fire Company, Seward Volunteer Ambulance Corporation and the City of Seward, Seward Fire Department (Mayor)

This resolution would approve the attached Cooperative Agreement between the Eastern Peninsula Highway Emergency Service Area, Bear Creek Fire Department, Central Emergency Services, Cooper Landing Emergency Services, Hope Sunrise Emergency Services, Inc., Moose Pass Volunteer Fire Company, Seward Volunteer Ambulance Corporation and the City of Seward, Seward Fire Department for cooperative aid along the Eastern Peninsula.

Mutual aid, cooperative aid, and automatic aid agreements allow for specific resource requests between the agencies to assist each other with emergency responses. Assistance is through the provision of resources as set out in the agreements and operational plans.

The agreement is for cooperative aid response of fire and emergency medical resources and personnel, and will continue in effect per the terms of the agreement unless earlier terminated. The resolution would allow the agencies to cooperate in ensuring coverage along the Eastern Peninsula along those heavily traveled highway corridors of the Eastern Peninsula which often are unmanned and outside of the territories of all of the named departments, ensuring safety for the citizens and visitors to the Kenai Peninsula. The Agreement would bring

consistent and coordinated response to incidents requiring fire and/or emergency services and would allow for coordinated training exercises as well as coordinated equipment purchases to ensure that future emergencies are handled as expeditiously as possible.

Your consideration is appreciated.

**Kenai Peninsula Borough
Eastern Peninsula Highway Emergency Service Area
Cooperative Agreement**

August 2021

A. Parties

Eastern Peninsula Highway Emergency Service Area (EPHESA)

Bear Creek Fire & Emergency Service Area

Central Emergency Services (CES)

Cooper Landing Emergency Services

Hope Sunrise Emergency Services, Inc.

Moose Pass Volunteer Fire Company

Seward Volunteer Ambulance Corp.

City of Seward – Seward Fire Department

B. Purpose:

The agencies involved in this agreement share the common goal of desiring to provide for the most efficient and timely emergency services possible at the time of crisis along portions of the Seward Highway, the Hope Highway and the Sterling Highway. All of the agencies, with the exception of EPHESA, provide some form of fire protection and/or emergency medical services within their respective boundaries. Yet there are areas of these highways where no agency has coverage. To ensure greater life and safety coverage, the agencies listed herein desire to work cooperatively to allow for more efficient and wider coverage near the service area boundaries. To accomplish this, the agencies desire to provide the personnel and equipment necessary while EPHESA desires to provide the funding to reimburse the individual agencies.

C. Cooperative Agreement

The parties to this Agreement agree to work cooperatively to provide consistent and coordinated responses to incidents requiring fire and/or emergency medical services along the heavily traveled highway corridors of the Eastern Peninsula, as outlined in the attached map (Attachment A), within each agency's capabilities.

D. EPHESA shall:

1. Upon request, reimburse agencies that are a party to this Agreement at the rates set forth in Attachment B. Reimbursement rates will be tied to each agency's rating as

determined by EPHESA. Reimbursements are optional and shall only be made upon timely submitted invoices.

2. Support efforts to strengthen and assist the growth and development of agencies that are involved in this Agreement.
3. Conduct evaluations on the strength and needs of each partner agency, at least annually, to determine personnel, available equipment, and general ability to respond to various needs.
4. Assist participating agencies with the acquisition of life-saving equipment such as extrication equipment, firefighting apparatus and other equipment.
5. Determine the communications plan for dispatch and on-scene communications, as well as minimum standards for responder communication equipment (i.e. subscriber units). EPHESA may also provide supplemental methods of dispatching information including notifications to mobile phones. Any dispatch mechanism outside of radios is provided for convenience and not designed to the same standard as public safety grade radio equipment. These systems may be impacted by internet equipment issues, scheduled maintenance, mobile carrier network conditions, and other factors that may prevent the timely delivery of messages.

E. Participating Agencies shall:

1. Render Emergency Assistance within the area subject to this Agreement subject to operational capability and availability if requested to do so.
2. Cooperate with EPHESA's request for information regarding personnel, available equipment, and general ability to respond to various needs.
3. Prepare and submit invoices for apparatus, personnel time and other allowable expenses within the timeframes listed in this Agreement.
4. Follow the current EPHESA communications plan which outlines the dispatch channel(s) and facilities to be utilized, and ensure all communications equipment is programmed per the plan.

F. Call-Out Procedures:

1. A request to render emergency assistance will describe the type of Emergency, the location of the emergency, the resources and personnel requested, and a brief description of how the requesting agency plans to utilize the requested agency's resources.
2. If available and able to respond, the requested agency will commit to send, without delay, such public safety personnel, equipment and resources as requested subject to the right, at that agency's sole discretion, to withhold resources in order to provide reasonable protection for the safety and protection of its local citizens.
3. The dispatch of equipment and personnel is subject to the following conditions:
 - a. The responding agency shall report to the Incident Commander (IC) and shall be subject to the direction of the IC or Officer in Charge (OIC).
 - b. In the event of a major incident such as a configuration or Type I or II wildfire that may affect another area of the Peninsula, a unified command may be established.

- c. Mutual Aid resources shall be released as soon as their services are no longer required. Resources may have to be released from the incident scene, if an emergency occurs within their primary response area.
- d. The aid provided must be an authorized power of that agency.
- e. Unless specifically instructed otherwise, the requesting agency shall have the responsibility of providing food and housing for the responding agency's personnel (as necessary and until the response is complete).
- f. Whenever the officials, employees, and volunteers from the responding agency are rendering aid, such persons shall have the powers, duties, rights, privileges, and immunities, and shall receive compensation, incidental to their employment or position as if such aid were being rendered in their home jurisdiction.
- g. During the period of assistance, the responding agency shall continue to pay its employees according to its then prevailing ordinance, rules, regulations, and practices. The responding agency shall then request reimbursement from the requesting agency.

G. Compensation:

Compensation will be based upon rating and timely receipt of invoices for apparatus, personnel time, and other allowable expenses. The deadline for receipts is as follows:

| | |
|--------------------------------|------------|
| Quarter 1 (July – September) | October 31 |
| Quarter 2 (October – December) | January 30 |
| Quarter 3 (January – March) | April 30 |
| Quarter 4 (April – June) | July 5 |

Compensation due participating agencies may be applied against outstanding charges for dispatch services from the Soldotna Public Safety Communications Center (SPSCC).

LATE INVOICES WILL BE DENIED PAYMENT

H. General Provisions:

The parties to this agreement jointly agree:

1. It is mutually beneficial to all parties herein to provide emergency assistance in the areas near and outside the boundaries of each agency's service area.
2. The parties intend the term "Emergency" to include, but not be limited to, a human-caused or natural event or circumstance within the boundaries of the Kenai Peninsula, causing or threatening loss of life, damage to the environment, injury to person or property, human suffering, or financial loss, such as, but not limited to, fire, explosion, flood, severe weather, drought, earthquake, volcanic activity, spills or releases of hazardous materials, contamination, utility or transportation emergencies, disease, infestation, civil disturbances, riots, acts of terrorism, sabotage or other disaster.

3. The parties intend that the term “Emergency Assistance” mean employees, equipment, services, materials, or supplies offered during an Emergency by one party and accepted or requested by another party to assist in maintaining or restoring normal government services when such service has been disrupted by an Emergency and Emergency Assistance is necessary or advisable as determined by the requesting party.

I. Term of Agreement:

This agreement will be effective with the date of last signing and will terminate on June 30, 2025.

J. Modification:

Modifications or termination may be proposed at any time during the period of performance by any party and shall become effective upon written approval by both parties. A party shall be compensated for services only actually provided by the effective date of termination.

K. Appropriations/Expenditures:

Nothing in this agreement shall obligate any party to the expenditure of funds, or for future payments of money in excess of appropriations authorized.

L. Liability:

1. There shall be no liability imposed on any Party or its personnel for failure to respond to an incident due to resource limitations or as a result of any act or omission in good faith to fulfill the terms of this Agreement.
2. For purposes of this Agreement, each Party’s employees shall be deemed to be the employees and agents of that Party only, and under no circumstances shall any employee be deemed to be an employee or agent of any other entity or the other Party.
3. All damages or repairs to any equipment or apparatus shall be the responsibility of the Party that owns such equipment or apparatus, provided however that compensation for damages to equipment or apparatus that occurs during a natural disaster, a state of emergency, as declared by a local, state or federal governing authority, or any other incident for which state or federal aid is provided to the Party requesting aid, shall be distributed to the Party providing aid in proportion to the level of actual involvement while providing cooperative aid.
4. Nothing contained in this Agreement shall be construed to be a waiver of either Party’s qualified immunity, official immunity, or any other immunity or exemption from liability provided for by law.

M. Release of Claims:

Except as provided in L(3) above, and to the extent allowed by law, each of the Parties agree to hold harmless and release the other Party from any and all liabilities, suits, claims, judgments, cost or demands for damage to its own property whether directly existing or indirectly arising out of the use of any vehicle, equipment or apparatus being used by either Party during the provision of service pursuant to this Agreement.

N. Injuries to Personnel:

Any damage or other compensation which is required to be paid to any fire department employee or volunteer by reason of his/her injury occurring while his/her services are being utilized pursuant to this Agreement shall be the sole liability and responsibility of the Party regularly employing that person.

O. No Benefit to Third Parties:

This Agreement shall not be construed as, or deemed to be, an agreement for the benefit of any third party or parties, and no third party or parties shall have any right of action hereunder for any cause whatsoever.

P. Conflict with Laws:

Nothing in this agreement is intended to conflict with Federal, State or local laws or regulations. If there are conflicts, this agreement will be amended at the first opportunity to bring it into conformance with applicable laws or regulations.

Q. Counterparts:

The agreement may be executed in counterparts, each of which when so executed shall constitute an original and all of which together shall constitute one and the same instrument.

SIGNED WITH AUTHORITY TO EXECUTE:

KENAI PENINSULA BOROUGH

Charlie Pierce, Mayor

Date

EASTERN PENINSULA HIGHWAY EMERGENCY SERVICE AREA (EPHESA)

Richard Brackin, Coordinator

Date

BEAR CREEK FIRE & EMERGENCY SERVICE AREA

Richard Brackin, Chief

Date

CENTRAL EMERGENCY SERVICES

Roy Browning, Chief

Date

COOPER LANDING EMERGENCY SERVICES, INC.

Jennifer Harpe, President

Date

HOPE SUNRISE EMERGENCY SERVICES, INC.

Travis Peterson, Director & VP

Date

MOOSE PASS VOLUNTEER FIRE CO.

Phillip Ingersoll, Chief

Date

SEWARD VOLUNTEER AMBULANCE CORP.

Michael H. Moore, President

Date

SEWARD FIRE DEPARTMENT

Clinton Crites, Fire Chief

Date

CITY OF SEWARD

Acting City Manager

Date

ATTEST:

Brenda Ballou, MMC, City of Seward Clerk

Date

Approved as to sufficiency and form:

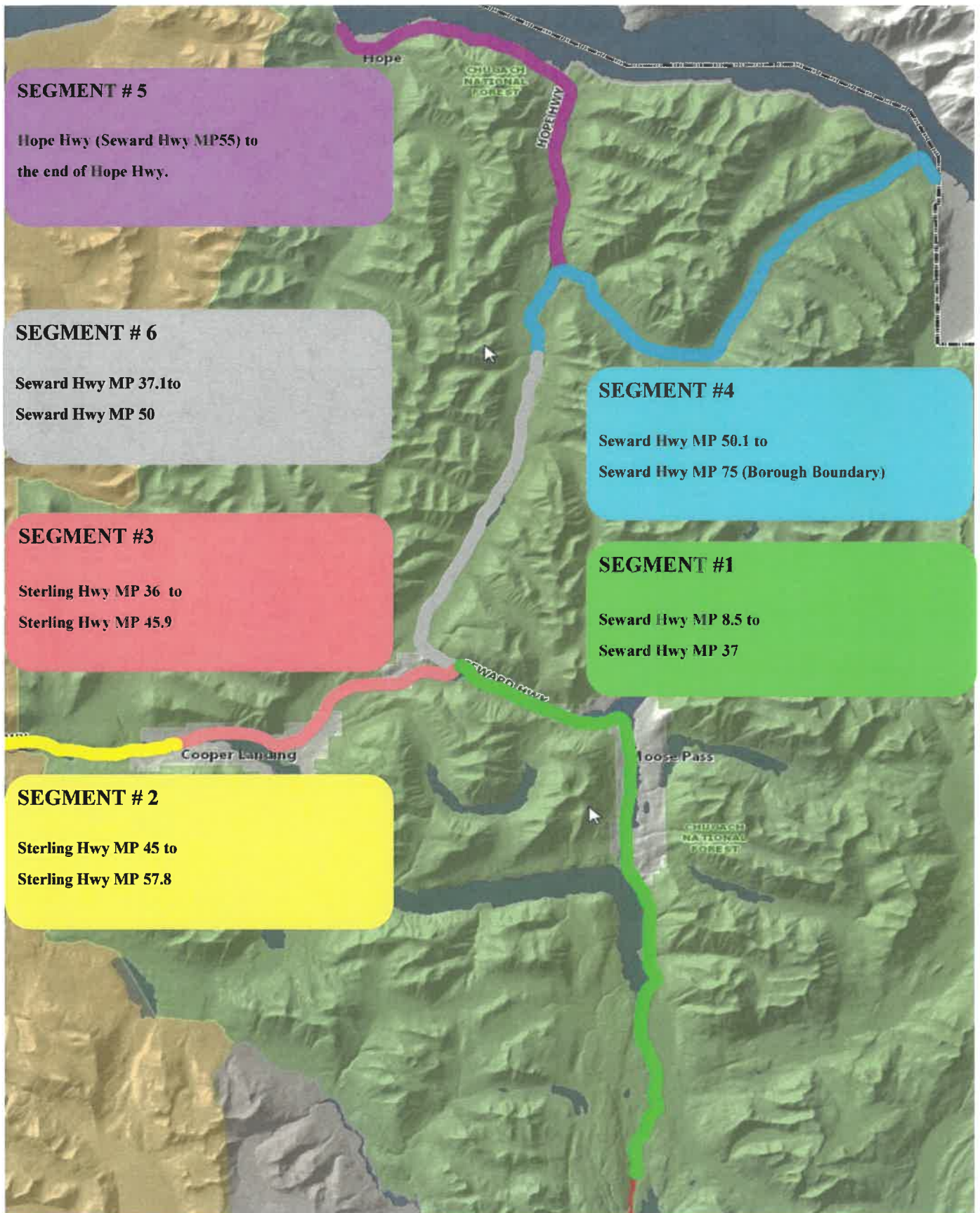
Patty Burley, Deputy Borough Attorney

Date

ATTEST:

Johni Blankenship, MMC, Borough Clerk

ATTACHMENT A



ATTACHMENT B
LEVEL 1 STIPEND: SINGLE RESPONSE¹

| Eastern Peninsula Highway Emergency Service Area Compensation Schedule: Level 1 | | | |
|--|--|--|--|
| FIRST RESPONDER RESPONSE REQUIREMENTS & PERFORMANCE STIPEND | | | |
| a. | TASK & PURPOSE. Provide rapid emergency response that provides initial BLS Care and Scene Management. | b. | APPARATUS: Capable of carrying personnel to the scene with BLS Equipment |
| c. | PERSONNEL & TRAINING: * 2 Total Certified ETT Responders (Preferably EMT 1 Responders) * Annual Emergency Vehicle Operations Training * ICS 100, 200, 700, 800 | d. | EQUIPMENT * Trauma Bag * Patient Stabilization * Oxygen Delivery * Communications: Two-Way * Communications ration w/department & AMLR frequencies |
| | STIPEND PER CALL: \$300 | | CANCEL IN ROUTE: \$100 |
| GROUND TRANSPORT (Ambulance) RESPONSE REQUIREMENTS | | | |
| a. | TASK & PURPOSE: Provide ground transport service that assumes patient care and transport to an appropriate patient care facility or higher level of care. | b. | APPARATUS: One (1) certified State of Alaska ground transport ambulance |
| c. | PERSONNEL & TRAINING: * 2 total: One (1) Certified EMT 1/Basic Responder and one (1) Driver (Preferably ETT) * Meet Level 1 Extrication Guidelines * Annual Emergency Vehicle Operations Training * ICS 100, 200, 700, 800 | d. | EQUIPMENT: * All equipment and supplies to meet State of Alaska BLS Ground Transport Ambulance * Communications: Two-way communications radio with department and ALMR frequencies. |
| | STIPEND PER CALL: \$600 | | CANCEL IN ROUTE: \$100 |
| FIRE/RESCUE EXTRICATION RESPONSE REQUIREMENTS & PERFORMANCE STANDARDS | | | |
| a. | TASK & PURPOSE: To provide fire protection and/or suppression support and vehicle extrication within the EPHESA. | b. | APARATUS: Structure Engine Type 1 or 2 Wildland Engine Type 6 |
| c. | PERSONNEL & TRAINING: * 2 Total: 1 Certified EMT 1/Basic Responder and/or Certified Firefighter 1 State of Alaska Responder and 1 Driver (preferably ETT) * Must meet Level 1 and Level 2 Extrication Guidelines * Annual emergency vehicle operations training * Four (4) hours per quarter fire/extrication training * Every two (2) years, extrication using actual equipment and personnel * ICS 100, 200, 700, 800 | d. | EQUIPMENT: * Stabilization kit, blocking & cubing * Scene lighting * Fire Suppression System (charged lines) * Extrication Equipment * Standard PPE * Traffic Control * Communications: two-way communications radio with department and ALMR frequencies. |
| | STIPEND PER CALL: \$800 | | CANCEL IN ROUTE: \$100 |
| References: International Fire Chiefs Association – Mutual Aid 301, 2010 | | BLS/ALS Billing rates for the Kenai Peninsula Borough, 2018 Appendix I, Inventory Ambulance Supplies & Equipment | |
| FEMAS's Schedule of Equipment Rates 2017 | | Request for Information (RFI), EPHESA 2019 | |

¹ Departments are eligible for either a Level 1 **or** a Level 2 Stipend **and** a Level 3 Stipend.

ATTACHMENT B
LEVEL 2 STIPEND: FULL RESPONSE

| Eastern Peninsula Highway Emergency Service Area Compensation Schedule: Level 2 | |
|---|--|
| INITIAL CALL FOR SERVICE | COMMAND OFFICER |
| Initial call for service fee shall be charged for call out of the Fire Department. After the first hourly rates for each piece of fire apparatus, rates shall be charged under the following table. | Command officer will coordinate crew efforts, ensure the safety of the firefighters and EMS personnel, assess the incident priorities and determine the strategy and tactics that will be used. |
| INITIAL CALL-OUT FEE: \$600 | COMMAND VEHICLE FEE (PER HOUR): \$200 |
| GROUND TRANSPORT (Ambulance) RESPONSE REQUIREMENTS | |
| a. TASK & PURPOSE: Provide ground transport service that assumes patient care and transport to an appropriate patient care facility or higher level of care. | b. APPARATUS: One (1) certified State of Alaska ground transport ambulance |
| c. PERSONNEL & TRAINING: * 2 total: One (1) Certified EMT 1/Basic Responder and one (1) Driver (Preferably ETT) * Meet Level 1 Extrication Guidelines * Annual Emergency Vehicle Operations Training * ICS 100, 200, 700, 800 | d. EQUIPMENT: All equipment and supplies to meet State of Alaska BLS Ground Transport Ambulance Communications: Two-way communications radio with department and ALMR frequencies. |
| AMBULANCE NON-TRANSPORT FEE (Per Hour) \$300 | AMBULANCE TRANSPORT FEE (will be reimbursed by patient) |
| FIRE/RESCUE EXTRICATION / RESPONSE REQUIREMENTS | |
| a. TASK & PURPOSE: To provide fire protection and/or suppression support and vehicle extrication within the EPHESA. | b. APPARATUS: * Engine * Heavy Rescue * Ladder Truck * Tender * Brush Truck |
| c. PERSONNEL & TRAINING: * 2 Total: 1 Certified EMT 1/Basic Responder and/or Certified Firefighter 1 State of Alaska Responder and 1 Driver (preferably ETT) * Must meet Level 1 and Level 2 Extrication Guidelines * Annual emergency vehicle operations training * Four (4) hours per quarter fire/extrication training * Every two (2) years, extrication using actual equipment and personnel * ICS 100, 200, 700, 800 | d. EQUIPMENT: * Stabilization kit, blocking & culling * Scene lighting * Fire Suppression System (charged lines) * Extrication Equipment * Standard PPE * Traffic Control * Communications: two-way communications radio with department and ALMR frequencies. |
| APPARATUS FEE (Per Hour): \$300 | |
| <i>References: International Fire Chiefs Association – Mutual Aid 301, 2010</i> | <i>BLS/ALS Billing rates for the Kenai Peninsula Borough, 2018 Appendix I, Inventory Ambulance Supplies & Equipment</i> |
| <i>FEMAS's Schedule of Equipment Rates 2017</i> | <i>Request for Information (RFI), EPHESA 2019</i> |

ATTACHMENT B
LEVEL 3 RESPONSE TIME STIPEND

| Eastern Peninsula Highway Emergency Service Area | |
|---|----------------|
| MISSION: To provide rapid emergency response that provides initial EMS, ground transport, and fire / rescue extrication services to the Eastern Peninsula Highway Emergency Service Area | |
| Benchmark: Achieving a sub-15 minute average response from dispatch to enroute with appropriate apparatus and personnel in the first six months of the KPB's fiscal year. | |
| Maximum Potential Stipend: | \$5,000 |

Stipend 3 is a discretionary stipend which may be awarded to those agencies who show consistent achievement in meeting the benchmark(s) by January 1st of each year. The decision on whether to award Stipend #3 will be based upon the availability of funding and will be at the sole decision of the EPHESA Coordinator and the KPB Mayor.

| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/15/21 |
| Hearing: | 07/06/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-19-01**

**AN ORDINANCE REDIRECTING PREVIOUSLY APPROPRIATED BOND
PROCEEDS FROM THE 2014 GENERAL OBLIGATION SCHOOL BONDS TO PHASE
ONE OF THE HOMER HIGH SCHOOL ROOF REPLACEMENT PROJECT IN THE
BOND CAPITAL PROJECT FUND**

- WHEREAS,** bond proceeds totaling \$22,984,575.15 were appropriated to pay for the costs of planning, designing, site preparations, constructing, and equipping educational capital projects consisting of roof replacements at various schools in the Kenai Peninsula Borough through Ordinance 2013-19-22, on December 3, 2013; and
- WHEREAS,** all projects approved through Ordinance 2013-19-22 have been completed; and
- WHEREAS,** a majority of borough voters voting in the October 1, 2013 election approved Proposition No. 2, which authorized the issuance of up to \$22,987,000 in general obligation bonds to pay the costs of planning, designing, site preparations, constructing, and equipping educational capital projects consisting of roof replacements at various schools in the Kenai Peninsula Borough; and
- WHEREAS,** there remains \$1,295,252 in unexpended bond proceeds, which is available to support other projects; and
- WHEREAS,** the administration is requesting that the unexpended bond proceeds be appropriated/redirected to the Homer High School partial roof replacement project; and
- WHEREAS,** the project for which funding is being requested is included in the school district's major maintenance priority list;

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

SECTION 1. That \$1,295,252 is redirected to Phase 1 of the Homer High School roof replacement, project number 401.72010.22SCH.49999, with funding provided from unexpended bond proceeds

SECTION 2. That use of the unexpended bond proceeds of \$1,295,252 has been approved by the Alaska Department of Education and Early Development in accordance with 4 AAC 31.064.

SECTION 3. That the mayor is authorized to execute all documents deemed necessary to contract for the design and completion of each of the respective projects.

SECTION 4. 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 5. This ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Purchasing & Contracting Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: John Hedges, Purchasing & Contracting Director *JH*
Brandi Harbaugh, Finance Director *BH*

DATE: June 3, 2021

SUBJECT: Ordinance 2021-19-01, Redirecting Previously Appropriated Bond Proceeds from the 2014 General Obligation School Bonds to Phase One of the Homer Roof Replacement Project in the Bond Capital Project Fund (Mayor)

The Homer High School roof was constructed in 1983 and has exceeded its useful life. Periodic system failures have led to increased maintenance costs, interruptions in the programs supported by the facility and degradation of other facility infrastructure. The dilapidated cedar shingle construction further complicates the borough's ability to initiate repairs without further impacting the integrity of the system.

Noting that the entire roof system at the high school is in need of replacement the approximately 33,700 square foot section covering the gym area and the approximately 1,200 square foot section of flat roof covering the loading dock area has been identified as the area needing the most immediate attention.

Bond proceeds totaling \$22,984,575.15 were appropriated to pay the costs of planning, designing, site preparations, constructing, and equipping educational capital projects consisting of roof replacements at various schools in the Kenai Peninsula Borough through Ordinance 2013-19-22, on December 3, 2013. All projects listed in Ord. 2013-19-22 have been completed.

A majority of borough voters voting in the October 1, 2013 election approved Proposition No. 2, which authorized the issuance of up to \$22,984,575.15 in general obligation school bonds to pay the costs of planning, designing, site

preparations, constructing, and equipping educational capital projects consisting of roof replacements at various schools in the Kenai Peninsula Borough. There remains \$1,295,252 in unexpended bond proceeds, which are available to support other projects.

Resolution 2021-016 was approved on February 16, 2021, providing the Borough Mayor authority to submit a Bond Reimbursement Application to the Alaska Department of Education and Early Development for the approval of additional projects in the bond reimbursement program for bonds sold in 2014. Redirected unexpended 2014 bond funds from the Redoubt Elementary Roof Replacement have been supplemented by appropriated funds from the General Fund of \$180,000 for the Homer Roof Replacement Phase I project.

It is the intent of this ordinance to appropriate supplemental funds necessary to complete the replacement and rehabilitation of a portion of the Homer High school roof.

The project will be funded through the use of \$1,295,252 in remaining 2014 School Bond funds transferred from the Redoubt Elementary Roof replacement. The project addresses roof system replacement, insulation, storm water system improvements, roof ventilation, and infrastructure repair/replacement as necessary.

Your consideration of this ordinance is appreciated.

| | |
|--|------------------------------|
| FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED | |
| Acct. No. | <u>401.72010.20SCH.49999</u> |
| Amount: | <u>\$1,295,252</u> |
| By: <u>PP</u> | Date: <u>6/1/2021</u> |

| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 11/05/13 |
| Hearing: | 12/03/13 |
| Action: | Enacted as Amended |
| Vote: | 8 Yes, 0 No, 1 Absent |

**KENAI PENINSULA BOROUGH
ORDINANCE 2013-19-22**

**AN ORDINANCE APPROPRIATING \$22,984,575.15 IN GENERAL OBLIGATION
BOND PROCEEDS TO THE BOND CAPITAL PROJECTS FUND
FOR SCHOOL CAPITAL PROJECTS**

WHEREAS, a majority of borough voters voting in the October 1, 2013 election, approved Proposition No. 2 which authorized the issuance of up to \$22,987,000 in General Obligation bonds to pay the costs of planning, designing, site preparation, constructing, and equipping educational capital improvement projects in the Kenai Peninsula Borough including roof replacements at various schools and field replacement at Homer High School; and

WHEREAS, the assembly adopted Resolution 2013-071 on October 8, 2013 which authorized the issuance of \$22,987,000 of the bonds through the Alaska Municipal Bond Bank; and

WHEREAS, the bond proceeds in the amount of \$22,984,575.15 authorized through Resolution 2013-071 were received on November 14, 2013;

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

SECTION 1. That bond proceeds of \$22,984,575.15 are appropriated to the Bond Funded Capital Project Fund, account number 401.78050.14SCH.49999.

SECTION 2. That the 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 3. That eligible cost incurred prior to the appropriation date will be charged to the projects.

SECTION 4. That this ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 3RD DAY OF DECEMBER, 2013.

Hal Smalley, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes: Bagley, Haggerty, Johnson, McClure, Ogle, Smith, Wolf, Smalley

No: None

Absent: Pierce

| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/15/21 |
| Hearing: | 07/06/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-19-02**

**AN ORDINANCE REDIRECTING NIKISKI FIRE SERVICE AREA CAPITAL
PROJECT FUNDS OF \$135,221 FROM PREVIOUSLY APPROPRIATED PROJECTS
TO THE NIKISKI FIRE STATION #1 AIR QUALITY AND STATION #2 LIGHTING
FIXTURE REPLACEMENT PROJECTS**

- WHEREAS,** during the FY2018 and FY2021 annual budget processes, funds were appropriated for Nikiski Fire Station 2 lighting and Station 1 exhaust; and
- WHEREAS,** since that time the design and specifications have been completed for both projects; and
- WHEREAS,** increases in scope due to discovered conditions in the project development process have led to an increase in cost of both projects; and
- WHEREAS,** two existing capital projects have been completed under budget or have had the needs addressed through other means making funds available to be redirected to the Station 2 lighting fixture replacement project and the Station 1 Air quality project; and
- WHEREAS,** this ordinance re-directs \$135,221 from previously appropriated projects in the “NFSA” Capital Project Fund to the Station 2 lighting fixture replacement and Station 1 Air Quality projects; and
- WHEREAS,** at its meeting held on _____, 2021, the Nikiski Fire Service Area Board recommended _____;

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

- SECTION 1.** That the sum of \$190 is de-obligated from the Nikiski Fire Station 1 repairs and Maintenance Capital Project account 441.51110.18411.49999 and re-directed to account 441.51110.18412.49999 for the purpose of completing the Station 1 Air Quality project.

SECTION 2. That the sum of \$92,045 is de-obligated from the Nikiski Fire Enclosed Conex Carport Capital Project account 441.51110.20413.49999 and re-directed to account 441.51110.18412.49999 for the purpose of completing the Station 1 Air Quality project.

SECTION 3. That the sum of \$42,986 is de-obligated from the Nikiski Fire Enclosed Conex Carport Capital Project account 441.51110.20413.49999 and re-directed to account 441.51110.21412.49999 for the purpose of completing the Station 2 lighting fixture replacement project.

SECTION 4. That the 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 5. That upon enactment this ordinance shall take effect immediately.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Purchasing & Contracting Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Brandi Harbaugh, Finance Director *BH*
John Hedges, Purchasing & Contracting Director *JH*

FROM: Chief Bryan Crisp, Nikiski Fire Service Area Chief *JBC*

DATE: June 3, 2021

RE: Ordinance 2021-19- 02 Redirecting Nikiski Fire Service Area Capital Project Funds of \$135,221 from Previously Appropriated Projects to the Nikiski Fire Station #1 Air Quality and Station #2 Lighting Fixture Replacement Projects (Mayor)

During the FY2018 and FY2021 annual budget processes, \$100,000 was appropriated for the Station #1 Air quality project and \$40,000 was appropriated for the Station #2 Lighting fixture replacement project. Since that time, the design and specifications have been completed for both projects. Increases in scope due to discovered conditions in the project development process have led to an increase in cost of both projects.

More specifically, the air quality project was found to have a need for additional capacity to accommodate other areas of the station that are at risk for air quality impacts. This increases the number of air quality units necessary to address the station's air quality needs.

The Station #2 lighting fixture replacement project was intended to replace outdated and failed lighting fixtures that had reached the end of their useful life with newer higher efficiency fixtures. After review of the stations needs and the condition of the existing fixtures, it was determined that a larger number of fixtures had failed than was originally estimated. Due to the cost of the project, this scope is only replacing a portion of the fixtures using safety and operational needs for prioritization.

Your consideration of this ordinance is appreciated.

| FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED | |
|--|---------------------|
| Acct. No. 441.51110.18411.49999 | Amount \$ 190.00 |
| Acct. No. 441.51110.20413.49999 | Amount \$135,031.00 |
| By: <i>PP</i> | Date: 6/3/2021 |

| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/15/21 |
| Hearing: | 07/06/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-19-03**

**AN ORDINANCE APPROPRIATING REFINANCED 2011 SCHOOL GENERAL
OBLIGATION BOND PROCEEDS FOR THE PURPOSE OF PAYING BOND
REFINANCING ISSUANCE COSTS**

WHEREAS, on August 7, 2003, the Kenai Peninsula Borough, Alaska (“Borough”) issued and sold its General Obligation School Bonds, 2003A (“2003 Bond”) to the Alaska Municipal Bond Bank (“Bond Bank”) for purposes of financing certain education capital improvements in the Borough pursuant to terms and conditions set forth in Resolution 2003-072 adopted by the Borough Assembly on June 17, 2003 and a loan agreement by and between the Borough and the Bond Bank, dated August 1, 2003 (“Original Loan Agreement”); and

WHEREAS, on September 15, 2011, the Borough refunded a portion of the 2003 Bond with its General Obligation Refunding School Bonds, 2011 (“2011 Bond”) for purposes of realizing debt service savings pursuant to terms and conditions set forth in Resolution No. 2011-072 adopted by the Borough Assembly on July 5, 2011 (“Bond Resolution”) and the Loan Agreement, as amended by an amendatory loan agreement between the Borough and Bond Bank, dated September 1, 2011 (“Amendatory Loan Agreement, and together with the Original Loan Agreement, the “Amended Loan Agreement”); and

WHEREAS, the Bond Bank issued and sold its General Obligation Bonds, 2011 Series Three (the “Bond Bank Bonds”), to, among other things, provide funds to cause the refunding of a portion of the 2003 Bond, as provided in the Amended Loan Agreement; and

WHEREAS, the Amended Loan Agreement provides that payments of principal of and interest on the 2011 Bond may be adjusted to reduce debt service on the 2011 Bond if the Bond Bank is able to achieve debt service savings by refunding Bond Bank Bonds; and

WHEREAS, the Bond Bank has issued a series of its general obligation and refunding bonds (the “Bond Bank Refunding Bonds”) for the purpose, among others, of refunding outstanding Bond Bank Bonds to achieve debt service savings; and

WHEREAS, a resolution is also being proposed to the assembly approving the Borough's participation in this refinancing and to authorize the mayor or his designee to accept a revised debt service schedule for the 2011 Bond if the Bond Bank successfully refinances the Bond Bank Bonds; and

WHEREAS, the Bond Bank anticipates a refinancing closing date of July 7, 2021;

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

SECTION 1. That 2011 refinanced school bond proceeds in the amount of up to \$10,000 are appropriated to the School Bond Capital Project Fund, account number 401.78050.22SCH.49999 to pay costs related to the issuance.

SECTION 2. That the 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 3. That eligible costs incurred prior to the appropriation date will be charged to the project.

SECTION 4. This ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: June 3, 2021

SUBJECT: Ordinance 2021-19- 03, Appropriating Refinanced 2011 School General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor)

In June 2021, through Resolution 2021-041, the Borough Assembly is being asked to approve the Borough's participation in the refinancing of select series for the 2011 school general obligation bonds.

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank (AMBB) has determined that a portion of the outstanding 2011 school bonds could be refinanced, with potential savings to the residents of the Kenai Peninsula Borough of approximately \$45,000 in interest over the remaining life of the debt. This ordinance appropriates refinanced bond proceeds for the purpose of paying costs related to the issuance.

Your consideration is appreciated.

**FINANCE DEPARTMENT
ACCOUNT / FUNDS VERIFIED**

Acct. No. 401.00000..22SCH.39010

Amount: \$10,000.00

By: *PP* Date: 6/3/2021

Introduced by:
Date:
Action:
Vote:

Mayor
06/17/03
Adopted
7 Yes, 0 No, 2 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2003-072**

**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 AND
NO/100 DOLLARS (\$14,700,000) TO PAY THE COSTS OF
EDUCATIONAL CAPITAL IMPROVEMENTS IN THE BOROUGH,
FIXING CERTAIN DETAILS OF SUCH BONDS, AND PLEDGING THE
FULL FAITH AND CREDIT OF THE BOROUGH TO THE PAYMENT
THEREOF**

WHEREAS, pursuant to Ordinance 2003-35 of the Kenai Peninsula Borough (the "Borough") passed and approved on August 20, 2002, the following question, referred to at the election held on October 1, 2002 as Proposition No. 3 ("Proposition 3"), was passed and approved:

PROPOSITION NO. 3

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

The general Obligation bond proceeds will be used to pay costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing, and equipping a Seward Middle School and related education capital improvements located within the Borough.

The debt will be paid from ad valorem taxes on all taxable property levied and collected areawide in the Borough. The Borough will also pledge its full faith and credit for payment of the debt. The approximate annual amount of taxes on \$100,000 of assessed real or personal property value (based on the borough's estimated 2002 taxable assessed valuation) to retire the total debt is \$11.67, assuming 60 percent debt service reimbursement from the State of Alaska, or \$29.16 without State reimbursement.

No bonds will be issued, unless and until the project qualifies for at least 60% debt service reimbursement from the State of Alaska under existing or new legislation. Receipt of State reimbursement is subject to annual legislative appropriations.

and said election has been duly canvassed and the results thereof certified and confirmed in accordance with law, and \$14,700,000 principal amount of general obligation bonds remains unissued under Proposition 3; and

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, on April 23, 2003, the Borough received formal notification of from the Alaska Department of Education and Early Development (DEED) that the Seward Middle School project is eligible for debt reimbursement at a rate of 70%; 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 3 (the "Project"), and issue not to exceed \$14,700,000 principal amount of the general obligation bonds referred to in Proposition 3, constituting of all the unsold general obligation bonds referred to therein, to pay costs of the Project; and

WHEREAS, there has been presented to the Borough the form of a Loan Agreement 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, 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 ORDAINED 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 3.
- (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, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping the Project, including interest on the Bonds during the period of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing, and equipping the Project, the cost whether incurred by the Borough 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 or by another in connection with the Project prior to or during construction thereof and allocable portions of direct costs of the Borough, 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 incident 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 date of the Bonds.
- (i) "Registered Owner" means the person named as the registered owner of a Bond in the Bond Register.
- (j) "Registrar" means the Finance Director of the Borough, or any successor that the Borough may appoint through resolution.

SECTION 2. Authorization of Bonds and Purpose of Issuance. For the purpose of providing the funds required to pay the Costs of the Project, to provide for original issue 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 sell the Bonds in the aggregate principal amount of not to exceed \$14,700,000. The Bonds shall

be designated "Kenai Peninsula Borough, Alaska General Obligation School Bonds 2003A."

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 3.

SECTION 3. Obligation of Bonds. The Bonds shall be direct and general obligations of the Borough and the full faith and credit of the Borough are 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 Borough without limitation as to rate or amount, in amounts sufficient, together with other funds legally available therefore, 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 July 1, 2003, 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, on December 1, 2003 and semiannually thereafter on December 1 and June 1 of each year or such other 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% unless approved by resolution of the Assembly; and (iii) all of the Bonds shall mature on or before June 1, 2023.

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 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 Finance Director is hereby authorized to establish redemption provisions, if any, for the Bonds maturing on and after June 1, 2014.

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. _____

\$ _____

GENERAL OBLIGATION SCHOOL BOND 2003A

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 June 1 of each of the following years, and to pay interest on such installments from the date hereof, payable on December 1, 2003 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> |
|-------------|-----------------------------|--------------------------|
|-------------|-----------------------------|--------------------------|

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 General Obligation School Bonds, 2003A of the Kenai Peninsula Borough, Alaska of like tenor and effect except as to interest rate, serial number and maturity, aggregating \$14,700,000 in principal amount, and constituting bonds authorized for the purpose of paying the cost of solid waste improvements in the Borough, and is issued under Resolution 2003-072 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 \$14,700,000 TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS IN THE BOROUGH, FIXING CERTAIN DETAILS OF SUCH BONDS, AND PLEDGING THE FULL FAITH AND CREDIT OF THE BOROUGH TO THE PAYMENT THEREOF.

(herein called the "Resolution").

The Bonds maturing on and after June 1, 2014 will be subject to redemption at the option of the Borough on and after June 1, 2013, in whole or in part on any date, in increments and with maturities to be selected by the Borough at 100% of the principal amount thereof to be redeemed plus accrued interest to the date of redemption.

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 therefore 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.

This Bond is a general obligation of the Kenai Peninsula Borough, and the full faith and credit of the Borough 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 its Mayor and its corporate seal to be hereunto impressed or otherwise reproduced and attested by its Clerk, all as of the ____ day of _____, 2003.

DALE BAGLEY
Mayor

ATTEST:

LINDA S. MURPHY, 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 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 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 shall be applied to pay a portion of the interest due on the Bonds on December 1, 2003. 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 of 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 the Finance Director, are each 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 acting Mayor, the Borough Finance Director, the acting 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, 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 for 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 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.

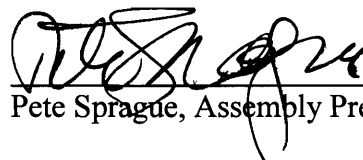
SECTION 17.Continuing Disclosure. The Borough covenants and agrees to comply with and carry out all provisions of the Continuing Disclosure Certificate, the form of which has been presented at this meeting. Notwithstanding any other provision of this Resolution, failure of the Borough to comply with the Continuing Disclosure

Certificate shall not be considered a default of the Borough's obligations under this Resolution, the Loan Agreement or the Bonds; however the beneficial owner of any Bond may bring an action for specific performance, to cause the Borough to comply with its obligations under the Continuing Disclosure Certificate.

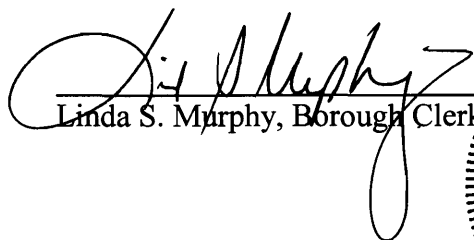
SECTION 18.Severability. If any one or more of the provisions of this resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

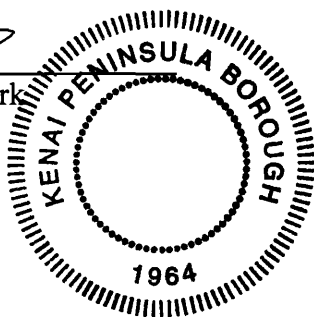
SECTION 19.Effective date. This resolution shall take effect immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 17TH DAY OF JUNE, 2003.


Pete Sprague, Assembly President

ATTEST:


Linda S. Murphy, Borough Clerk



| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 07/05/11 |
| Action: | Adopted as Amended |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
RESOLUTION 2011-072**

**A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH TO ISSUE
KENAI PENINSULA BOROUGH GENERAL OBLIGATION REFUNDING SCHOOL
BONDS, 2011 IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,500,000 TO
REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE
BOROUGH, FIXING CERTAIN DETAILS OF SUCH BONDS AND AUTHORIZING
THEIR 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 \$9,965,000 of Kenai Peninsula Borough General Obligation School Bonds, Series 2003A of the Borough (the "2003 Bonds") maturing on or after December, 2011 issued under Resolution No. 2003-72 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 2003 Bonds (the "Refunded Bonds") whose refunding the Mayor or Borough Finance Director determines will produce the debt service savings specified in this resolution, by the issuance of general obligation refunding bonds in the aggregate principal amount of not to exceed \$10,500,000 (the "Bonds"); 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 maturity amounts, interest rates and other details of the Bonds, and to determine other matters pertaining to the Bonds 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, which amends the Loan Agreement dated as of August 1, 2003 between the Alaska Municipal Bond Bank and the Borough to provide for the refunding of the 2003 Bonds through their exchange for refunding bonds to be issued by the Borough, 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 Bonds, 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" or "Bonds" means any of the " Kenai Peninsula Borough General Obligation Refunding School Bonds, 2011" 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 and Refunding Bonds, 2011 Series Three of the Bond Bank.
- (F) "Bond Register" means the registration books maintained by the Registrar, which include the names and addresses of the Registered Owners of the Bonds or their nominees.
- (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, 2003, as amended by the Amendatory Loan Agreement.
- (K) "2003 Bonds" means the \$14,700,000 of Kenai Peninsula Borough General Obligation School Bonds, Series 2003A of the Borough.
- (L) "Refunded Bonds" means the maturities of the 2003 Bonds whose refunding is approved by the Mayor or Borough Finance Director under Section 12.

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

(N) "Registrar" means the Borough Finance Director.

(O) "Resolution" means this Resolution of the Assembly.

SECTION 2. Authorization of Bonds and Purpose of Issuance. For the purpose of effecting the refunding by exchange of the Refunded Bonds in the manner set forth hereinafter and in the Amendatory Loan Agreement, the Borough hereby authorizes and determines to issue and sell the Bonds in the aggregate principal amount of not to exceed \$10,500,000.

SECTION 3. Obligation of Bonds. The Bonds shall be direct and general obligations of the Borough and the full faith and credit of the Borough are 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 Borough 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. Designation, Maturities, Interest Rates, and Other Details of Bonds. The Bonds shall be designated " Kenai Peninsula Borough General Obligation Refunding School Bonds, 2011." The Bonds shall be in the denomination of \$5,000 or any integral multiple thereof, shall be numbered separately in the manner and 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.

The dated date, the principal and interest payment dates, the aggregate principal amount, the principal amount of each maturity, and the interest rates on the Bonds shall be determined at the time of execution of the Amendatory Loan Agreement under Section 16.

SECTION 5. Redemption. The Bonds are subject to redemption as described in the Loan Agreement.

SECTION 6. Form of Bond. Each 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. _____ \$ _____

KENAI PENINSULA BOROUGH
GENERAL OBLIGATION REFUNDING SCHOOL BONDS, 2011

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 ____ and _____ of each year, at the rates per annum as follows:

| <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-------------|-----------------------------|--------------------------|
|-------------|-----------------------------|--------------------------|

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 dated as of August 1, 2003, as amended by the Amendatory Loan Agreement dated _____ (the "Loan Agreement"). In the event that this Bond is no longer owned by the Bank, installments of principal of and interest on this Bond shall be made by check or draft mailed by first class mail to the registered owner as of the close of business on the fifteenth day of the month preceding each installment payment date; provided that the final installment of principal 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 one of the Kenai Peninsula Borough General Obligation Refunding School Bonds, 2011 of the Kenai Peninsula Borough, Alaska 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 refunding certain general obligation bonds issued by the Borough, and is issued under Resolution 2011-__ of the Borough entitled:

A RESOLUTION AUTHORIZING THE KENAI PENINSULA
BOROUGH TO ISSUE KENAI PENINSULA BOROUGH
GENERAL OBLIGATION REFUNDING SCHOOL BONDS, 2011

IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,500,000
TO REFUND CERTAIN OUTSTANDING GENERAL
OBLIGATION BONDS OF THE BOROUGH, FIXING CERTAIN
DETAILS OF SUCH BONDS AND AUTHORIZING THEIR SALE
AND PROVIDING FOR RELATED MATTERS

(herein called the "Resolution").

The Bond is subject to redemption prior to maturity 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.

This Bond is a general obligation of the Borough, and the full faith and credit of the Borough 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 and the ordinances 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 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, statutes, or ordinances.

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 _____, 2011.

David R. Carey, Mayor

ATTEST:

Johni Blankenship, MMC, Borough Clerk

SECTION 7. Execution. The Bonds shall be executed in the name of the Borough by the Mayor or his designee, 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 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 authentication of the Bond or shall not have held office on the date of the Bond.

SECTION 8. Payment of Principal and Interest. The Bonds 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 of the Bonds, payment of principal and interest on the Bonds shall be made as provided in the Loan Agreement. If the Bond Bank is no longer the Registered Owner of the Bonds, installments of principal and interest on the Bonds shall be paid by check mailed by first class mail to the Registered Owner as of the fifteenth 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 a 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 Bonds shall be issued only in registered form as to both principal and interest. The Borough designates the 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. 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. 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 a 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. Bonds shall be transferred only upon the books for the registration and transfer of Bonds 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 Bonds 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. All Bonds surrendered for transfer or exchange shall be canceled by the Registrar.

SECTION 11. Bonds 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. Designation of Refunded Bonds. The Mayor and the Borough Finance Director each is authorized to designate which maturities of 2003 Bonds authorized to be refunded in this Resolution shall be refunded, provided that the refunding of the 2003 Bonds so designated shall realize a substantial debt service savings, net of all issuance costs and underwriting discount, on a present value basis.

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 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 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 Bonds to be "private activity bonds" 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 Owners 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 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:
- (1) extend the fixed maturity of any of the Bonds, or reduce the rate of interest thereon, 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 Registered Owners of each Bond so affected; or
 - (2) reduce the aforesaid percentage of Registered Owners of Bonds required to approve any such supplemental resolution without the consent of the Registered Owners of all of 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 Owners of the Bonds then outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

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 of the Bonds 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 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 Bonds and such Bonds shall be deemed not to be outstanding.

SECTION 16. Exchange of Bonds; Amendatory Loan Agreement. The Bonds 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 Bonds. 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 Bonds as provided herein. Each of the Mayor and the Borough Finance Director is hereby authorized to determine the aggregate principal amount, maturity amounts, interest rates, yields, dated date, principal and interest payment dates, and redemption terms, if any, for the Bonds, so that such terms of the Bonds conform to the terms of the corresponding Bond Bank Bonds; provided that (i) the principal amount of each maturity of the Bonds shall not exceed the principal amount of the portion of the corresponding maturity of the Bond Bank Bonds that is allocated to the making of a loan to the Borough; and (ii) the interest rate on each maturity of the Bonds 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 and execute an 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 from 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 information in a preliminary Official Statement relating to the Borough and the Bonds may be modified as the Mayor or Borough Finance Director may determine. 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 Bonds.

SECTION 18. Authority of Officers. The Mayor and 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 Bonds 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 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 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.

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 Bonds; however, the beneficial owner of any Bond or 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 Bonds.

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

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS
5TH DAY OF JULY, 2011.**

Gary Knopp, Assembly President

ATTEST:

Johni Blankenship, Borough Clerk

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp
No: None
Absent: None

| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/15/21 |
| Hearing: | 07/06/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-22**

**AN ORDINANCE AUTHORIZING THE ASSESSOR TO ASSESS A LOW-INCOME
HOUSING TAX CREDIT PROPERTY BASED ON RESTRICTED RENTS**

- WHEREAS,** in accordance with AS 29.45.110(d), the Kenai Peninsula borough assessor is required to value low-income housing tax credit (“LIHTC”) properties existing as of January 1, 2001, the effective date of the legislation, based on the actual income derived from the property, which can result in a value that is less than the "full and true value" if the property were unencumbered; and
- WHEREAS,** these projects must be qualified and recognized under the United States tax code 26 U.S.C. 42; and
- WHEREAS,** AS 29.45.110(d) requires the borough assembly to determine, by ordinance, whether properties that qualify after January 1, 2001 shall be assessed based on the actual income, which is from restricted rents derived from the property, or if such properties will be exempt from the restricted rent method of assessment; and
- WHEREAS,** under the statute, if the assembly determines that such property is exempt from the requirement that the assessment be based on restricted rents, it may make a parcel-by-parcel determination whether to authorize the borough assessor to assess the properties based on actual income derived from the property; and
- WHEREAS,** the assembly passed Ordinance 2003-43 on December 16, 2003, enacting KPB 5.12.085, which exempts properties that qualify for LIHTC after January 1, 2001 from the restricted rent method of assessment and requires that all such applications must be forwarded to the assembly by resolution for a determination of the manner of assessment; and
- WHEREAS,** owners of the following projects have made timely applications by May 15, 2021 requesting the borough assessor to value the property based on actual income derived from the property, and the properties have been verified by Alaska Housing Finance Corporation to be low income tax credit housing projects under 26 U.S.C. 42 qualifying after January 1, 2001:

| PROJECT NAME | 2021 FULL VALUE | 2021 RESTRICTED RENT VALUE |
|---|-----------------|-------------------------------|
| East End Cottages Homer, AK Parcel 17419285 | \$ | \$ |

WHEREAS, KPB 5.12.040(B) does not allow the assessor to make a change to the assessment roll after June 1 for the purpose of requiring the assessor to assess an LIHTC, therefore an exception to KPB 5.12.040 is necessary;

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

SECTION 1. The assembly authorizes the assessor to value the above-listed parcels based on the actual income derived from the property without adjustment based on the value of any federal income tax credit given for the property.

SECTION 2. In accordance with AS 29.45.110(d), the assembly finds that valuing these properties that qualify for a low-income housing tax credit on or after January 1, 2021, based on the actual income derived from the property without consideration of the value of the tax credits, best serves the interests of the borough by potentially increasing the affordability and availability of such housing.

SECTION 3. Notwithstanding KPB 5.12.040(B) the assessor is hereby authorized to make a change to the assessment roll after June 1, 2021, to assess the property in accordance with Section 1.

SECTION 4. That this ordinance takes effect immediately upon its enactment.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Adeena Wilcox, Assessing Director *aw*

DATE: June 3, 2021

RE: Ordinance 2021-22, Authorizing the Assessor to Assess a Low-Income Housing Tax Credit Property Based on Restricted Rents (Mayor)

The assessing department received a timely application from East End Cottages, LLC requesting that the assessor value their low-income housing tax credit (LIHTC) property based upon the restricted rents derived from the property.

LIHTC projects in Alaska are created when the property owner enters into a binding agreement with Alaska Housing Finance Corporation, under which the owner agrees to restricted rents for qualifying low income tenants in exchange for an allocation of income tax credits authorized under United States tax code, 26 U.S.C. 42. The rent restrictions endure for a period of 30 years, and the tax credits are allocated annually over a 15-year period. The right to receive the tax credits is typically sold to a partner at the beginning of a project, with the sale proceeds being used to finance construction or renovation of the apartments.

Alaska Statute 29.45.110(d) requires properties that first qualified as LIHTC projects before January 1, 2001 (the effective date of the legislation) to be valued based upon the actual income derived from the restricted rents without consideration of the value of the tax credits. This methodology typically results in a value that is less than the "full and true" value at which all other properties are assessed.

For properties that first qualify as LIHTC on or after January 1, 2001, the statute allows municipalities to either apply the restricted rent method of valuation to all LIHTC properties, or to exempt these properties from automatically being valued based on restricted rents. If the assembly chooses to exempt properties that first qualify for LIHTCs after January 1, 2001, as the borough did in Ordinance 2003-43, the statute allows the assembly to consider each property, upon application, on a parcel-by-parcel basis to determine whether it will be valued based upon the restricted rents or at full and true value. This is the approach established by KP.B 5.12.085.

Previously, all other post-January 1, 2001 LIHTC projects that have applied for a determination to be assessed based on the restricted rental income method have been denied by the assembly, as follows:

- Resolution 2004-73 failed, which would have approved the restricted rent income method for Bayview Apartments in Seward and Parkview Apartments in Soldotna.
- Resolution 2005-051 approving an application for Pacific Park Apartments in Seward to be assessed based on the restricted rental income method also failed.
- Resolution 2013-044 failed, which would have approved the restricted rent income method for Aurora Vista apartments in Kenai.
- Resolution 2014-047 failed, which would have approved the restricted rent income method for Kimberly Court in Seward and Northwood Apartments in Soldotna.
- Resolution 2015-024 failed, which would have approved the restricted rent income method for Conifer Woods in Homer, Laurawood Arms in Soldotna, and Woodridge Apartments in Kenai.
- Resolution 2016-030 failed, which would have approved the restricted rent income method for Gateway apartments in Seward and Harbor Ridge apartments in Homer.

The East End Cottages project qualified for LIHTCs after January 1, 2001. The property owners have submitted timely applications for assessment based on the restricted rent income method beginning in 2021. In accordance with state statute, the assembly, through Ordinance 2003-43 (KPB 5.12.085), must determine whether it wishes these projects to be assessed at unencumbered full and true value or based on the restricted rents without adjustment for the amount of tax credits. There are presently no LIHTC properties within the Kenai Peninsula Borough that are being valued based upon the restricted rent income method.

Should this resolution fail to be approved by the assembly, such failure will be deemed an affirmative decision as to the manner by which this property shall be assessed in future years (i.e. at full and true value). In accordance with AS 29.45.110(d)(2)(B), the assembly may not change the manner of assessment of the parcel if debt relating to the property incurred in conjunction with the property's qualifying for the low-income housing tax credit remains outstanding.

Your consideration is appreciated.

Introduced by: Mayor
Date: 10/28/03
Hearing: 12/16/03
Action: Enacted as Amended
Vote: 9 Yes, 0 No

**KENAI PENINSULA BOROUGH
ORDINANCE 2003-43**

**AN ORDINANCE EXEMPTING LOW-INCOME HOUSING TAX CREDIT (LIHTC)
PROJECTS, QUALIFYING ON OR AFTER JANUARY 1, 2001, FROM THE
REQUIREMENT THAT ASSESSED VALUE BE BASED ON RESTRICTED RENTS**

- WHEREAS,** according to Alaska Statute 29.45.110(d), the Kenai Peninsula Borough Assessor is required to value low-income housing tax credit projects existing as of January 1, 2001, the effective date of the legislation, based on the actual income derived from the property, which can result in a value that is less than the traditional “full and true value”; and
- WHEREAS,** these projects must be qualified and recognized under the United States Tax Code 26 U.S.C. 42; and
- WHEREAS,** AS 29.45.110(d), requires the borough assembly to determine by ordinance whether the projects that qualify on or after January 1, 2001, shall be assessed based on the actual income, which is from restricted rents derived from the property; and
- WHEREAS,** if the assembly determines that such property is exempt from the requirement that the assessment be based on restricted rents, it can by parcel authorize the Borough Assessor to assess the projects at either full and true value or based on actual income derived from the property; and
- WHEREAS,** to date, there is an 18-unit low-income housing project in Seward, Alaska receiving the benefit of the rent-restricted income approach to value for the years 2001, 2002, and 2003. There are two pending low-income housing projects in Soldotna and Seward whose owners have expressed an interest in valuation based on actual income derived from the property; and
- WHEREAS,** that in accordance with A.S. 29.45.110(d)(2), the Kenai Peninsula Borough Assembly finds that properties that first qualify for a low-income housing credit on or after January 1, 2001, should be exempt from the requirement that all such properties’ assessed value be based on the actual income derived from the property, and that the assembly shall determine by parcel whether such property shall be valued based on restricted rents or the estimated price it would bring on the open market;

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

SECTION 1. That KPB 5.12.085 is hereby enacted to read as follows:

5.12.085. Method of determining the full and true value of property that qualifies for a low-income housing credit under 26 USC 42.

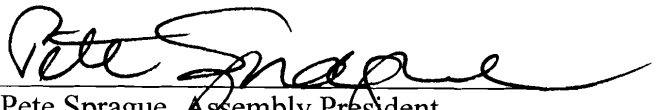
A. In accordance with AS 29.45.110(d)(1), the full and true value of all property within the Kenai Peninsula Borough that first qualifies for low-income housing credit under 26 USC 42 before January 1, 2001, shall be based on the actual income derived from the property and may not be adjusted based on the amount of any federal income tax credit given for the property.

B. Pursuant to AS 29.45.110(d)(2), the full and true value of all property within the Kenai Peninsula Borough that first qualifies for a low-income housing credit under 26 U.S.C. § 42 on or after January 1, 2001, shall be exempt from the requirement that the value be based on the actual income derived from the property. For property that first qualifies for a low-income housing credit under 26 U.S.C. § 42 on or after January 1, 2001, the assembly may determine, by parcel, whether the property shall be assessed based on the estimated price that it would bring in an open market and under the then-prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and with prevailing general price levels, or on the basis of actual income derived from the property without adjustment based on the amount of any federal income tax credit given for the property. Once the manner of assessment of the property has been determined under this subparagraph, the assembly may not change the manner of assessment of that parcel of property if debt relating to the property incurred in conjunction with the properties qualifying for the low-income housing tax credit remains outstanding.

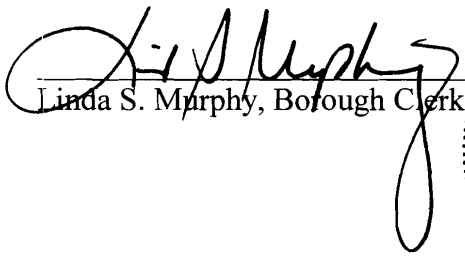
C. To secure an assessment based upon the actual income derived from the property under this section, an owner of property that qualifies for the low-income housing credit shall apply to the assessor before May 15 of each year in which the assessment is desired. The property owner shall submit an application on forms prescribed by the assessor and shall include information that may reasonably be required by the assessor to determine the entitlement of the applicant. All such applications shall be forwarded to the assembly by resolution for a determination of the assessment manner.

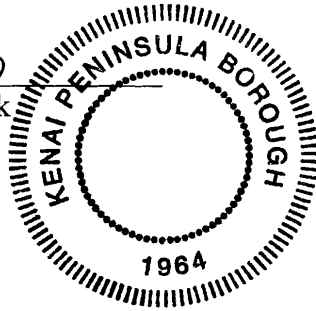
SECTION 2. That this ordinance shall take effect January 1, 2004.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH
DAY OF DECEMBER, 2003.


Pete Sprague, Assembly President

ATTEST:


Linda S. Murphy, Borough Clerk



| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/15/21 |
| Hearing: | 07/06/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-23**

**AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN
PARCELS OF BOROUGH LAND BY OUTCRY AUCTION FOLLOWED
BY AN OVER-THE-COUNTER LAND SALE**

WHEREAS, the Kenai Peninsula Borough (“borough”) has title to the land listed in Section 1 of this ordinance; and

WHEREAS, the land has been appropriately classified pursuant to KPB 17.10.080; and

WHEREAS, authorization of an outcry auction sale provides a competitive market process, followed by an over-the-counter sale intended to keep the properties on the market over a longer term; and

WHEREAS, appropriate market exposure is key to a successful over the counter land sale and an economical means for the borough to achieve such exposure is to offer a 1.5 percent finder’s fee, with a \$300 minimum, to qualified finders through the over the counter sale only; and

WHEREAS, due to the property referenced as Assessor Parcel Numbers 013-216-01 and 013-212-48 requiring a completed record of survey prior to the completion of a contemplated sale, any potential buyer and the seller (borough) should be allowed an extended due diligence period for review, approval and recording of the record of survey prior to finalizing any potential sale transaction; and

WHEREAS, due to the background of uncertainty in planning events in Covid-19 times, allowing for an alternate date is appropriate; and

WHEREAS, the Planning Commission at its regularly scheduled meeting of June 28, 2020, recommended;

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

SECTION 1. The parcels listed below are authorized for sale at a minimum of the fair market value as determined through consultation with the borough Assessing Department.

| Assessor's Parcel No. | General Location | Legal Description | Acres | Reserve |
|-----------------------|------------------|---|-------|--------------|
| 013-216-01 | Nikiski Wik Lake | Government Lot 4, Section 8, Township 7 North, Range 11 West, Seward Meridian, Alaska (Pending Record of Survey) | 14 | \$70,700.00 |
| 013-212-48 | Nikiski Wik Lake | Government Lot 12, Section 5, Township 7 North, Range 11 West, Seward Meridian, Alaska. (Pending Record of Survey) | 5.79 | \$41,400.00 |
| 025-440-21 | North Nikiski | Lot 180, Moose Point Subdivision, according to Plat No. KN84-65, on file in the Kenai recording district, Third Judicial District, State of Alaska | 6.8 | \$19,200.00 |
| 035-290-33 | Hope | Lot 7 of Percy Hope Subdivision as shown on Plat No. 2010-8, Seward Recording District, State of Alaska | 2.24 | \$125,000.00 |
| 131-320-31 | Soldotna | Lot 13, Journey's End Subdivision No. 4, according to the official plat thereof, fled under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska | 0.9 | \$22,000.00 |
| 131-320-32 | Soldotna | Lot 37, Journey's End Subdivision No. 4, according to the official plat thereof, fled under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska | 0.9 | \$22,000.00 |
| 055-072-76 | Soldotna | Tract D, Kalifornsky Center Subdivision, as shown on Plat No. 2020-18, Kenai Recording District, Third Judicial District, State of Alaska | 50.96 | \$500,000.00 |
| 135-053-34 | Caribou Island | Lot 4A of Block 4, Caribou Island Subdivision KPB 2020 Replat, as shown on Plat No. 2020-9, Seward Recording District, State of Alaska | 1.23 | \$7,500.00 |
| 063-043-29 | Sterling | The SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 3, Township 5 North, Range 9 West, situated in the Kenai Recording District, Seward Meridian, Alaska | 40 | \$220,800.00 |

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|------------|----------------|---|------|-------------|
| 119-071-05 | Cooper Landing | Lot 16A of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska | 0.98 | \$80,000.00 |
| 119-070-08 | Cooper Landing | Lot 19 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska | 1.69 | \$95,000.00 |
| 119-070-09 | Cooper Landing | Lot 20 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska | 1.54 | \$95,000.00 |
| 119-070-07 | Cooper Landing | Lot 18 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska | 1.83 | \$95,000.00 |
| 119-070-06 | Cooper Landing | Lot 17 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska | 1.7 | \$95,000.00 |
| 179-080-03 | Homer | Government Lot 7 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska | 2.5 | \$25,000.00 |
| 179-080-04 | Homer | Government Lot 6 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska | 2.5 | \$25,000.00 |

| | | | | |
|------------|--------|---|------|--------------|
| 179-080-10 | Homer | Government Lot 11 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska | 2.5 | \$25,000.00 |
| 179-080-11 | Homer | Government Lot 12 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska | 2.5 | \$25,000.00 |
| 179-080-12 | Homer | Government Lot 13 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska | 2.5 | \$25,000.00 |
| 179-080-23 | Homer | Government Lot 22 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska | 2.5 | \$25,000.00 |
| 179-080-24 | Homer | Government Lot 23 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska | 2.5 | \$25,000.00 |
| 179-080-18 | Homer | Government Lot 18 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska | 2.5 | \$25,000.00 |
| 179-080-17 | Homer | Government Lot 19 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 | \$250,000.00 |
| 179-080-16 | Homer | Government Lot 20 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska | 2.5 | \$250,000.00 |
| 173-040-14 | Homer | Government Lot 18, excepting therefrom Diamond Ridge Road, within Section 12, Township 6 South, Range 14 West, Seward Meridian, in the Homer Recording District, Third Judicial District, State of Alaska | 2.05 | \$15,000.00 |
| 211-280-12 | Beluga | Tract C, Block 4 of Three Mile Creek Subdivision Amended, according to the official plat thereof, filed under Plat Number 72-7, Anchorage Recording District, Third Judicial District, State of Alaska | 3.14 | \$17,700.00 |
| 211-280-48 | Beluga | Tract E, Block 8 of Three Mile Creek Subdivision Amended, according to the official plat thereof, filed under Plat Number 72-7, Anchorage Recording District, Third Judicial District, State of Alaska | 3.3 | \$18,200.00 |

SECTION 2. The method of disposal shall be by outcry public auction pursuant to KPB 17.10.100(B) followed by an over-the-counter sale pursuant to KPB 17.10.100(H). The date of the outcry public auction sale shall be August 14, 2021. The auction shall be held at Soldotna High School or other such advertised location. The over-the-counter sale shall begin November 15, 2021 and end January 30, 2022.

SECTION 3. In the event the administration is unable to proceed with the live outcry auction on the designated date due to unforeseen events including federal, state and or borough imposed restrictions, the administration shall be authorized to reschedule the outcry auction and subsequent over-the-counter land sale 45 to 90 days later than the date designated in this ordinance. In the event the dates designated in Section 2 are cancelled and an alternative date is rescheduled, then such sale date and location shall be re-advertised for at least 30 days prior to the sale, consistent with the original advertisement.

SECTION 3. All parcels will be conveyed by quitclaim deed. Title insurance in the form of a lenders policy of title insurance must be obtained for all borough-financed sales. All title insurance and closing fees are the buyer's expense. Title insurance must show the condition of title and no unsatisfied judgments or liens against the buyer at the time of closing, the latter of which shall also be verified by the buyer prior to closing. In the event a title report showing an acceptable condition of title cannot be obtained by seller, then either the buyer or the borough may elect to terminate the purchase agreement, in which case all monies on deposit will be refunded to the buyer. For borough-financed sales, buyers must execute a release authorizing the borough to obtain a credit report on the said buyers.

SECTION 4. That the parcel listed below is a tax foreclosed property retained for public purpose under KPB Ordinance 2004-15 as substandard lot (less than 40,000sf.). That in accordance with provisions of A.S. 29.45.460, the assembly finds that a public need no longer exists. Subject parcel has been enlarged by combining multiple small lots through survey plat No 2020-9 Kenai Recording District, curing the substandard size issue. As this parcel has been retained by the borough in excess of 19 years, marketable or clear title to subject parcel should now be available and properties can be marketed for sale.

| Parcel ID | General Location | Legal Description | Last Owner of Record |
|------------|------------------|--|----------------------|
| 135-053-34 | Caribou Island | Lot 4A of Block 4, Caribou Island Subdivision KPB 2020 Replat, as shown on Plat No. 2020-9, Seward Recording District, State of Alaska | Pylant, Fritz |

SECTION 5. That parcels listed below are tax foreclosed properties retained for public purpose under KPB Ordinance 2012-23 as substandard lots (less than 40,000sf.). That in accordance with provisions of A.S. 29.45.460, the assembly finds that a public need no longer exists. Due to lots remaining substandard in size (.9 acres), though similar and consistent to adjacent properties, subject properties should be presented for sale

with special attention to the lot size and potential for engineered septic treatment system. As this parcel has been retained by the borough in excess of 10 years, marketable or clear title to subject parcel should now be available and properties can be marketed for sale.

| Parcel ID | General Location | Legal Description | Last Owner of Record |
|------------|------------------|--|---|
| 131-320-31 | Soldotna | Lot 13, Journey's End Subdivision No. 4, according to the official plat thereof, fled under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska. | Delbert Leroy Henry and Norma Louise Henry, husband and wife as to fee estate and Clifford Bryon Killary and David Louis Goggia as to an equitable estate |
| 131-320-32 | Soldotna | Lot 37, Journey's End Subdivision No. 4, according to the official plat thereof, fled under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska. | Delbert Leroy Henry and Norma Louise Henry, husband and wife as to fee estate and Clifford Bryon Killary and David Louis Goggia as to an equitable estate |

SECTION 6. The sale of Parcels listed below are subject to and contingent upon the completion of a record of survey. As a result the legal descriptions and acreage information for subject parcels may be updated prior to sale. All marketing materials used for subject parcels will contain the most current information available at the time of printing. Prior to finalizing any contemplated sale, the buyer shall have the opportunity to inspect the record of survey information.

| Assessor's Parcel No. | General Location | Legal Description | Acres |
|-----------------------|------------------|--|-------|
| 013-216-01 | Nikiski Wik Lake | Government Lot 4, Section 8, Township 7 North, Range 11 West, Seward Meridian, Alaska (Pending Record of Survey) | 14 |
| 013-212-48 | Nikiski Wik Lake | Government Lot 12, Section 5, Township 7 North, Range 11 West, Seward Meridian, Alaska. (Pending Record of Survey) | 5.79 |
| 119-071-05 | Cooper Landing | Lot 16A of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. | 0.98 |
| 119-070-08 | Cooper Landing | Lot 19 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. | 1.69 |

| | | | |
|------------|----------------|---|------|
| 119-070-09 | Cooper Landing | Lot 20 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. | 1.54 |
| 119-070-07 | Cooper Landing | Lot 18 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. | 1.83 |
| 119-070-06 | Cooper Landing | Lot 17 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. | 1.7 |
| 179-080-03 | Homer | Government Lot 7 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |
| 179-080-04 | Homer | Government Lot 6 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |
| 179-080-10 | Homer | Government Lot 11 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |
| 179-080-11 | Homer | Government Lot 12 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |
| 179-080-12 | Homer | Government Lot 13 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |
| 179-080-23 | Homer | Government Lot 22 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |
| 179-080-24 | Homer | Government Lot 23 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |
| 179-080-18 | Homer | Government Lot 18 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |

| | | | |
|------------|-------|--|-----|
| 179-080-17 | Homer | Government Lot 19 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |
| 179-080-16 | Homer | Government Lot 20 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska. | 2.5 |

SECTION 7. Upon successful sale at auction, buyer/bidder will enter into an agreement to acquire subject parcel, a down payment of 10 percent of the sale price, or \$1,500.00, whichever is greater, shall be deposited with KPB and the applicable terms and provisions of KPB 17.10.120 and KPB 17.10.130 shall apply, except that the borough shall retain the down payment, up to \$1,000, if the prospective buyer breaches a term of the sale.

SECTION 8. Auction records will contain first and second position bid amounts for each property. In the event the first position buyer is unable to perform, the property will be offered for sale to the second position bidder for the amount of the second position bid, provided that the second position bid amount is in excess of the established reserve. If the second position bidder is not interested or unable to perform, and the second position bid is in excess of the established reserve, the second position bid amount will become the stated sales price in the subsequent over the counter sale.

SECTION 9. For sales occurring in the over-the-counter, a 1.5 percent finder's fee will be paid by the borough to qualified finders with a \$300 minimum. At a minimum a qualified finder shall be a duly licensed real estate sales person authorized to perform such services under Alaska law. Successful bids less than \$20,000 will qualify for the \$300 minimum fee. This fee will be based on the bid amount of the successful bidder. Applications for finders will be received through the bid process. The borough will not contract directly with individual finders. The finder's fee is applicable only to over-the-counter sales authorized by this ordinance.

SECTION 10. The mayor is authorized to sign any documents necessary to effectuate this ordinance.

SECTION 11. This ordinance shall become effective immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS
DAY OF *, 2021.**

Brent Hibbert, Assembly President

ATTEST:

Johani Blankenship, MMC, Borough Clerk

Yes:



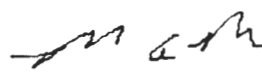
No:


Absent:

Kenai Peninsula Borough
Planning Department – Land Management Division

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor 
Melanie Aeschliman, Planning Director 
Marcus A. Mueller, Land Management Officer 

FROM: Aaron Hughes, Land Management Agent 

DATE: June 3, 2021

RE: Ordinance 2021-23, Authorizing the Sale of Certain Parcels of Borough Owned Land by Outcry Auction Followed by an Over-the-Counter Sale (Mayor)

The Kenai Peninsula Borough (KPB) Land Management Division has identified certain parcels of land that are surplus to the KPB's needs. These parcels could be placed in a competitive market value land sale by outcry auction, followed by an over-the-counter sale. Attached are vicinity and parcel site maps showing the location of each parcel. Auction reserves and minimum sale prices are proposed to be set at the estimated fair market value as determined through consultation with the KPB Assessing Department.

The live outcry auction is proposed for August 14, 2021, to be held at Soldotna High School. A sale brochure will identify the parcels and provide a brief explanation of the auction and subsequent closing process. Notice of the land sale will be published in accordance with KPB 17.10.110 and the brochure will be made available on the KPB Land Management Division's website. The ordinance provides a framework to reschedule the auction in the event the August 14th date gets cancelled, in recognition of Covid-related uncertainties.

A finder's fee is not proposed for sales occurring in the outcry auction. A finder's fee is proposed to be offered for the sale of any remaining properties through an over-the-counter land sale as described in the ordinance.

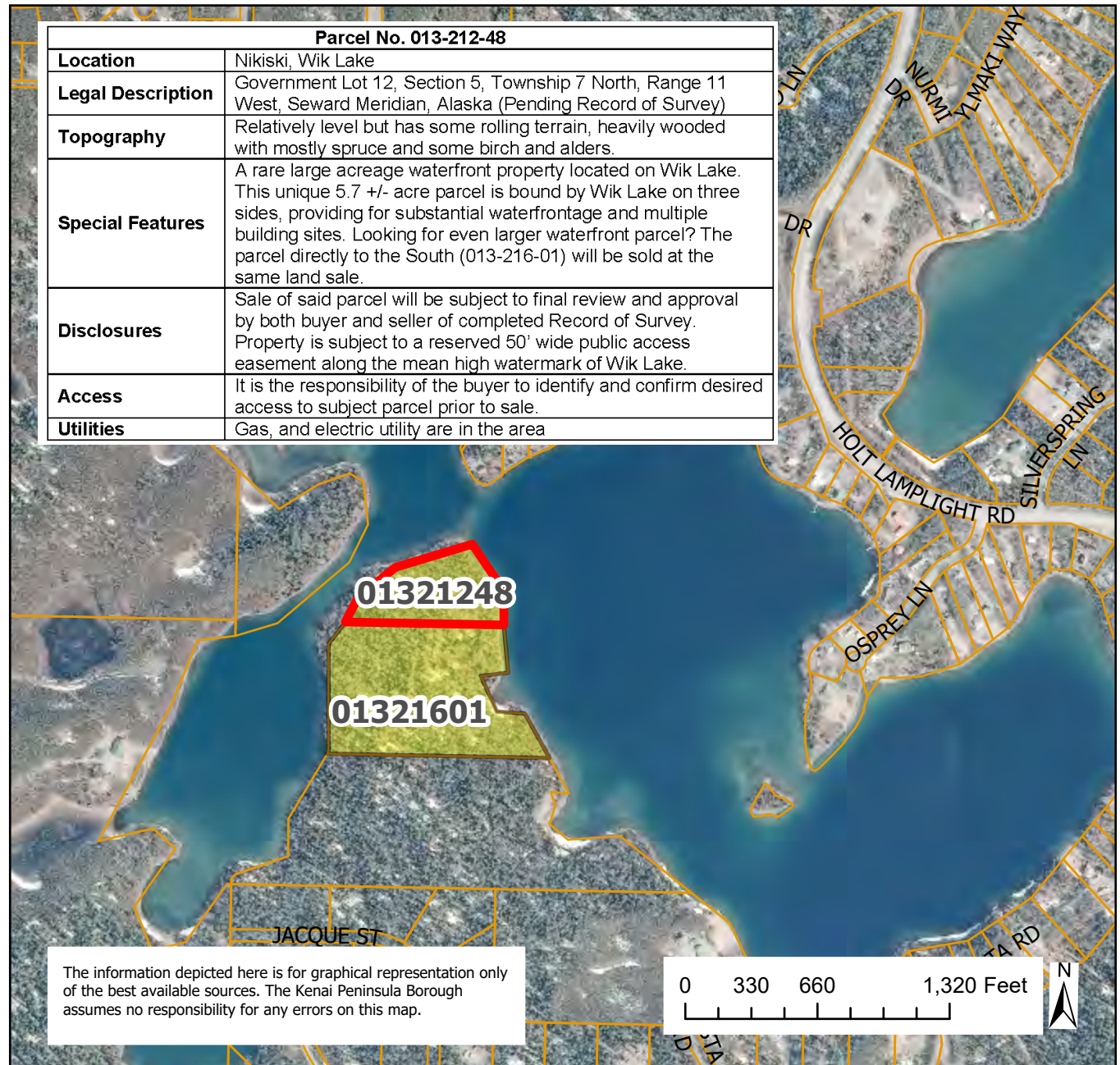
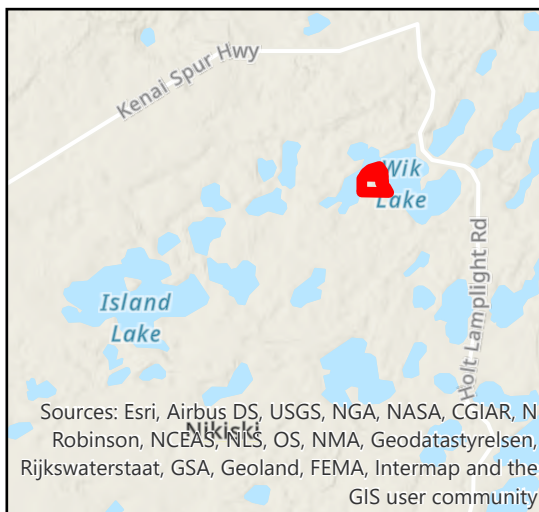
This ordinance would authorize an outcry auction land sale of certain parcels of borough land followed by an over-the-counter land sale of the parcels not sold at auction.

The Planning Commission will hold a public hearing on June 28, 2021 and will forward its recommendations to the assembly. Your review and consideration of this ordinance is appreciated.

Minimum Bid
TBD

Acres: 5.79 +/-

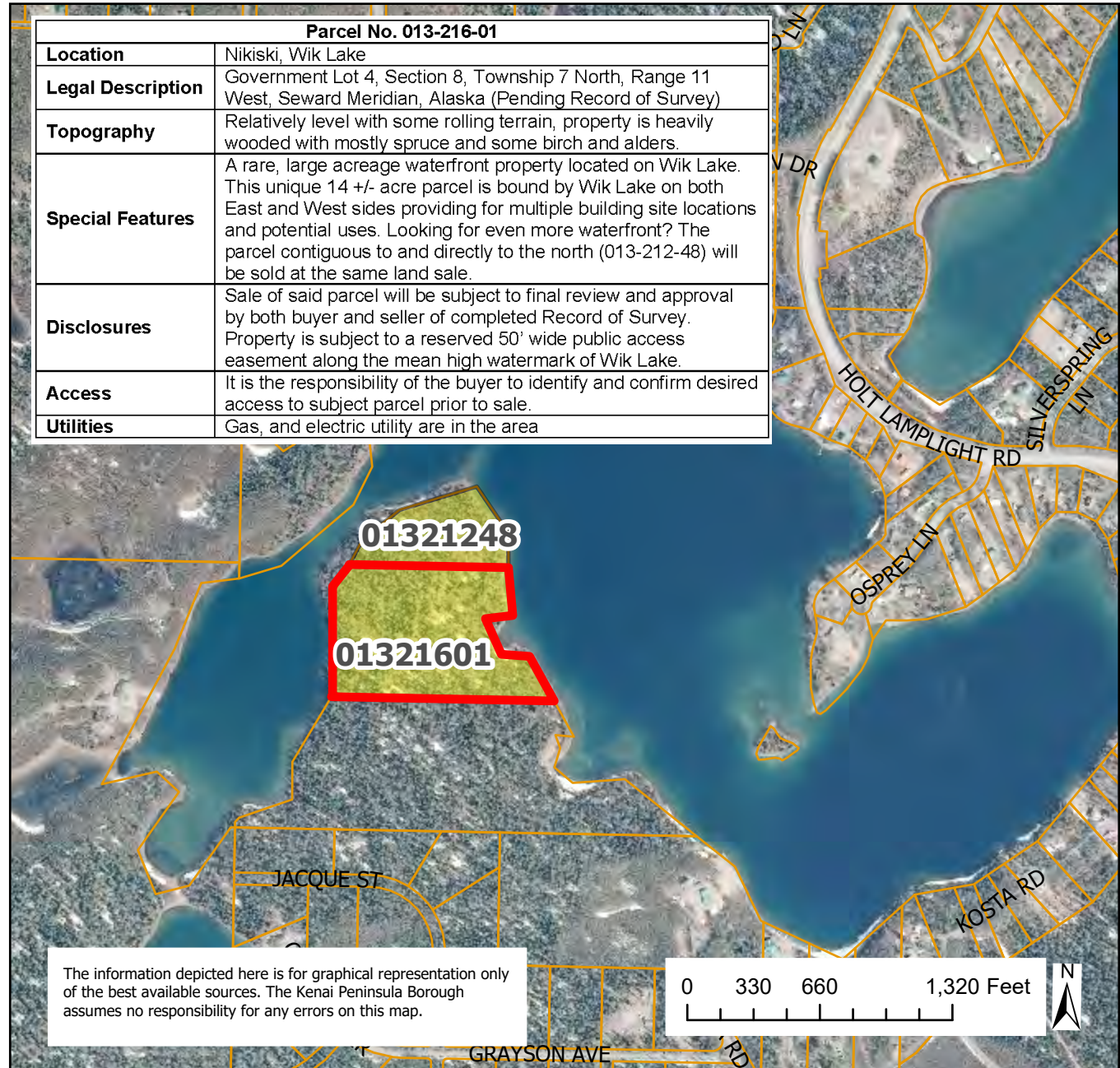
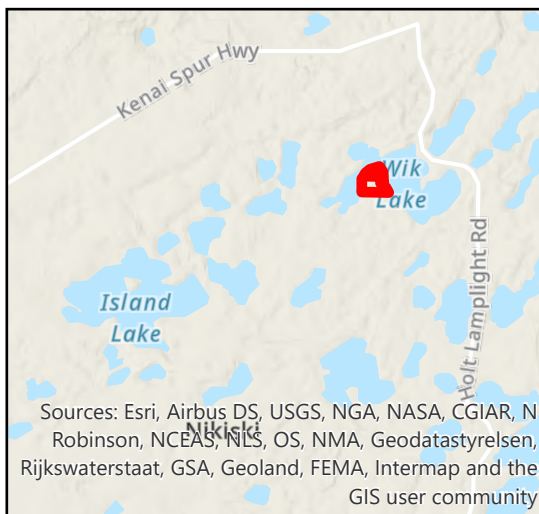
| Parcel No. 013-212-48 | |
|--------------------------|--|
| Location | Nikiski, Wik Lake |
| Legal Description | Government Lot 12, Section 5, Township 7 North, Range 11 West, Seward Meridian, Alaska (Pending Record of Survey) |
| Topography | Relatively level but has some rolling terrain, heavily wooded with mostly spruce and some birch and alders. |
| Special Features | A rare large acreage waterfront property located on Wik Lake. This unique 5.7 +/- acre parcel is bound by Wik Lake on three sides, providing for substantial waterfrontage and multiple building sites. Looking for even larger waterfront parcel? The parcel directly to the South (013-216-01) will be sold at the same land sale. |
| Disclosures | Sale of said parcel will be subject to final review and approval by both buyer and seller of completed Record of Survey. Property is subject to a reserved 50' wide public access easement along the mean high watermark of Wik Lake. |
| Access | It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Gas, and electric utility are in the area |



Minimum Bid
TBD

Acres: 14.1 +/-

| Parcel No. 013-216-01 | |
|--------------------------|---|
| Location | Nikiski, Wik Lake |
| Legal Description | Government Lot 4, Section 8, Township 7 North, Range 11 West, Seward Meridian, Alaska (Pending Record of Survey) |
| Topography | Relatively level with some rolling terrain, property is heavily wooded with mostly spruce and some birch and alders. |
| Special Features | A rare, large acreage waterfront property located on Wik Lake. This unique 14 +/- acre parcel is bound by Wik Lake on both East and West sides providing for multiple building site locations and potential uses. Looking for even more waterfront? The parcel contiguous to and directly to the north (013-212-48) will be sold at the same land sale. |
| Disclosures | Sale of said parcel will be subject to final review and approval by both buyer and seller of completed Record of Survey. Property is subject to a reserved 50' wide public access easement along the mean high watermark of Wik Lake. |
| Access | It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Gas, and electric utility are in the area |



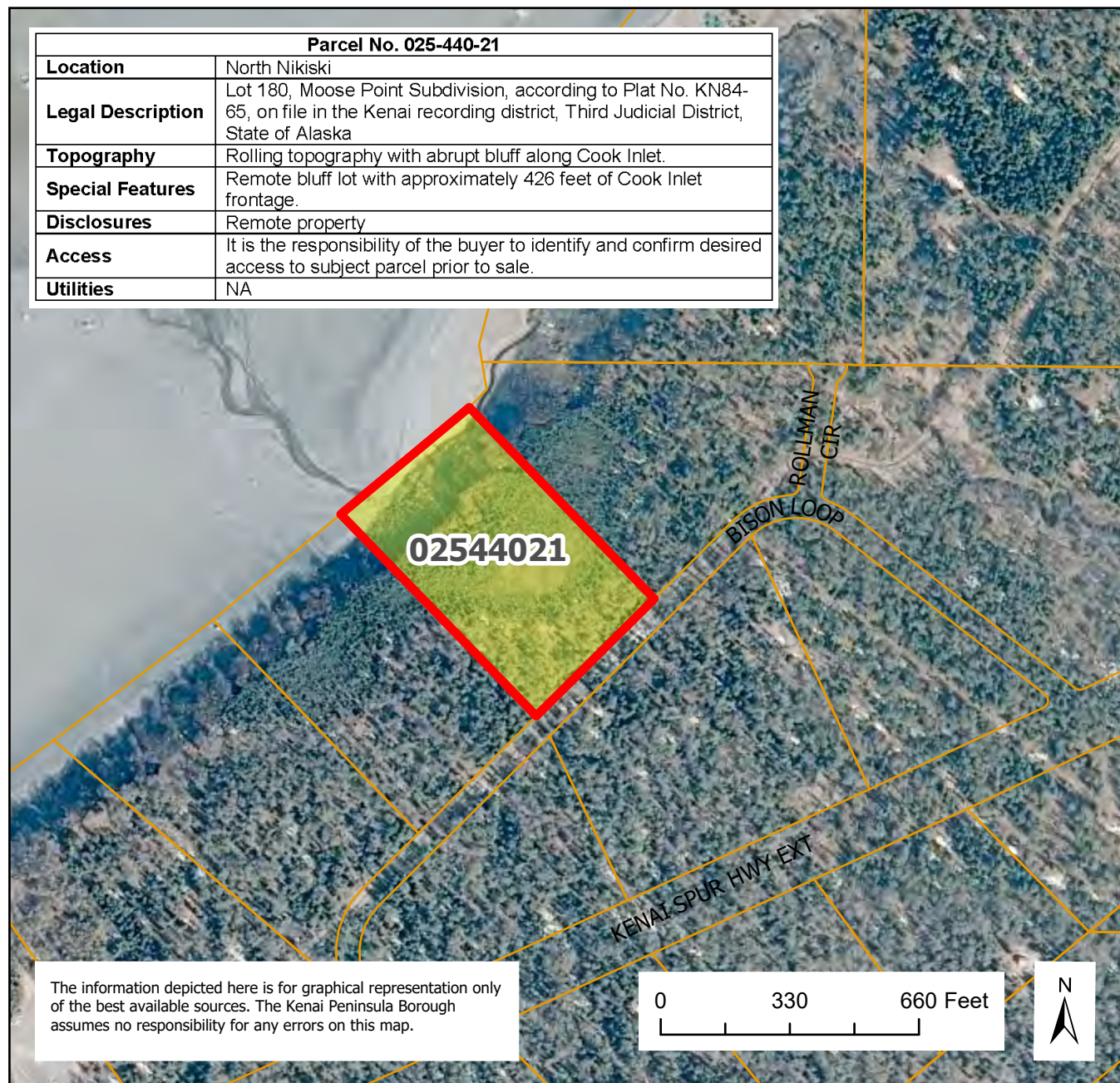
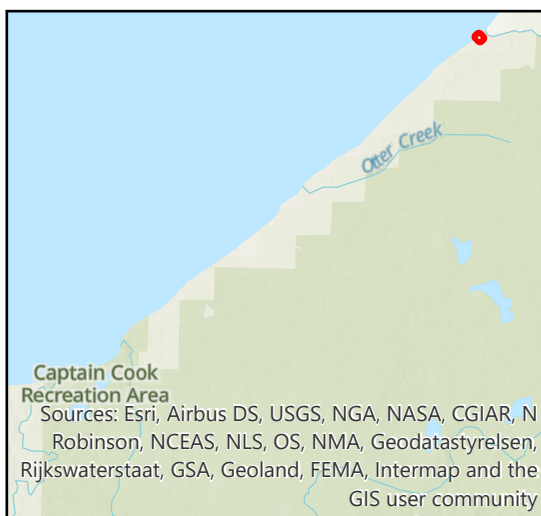
Parcel No. 025-440-21

North Nikiski- Moose Point Subdivision, Alaska

Minimum Bid
TBD

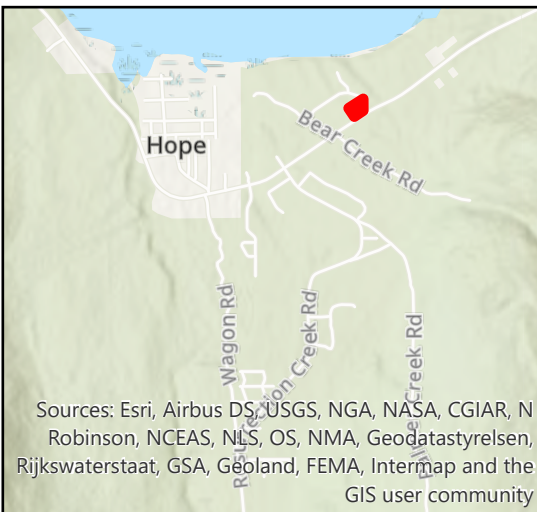
Acres: 6.8 +/-

| Parcel No. 025-440-21 | |
|-----------------------|--|
| Location | North Nikiski |
| Legal Description | Lot 180, Moose Point Subdivision, according to Plat No. KN84-65, on file in the Kenai recording district, Third Judicial District, State of Alaska |
| Topography | Rolling topography with abrupt bluff along Cook Inlet. |
| Special Features | Remote bluff lot with approximately 426 feet of Cook Inlet frontage. |
| Disclosures | Remote property |
| Access | It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | NA |

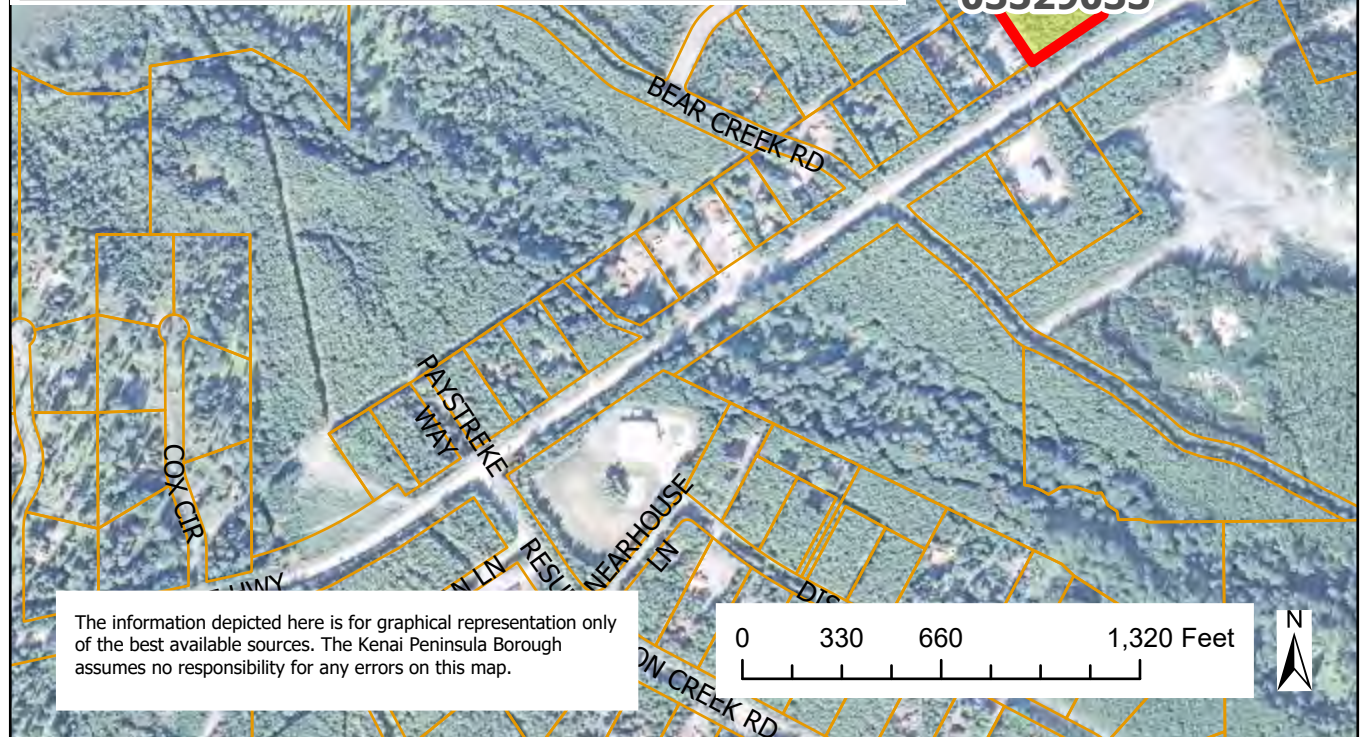


Minimum Bid
TBD

Acres: 2.2 +/-



| Parcel No. 035-290-33 | |
|--------------------------|---|
| Location | Hope |
| Legal Description | Lot 7 of Percy Hope Subdivision as shown on Plat No. 2010-8, Seward Recording District, State of Alaska. |
| Topography | Subject parcel is relatively level with broken and rolling terrain. Vegetation consists mostly of smaller diameter spruce and some birch and alders. |
| Special Features | This 2.2 +/- acre parcel located East of Hope abuts Hope Highway to the South, providing approximately 283 feet of Highway frontage. Proper lot preparation could provide mountain views and highway exposure. This parcel is zoned Rural, providing a wide variety of options for its future use |
| Disclosures | Subject parcel was excluded from Local Option Zoning encumbering adjacent parcels. Access approach from the Hope Highway will require a permit from the State of Alaska and would be subject to any terms and conditions thereof. |
| Access | Potential access may be gained by Hope Highway and subject to any restrictions and or approach agreements required by the State of Alaska. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Electric utility is available in the area |

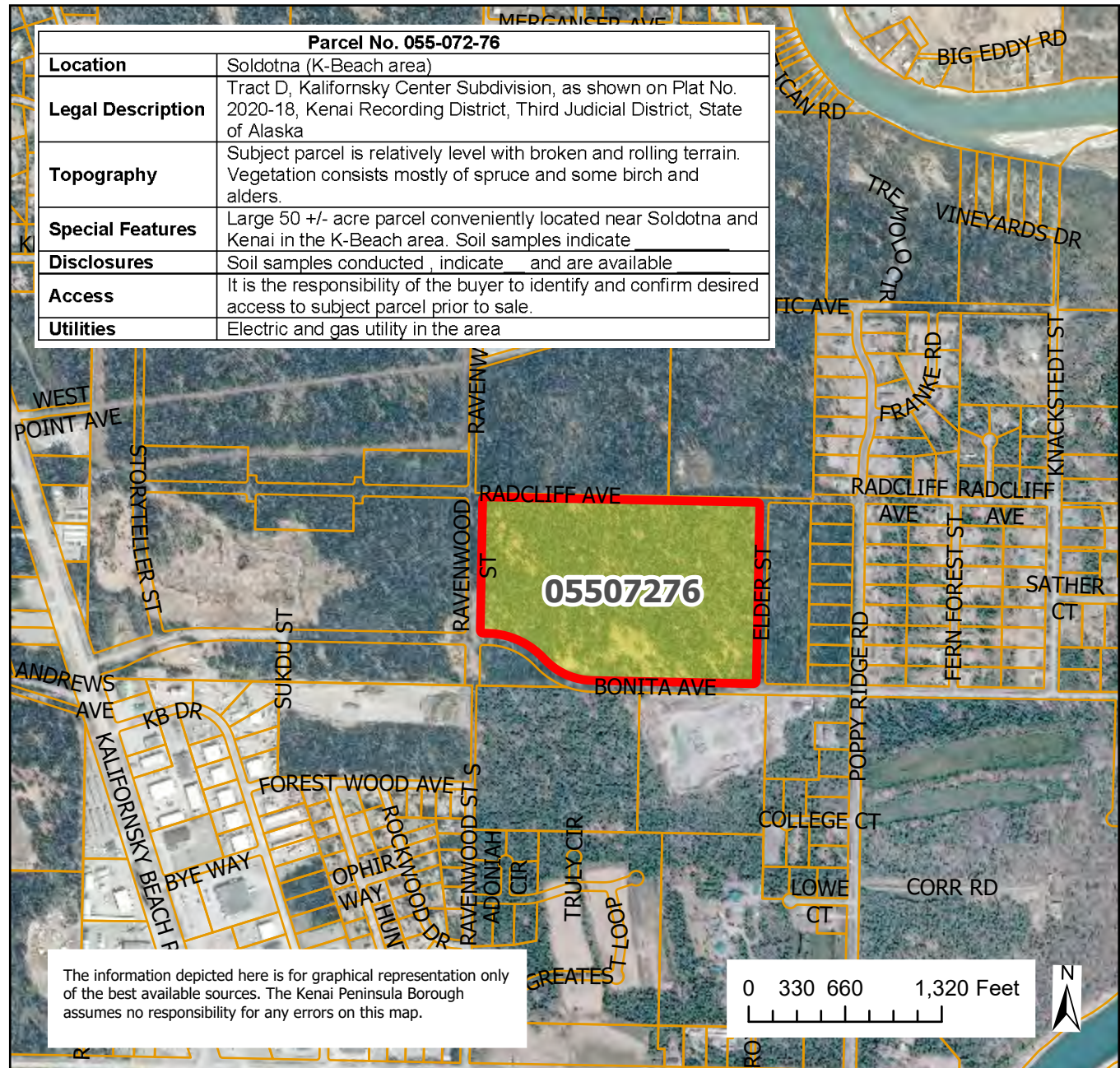
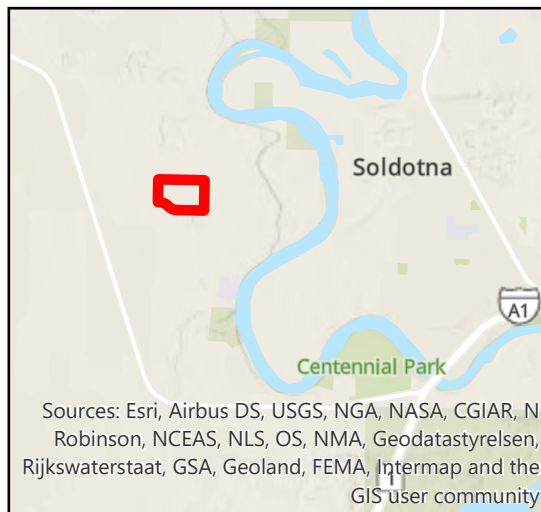


The information depicted here is for graphical representation only of the best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.

Minimum Bid
TBD

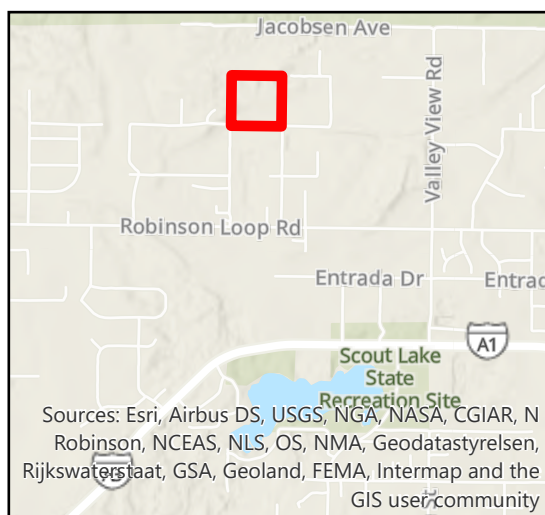
Acres: 50.96 +/-

| Parcel No. 055-072-76 | |
|-----------------------|---|
| Location | Soldotna (K-Beach area) |
| Legal Description | Tract D, Kalifornsky Center Subdivision, as shown on Plat No. 2020-18, Kenai Recording District, Third Judicial District, State of Alaska |
| Topography | Subject parcel is relatively level with broken and rolling terrain. Vegetation consists mostly of spruce and some birch and alders. |
| Special Features | Large 50 +/- acre parcel conveniently located near Soldotna and Kenai in the K-Beach area. Soil samples indicate _____ |
| Disclosures | Soil samples conducted, indicate _____ and are available _____ |
| Access | It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Electric and gas utility in the area |



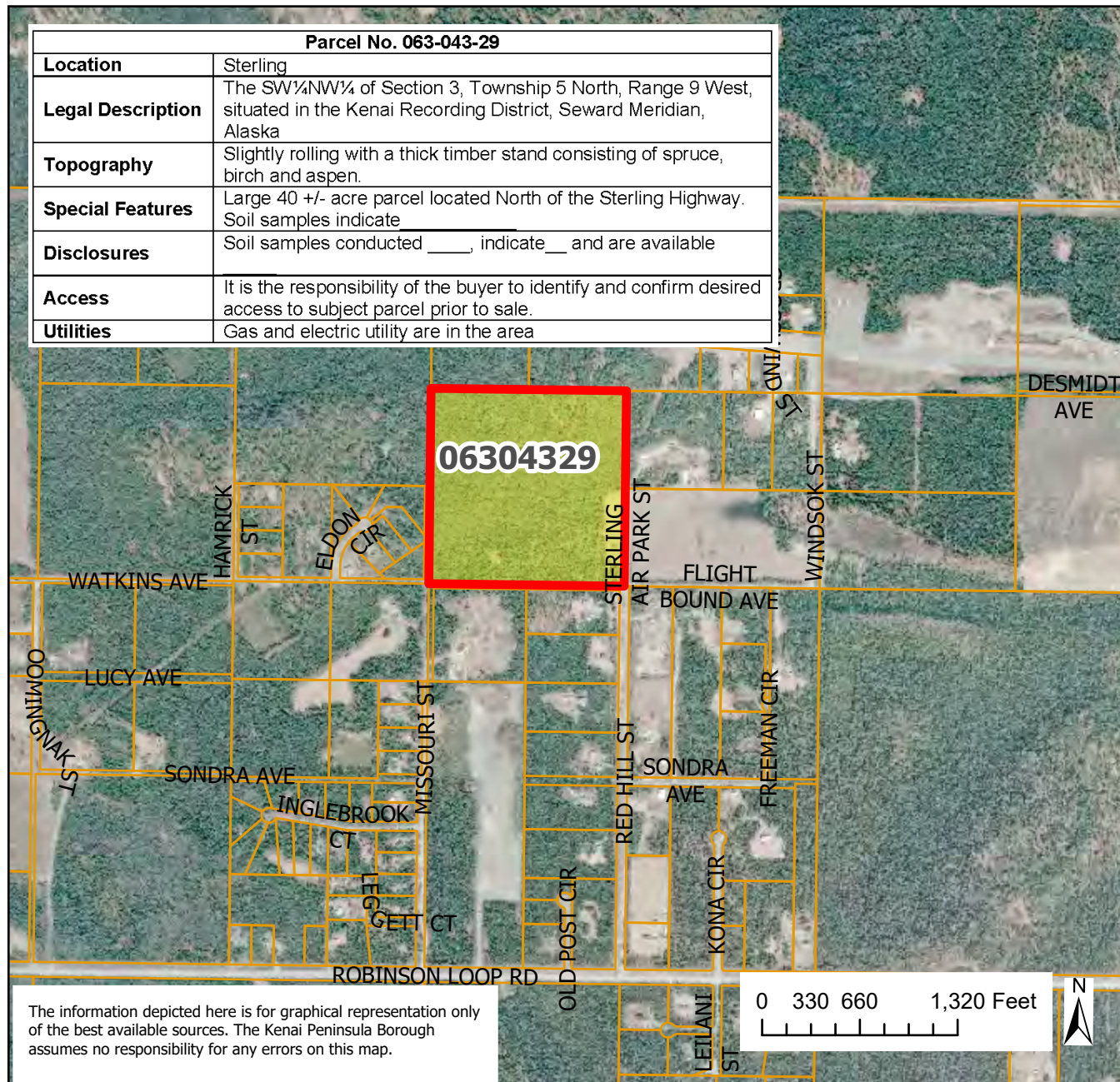
Minimum Bid
TBD

Acres: 40 +/-



Sources: Esri, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodatastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap and the GIS user community

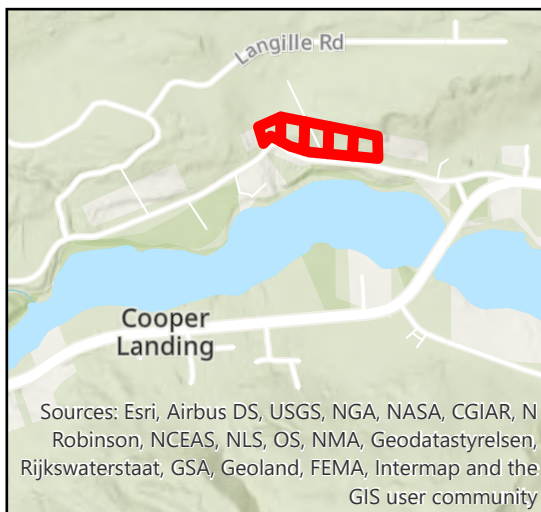
| Parcel No. 063-043-29 | |
|--------------------------|--|
| Location | Sterling |
| Legal Description | The SW¼NW¼ of Section 3, Township 5 North, Range 9 West, situated in the Kenai Recording District, Seward Meridian, Alaska |
| Topography | Slightly rolling with a thick timber stand consisting of spruce, birch and aspen. |
| Special Features | Large 40 +/- acre parcel located North of the Sterling Highway. Soil samples indicate _____ |
| Disclosures | Soil samples conducted _____, indicate _____ and are available |
| Access | It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Gas and electric utility are in the area |



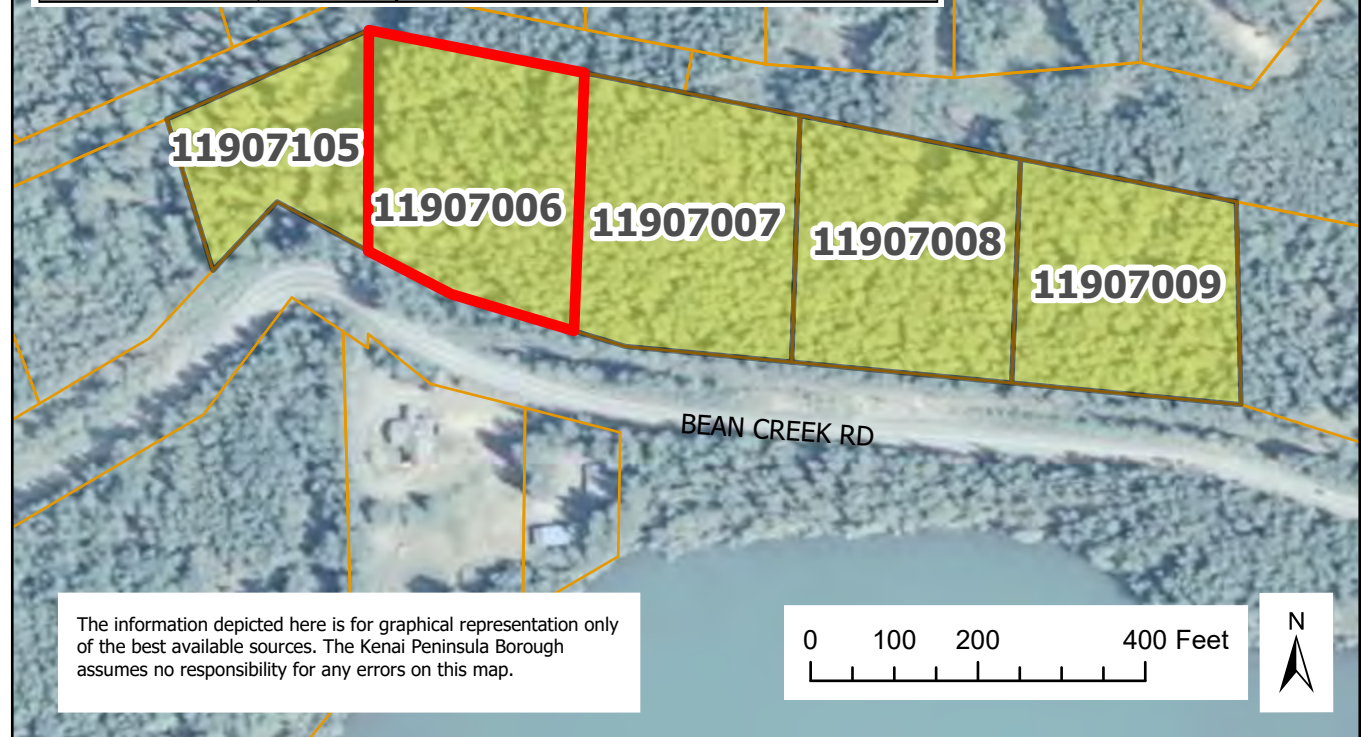
The information depicted here is for graphical representation only of the best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.

Minimum Bid
TBD

Acres: 1.7 +/-



| Parcel No. 119-070-06 | |
|--------------------------|---|
| Location | Cooper Landing |
| Legal Description | Lot 17 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. |
| Topography | Subject property is broken with a mix of slopes and benches. Parcel is timbered with a mix of spruce and birch. |
| Special Features | View parcel North of the Kenai River in the Cooper Landing area. Lots have a Southern exposure and with proper clearing will provide mountain and Kenai River views. Close proximity to local public recreation access. |
| Disclosures | Sale of said parcel will be subject to final review and approval by both buyer and seller of completed Record of Survey. Subject to utility easement across southern boundary. |
| Access | Potential access may be obtained by Sterling Highway to Bean Creek Road. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Electric utility is in the area. |

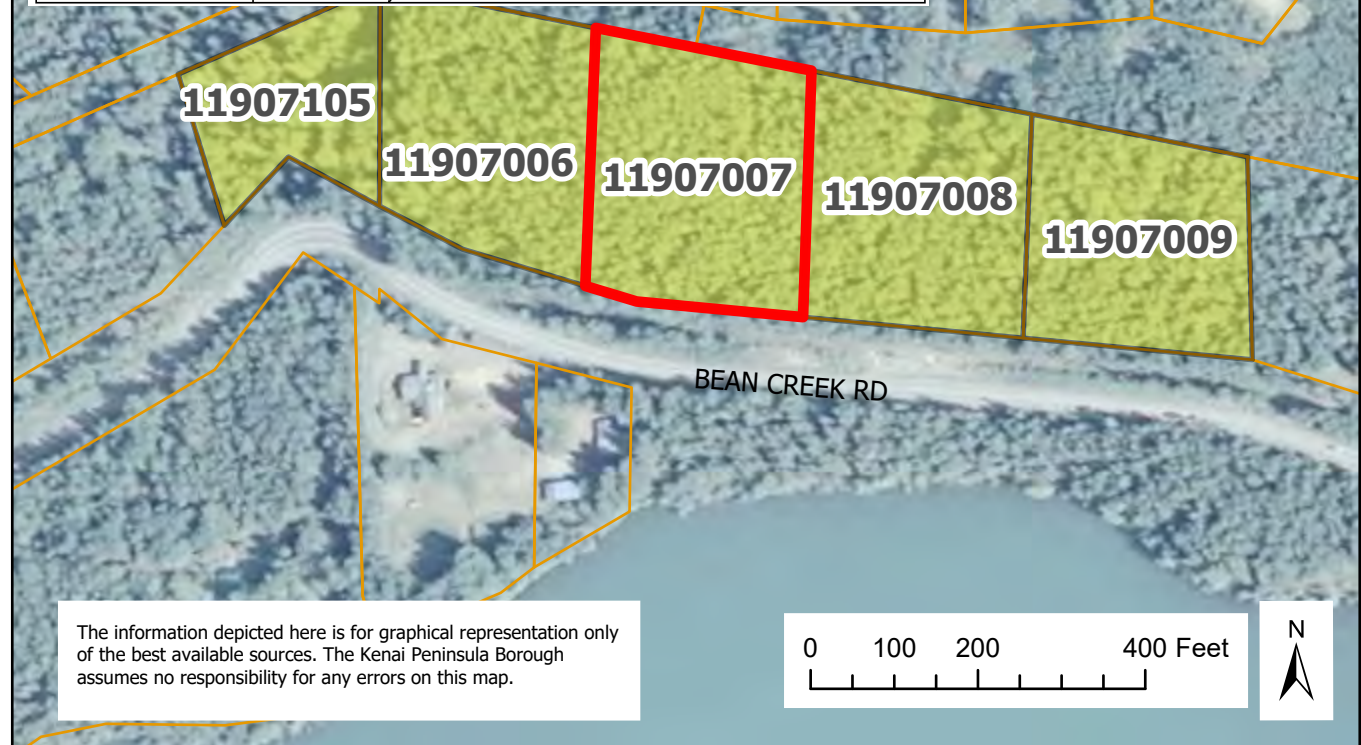


Minimum Bid
TBD

Acres: 1.83 +/-



| Parcel No. 119-070-07 | |
|--------------------------|---|
| Location | Cooper Landing |
| Legal Description | Lot 18 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. |
| Topography | Subject property is broken with a mix of slopes and benches. Parcel is timbered with a mix of spruce and birch. |
| Special Features | View parcel North of the Kenai River in the Cooper Landing area. Lots have a Southern exposure and with proper clearing will provide mountain and Kenai River views. Close proximity to local public recreation access. |
| Disclosures | Sale of said parcel will be subject to final review and approval by both buyer and seller of completed Record of Survey. Subject to utility easement across southern boundary. |
| Access | Potential access may be obtained by Sterling Highway to Bean Creek Road. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Electric utility is in the area. |

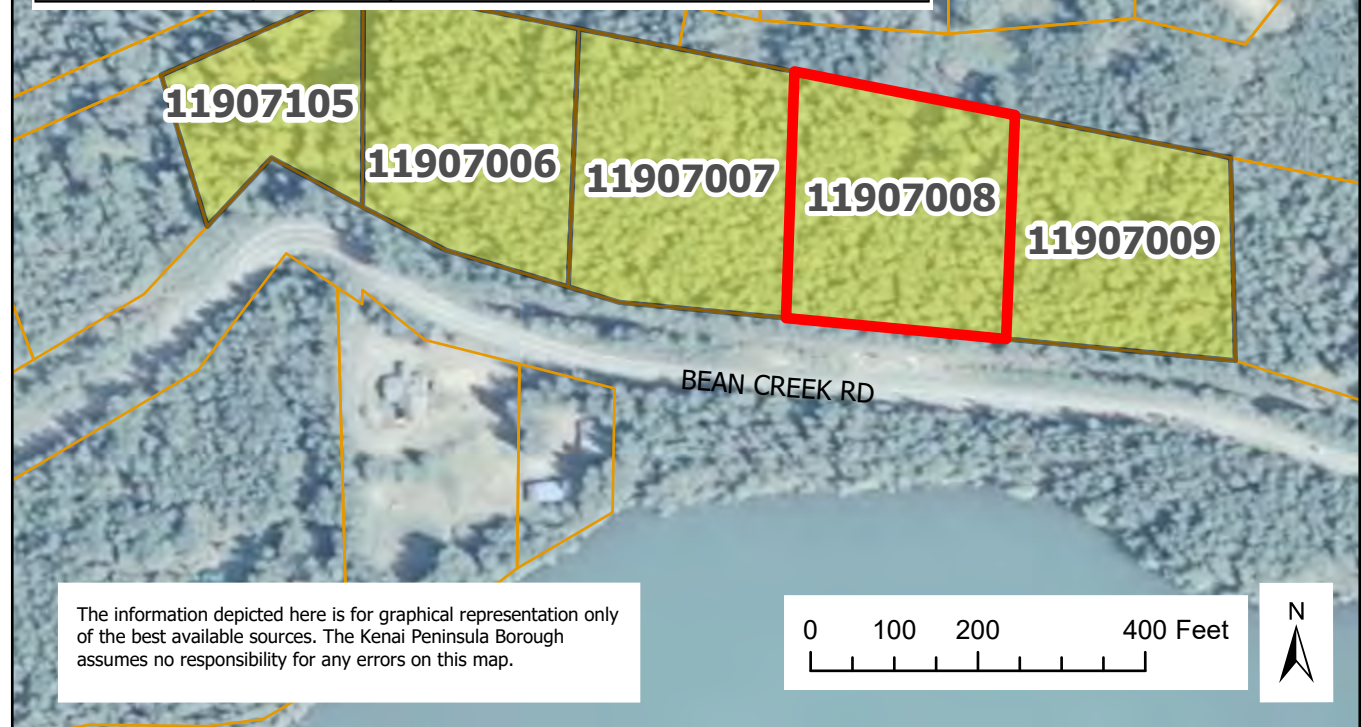


Minimum Bid
TBD

Acres: 1.69 +/-



| Parcel No. 119-070-08 | |
|--------------------------|---|
| Location | Cooper Landing |
| Legal Description | Lot 19 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. |
| Topography | Subject property is broken with a mix of slopes and benches. Parcel is timbered with a mix of spruce and birch. |
| Special Features | View parcel North of the Kenai River in the Cooper Landing area. Lots have a Southern exposure and with proper clearing will provide mountain and Kenai River views. Close proximity to local public recreation access. |
| Disclosures | Sale of said parcel will be subject to final review and approval by both buyer and seller of completed Record of Survey. Subject to utility easement across southern boundary. |
| Access | Potential access may be obtained by Sterling Highway to Bean Creek Road. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Electric utility is in the area. |



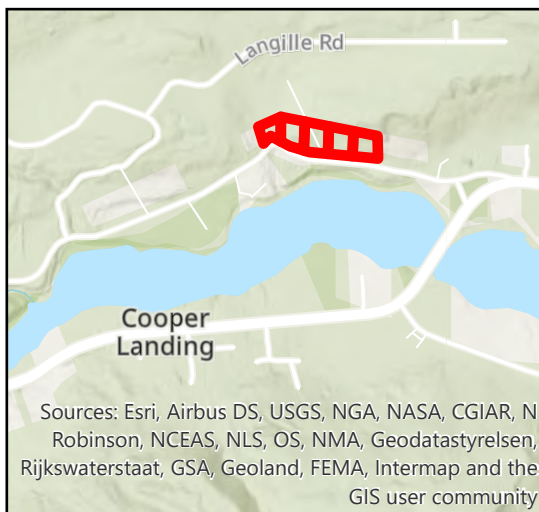
The information depicted here is for graphical representation only of the best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.

0 100 200 400 Feet

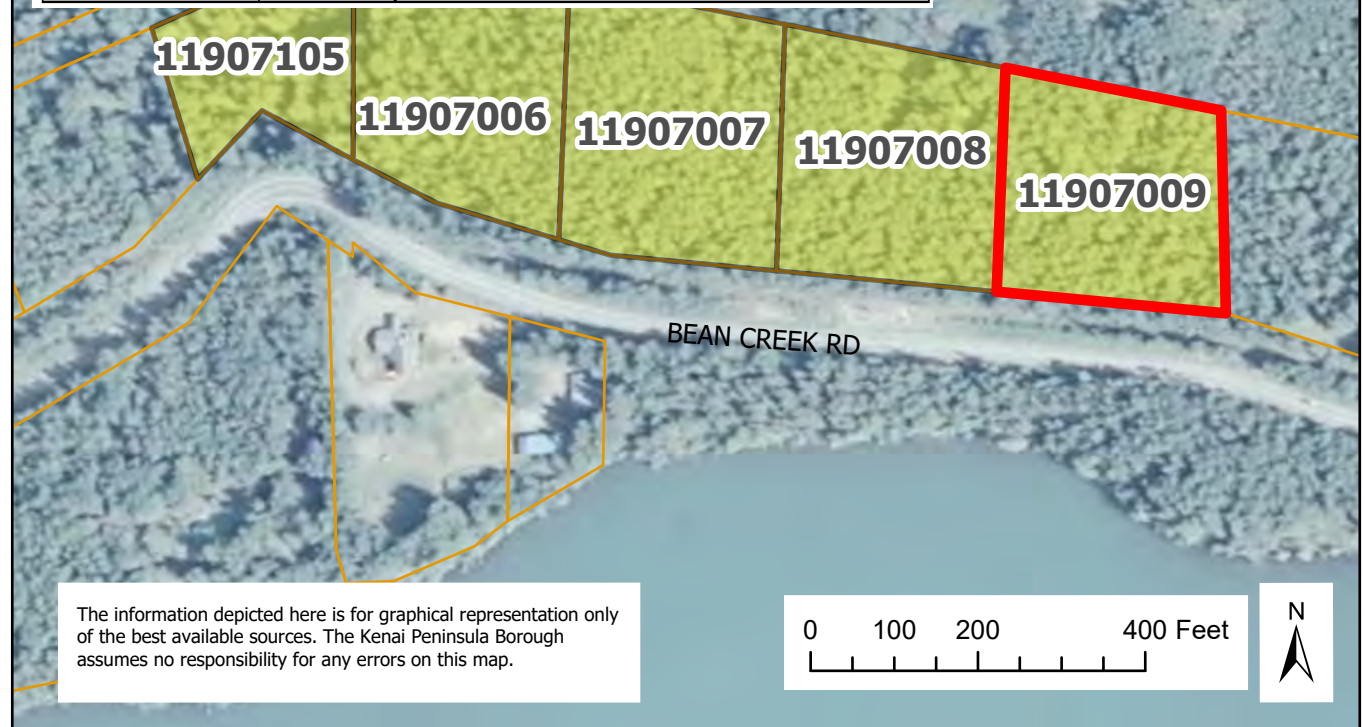


Minimum Bid
TBD

Acres: 1.54 +/-

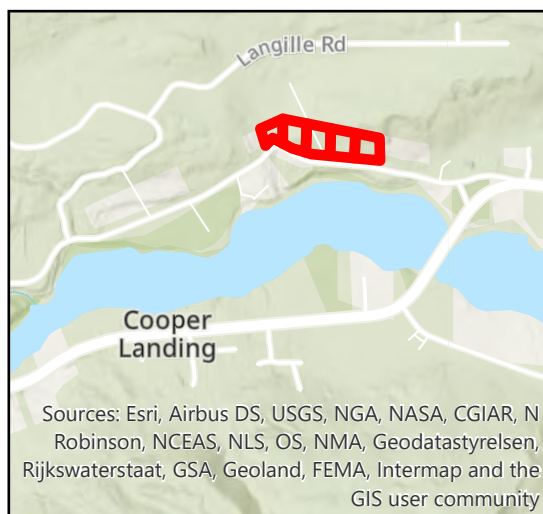
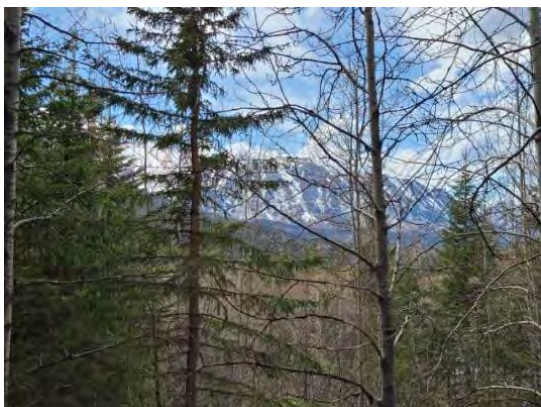


| Parcel No. 119-070-09 | |
|-----------------------|---|
| Location | Cooper Landing |
| Legal Description | Lot 20 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. |
| Topography | Subject property is broken with a mix of slopes and benches. Parcel is timbered with a mix of spruce and birch. |
| Special Features | View parcel North of the Kenai River in the Cooper Landing area. Lots have a Southern exposure and with proper clearing will provide mountain and Kenai River views. Close proximity to local public recreation access. |
| Disclosures | Sale of said parcel will be subject to final review and approval by both buyer and seller of completed Record of Survey. Subject to utility easement across southern boundary. |
| Access | Potential access may be obtained by Sterling Highway to Bean Creek Road. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Electric utility is in the area. |

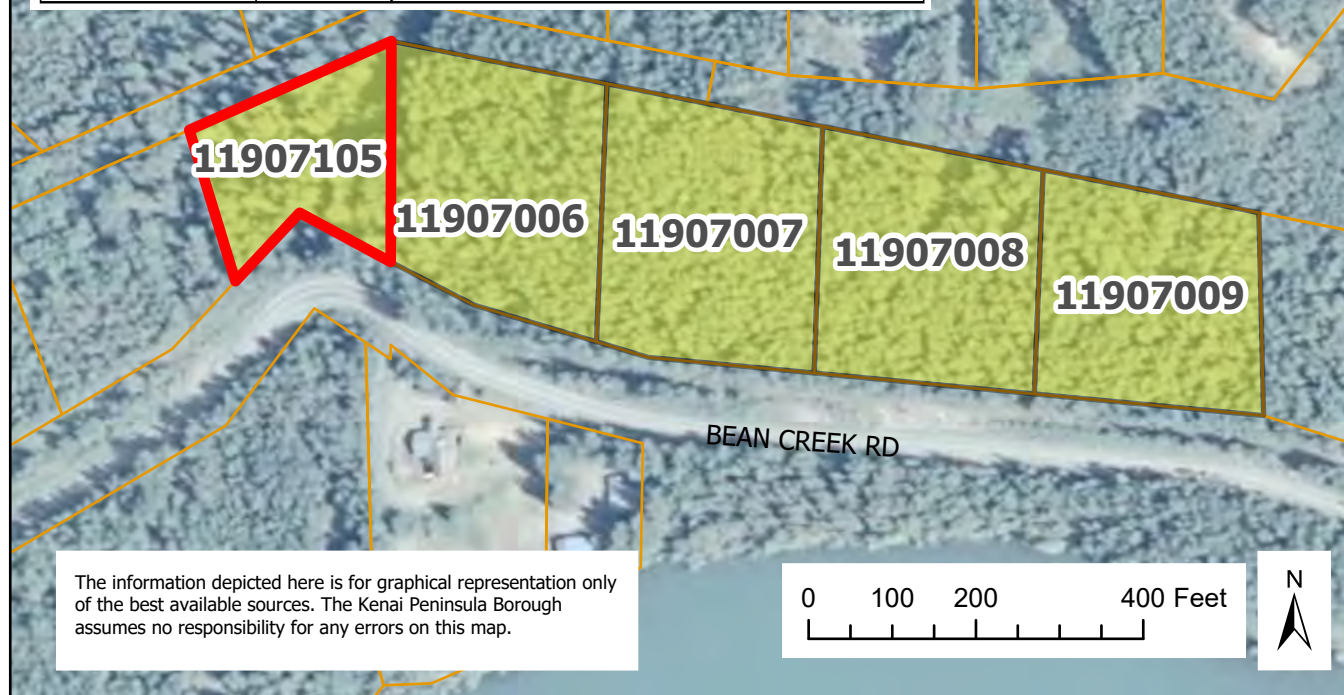


Minimum Bid
TBD

Acres: 0.98 +/-

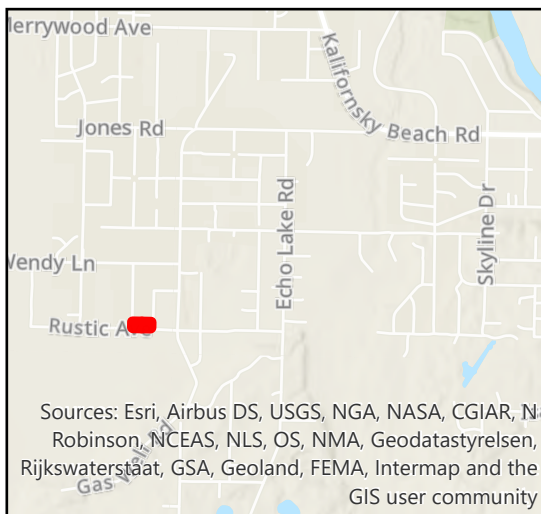


| Parcel No. 119-071-05 | |
|--------------------------|---|
| Location | Cooper Landing |
| Legal Description | Lot 16A of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska. |
| Topography | Subject property is broken with a mix of slopes and benches. Parcel is timbered with spruce and birch. |
| Special Features | View parcel North of the Kenai River in the Cooper Landing area. Lots have a Southern exposure and with proper clearing will provide mountain and Kenai River views. A small creek flows through property. Close proximity to local public recreation access sites. |
| Disclosures | Sale of said parcel will be subject to final review and approval by both buyer and seller of completed Record of Survey. Subject to recorded easement for water use from creek. Subject to utility easement across southern boundary. |
| Access | Potential access may be obtained by Sterling Highway to Bean Creek Road. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Electric utility is in the area. |

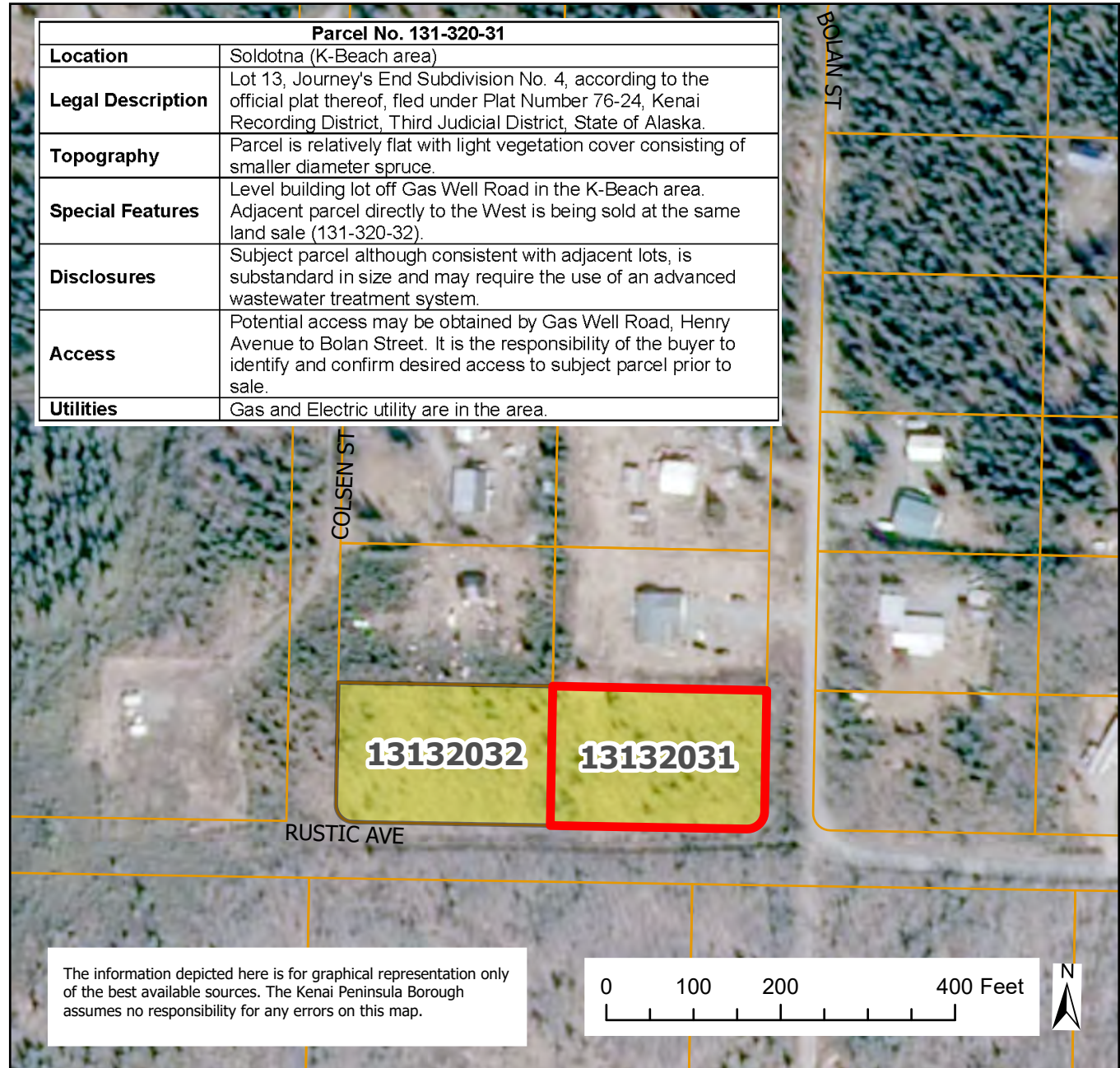


Minimum Bid
TBD

Acres: 0.9 +/-

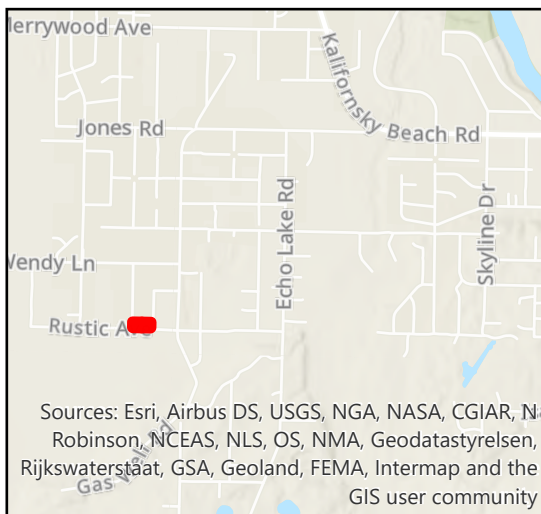


| Parcel No. 131-320-31 | |
|--------------------------|--|
| Location | Soldotna (K-Beach area) |
| Legal Description | Lot 13, Journey's End Subdivision No. 4, according to the official plat thereof, filed under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska. |
| Topography | Parcel is relatively flat with light vegetation cover consisting of smaller diameter spruce. |
| Special Features | Level building lot off Gas Well Road in the K-Beach area. Adjacent parcel directly to the West is being sold at the same land sale (131-320-32). |
| Disclosures | Subject parcel although consistent with adjacent lots, is substandard in size and may require the use of an advanced wastewater treatment system. |
| Access | Potential access may be obtained by Gas Well Road, Henry Avenue to Bolan Street. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Gas and Electric utility are in the area. |

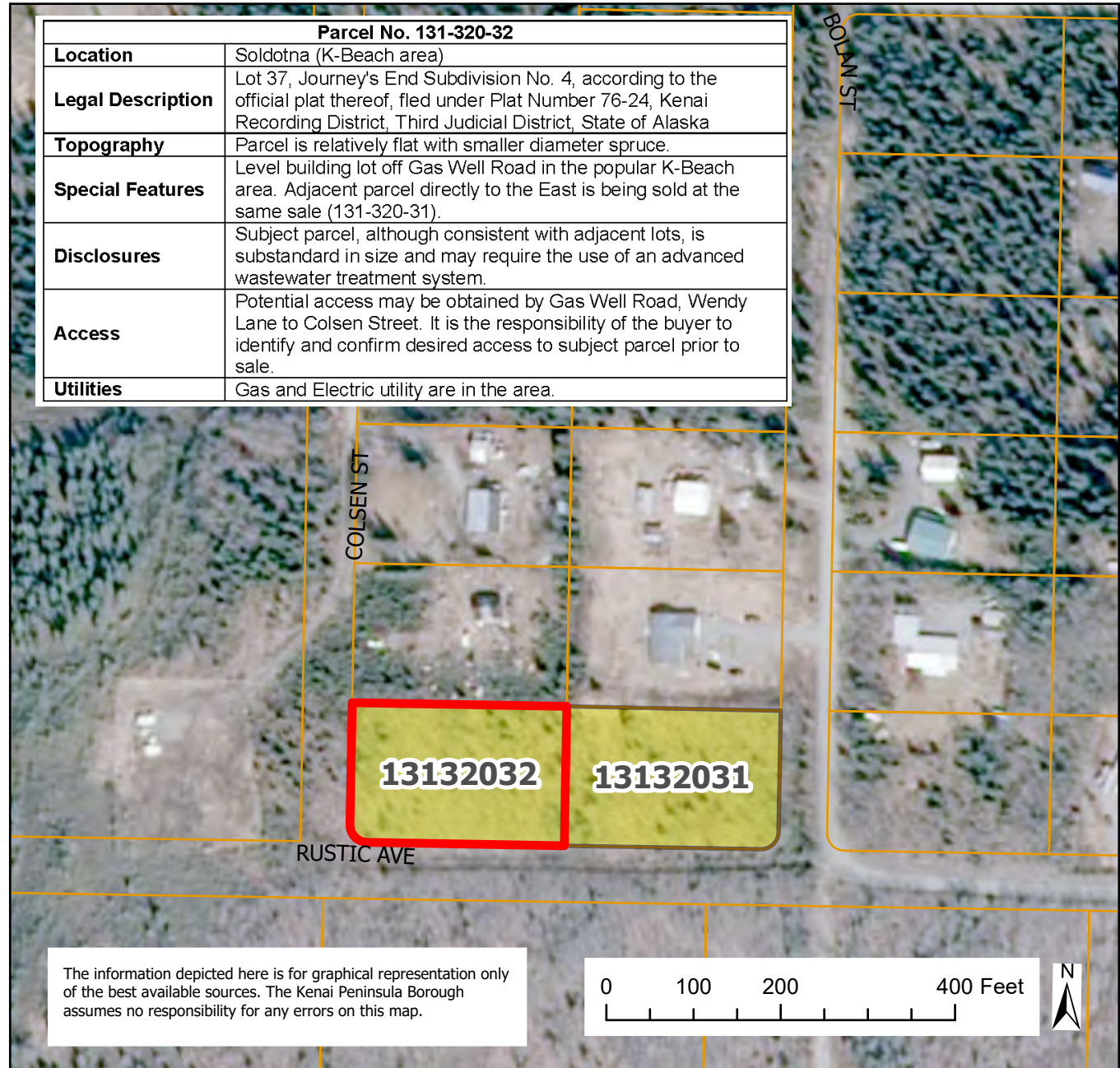


Minimum Bid
TBD

Acres: 0.9 +/-



| Parcel No. 131-320-32 | |
|--------------------------|---|
| Location | Soldotna (K-Beach area) |
| Legal Description | Lot 37, Journey's End Subdivision No. 4, according to the official plat thereof, fled under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska |
| Topography | Parcel is relatively flat with smaller diameter spruce. |
| Special Features | Level building lot off Gas Well Road in the popular K-Beach area. Adjacent parcel directly to the East is being sold at the same sale (131-320-31). |
| Disclosures | Subject parcel, although consistent with adjacent lots, is substandard in size and may require the use of an advanced wastewater treatment system. |
| Access | Potential access may be obtained by Gas Well Road, Wendy Lane to Colsen Street. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Gas and Electric utility are in the area. |

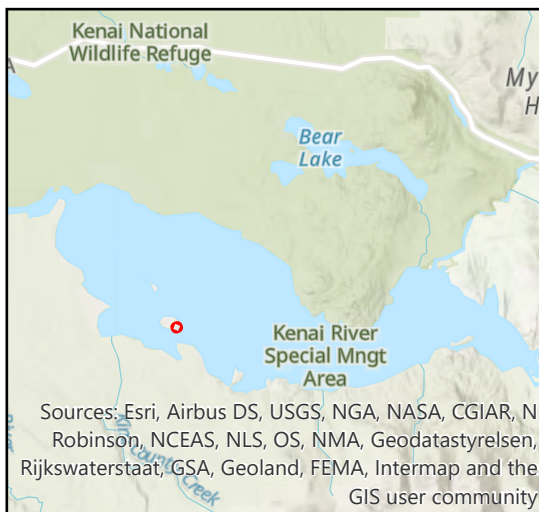


Parcel No. 135-053-34

Caribou Island- Skilak Lake, Alaska

Minimum Bid
TBD

Acres: 1.2 +/-



| Parcel No. 135-053-34 | |
|-----------------------|--|
| Location | Caribou Island (Skilak Lake) |
| Legal Description | Lot 4A of Block 4, Caribou Island Subdivision KPB 2020 Replat, as shown on Plat No. 2020-9, Seward Recording District, State of Alaska |
| Topography | Parcel is mostly level with a mixed timber stand of Spruce and Birch. |
| Special Features | Remote, larger acreage interior Caribou Island lot located on Skilak Lake. |
| Disclosures | Remote property. It is buyers responsibility to conduct adequate due diligence prior to the sale. |
| Access | Remote. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | No utilities available |

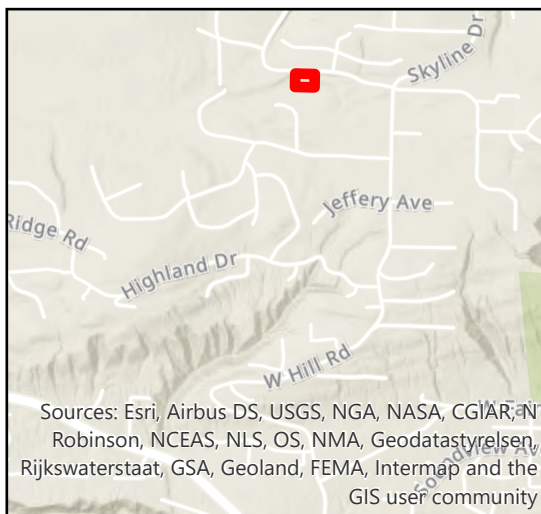


The information depicted here is for graphical representation only of the best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.



Minimum Bid
TBD

Acres: 2.05 +/-



Sources: Esri, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodatastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap and the GIS user community

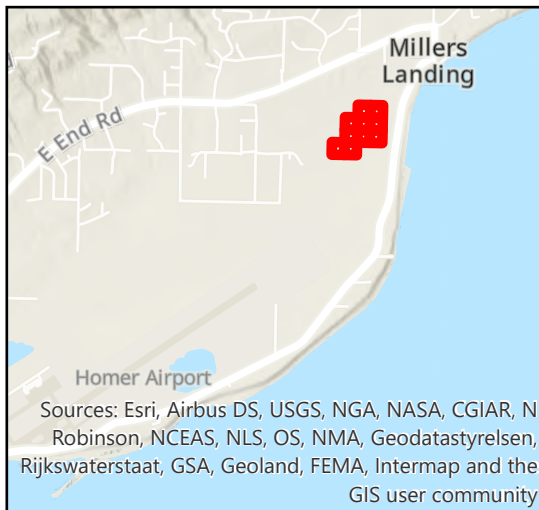
| Parcel No. 173-040-14 | |
|--------------------------|--|
| Location | Homer |
| Legal Description | Government Lot 18, excepting therefrom Diamond Ridge Road, within Section 12, Township 6 South, Range 14 West, Seward Meridian, in the Homer Recording District, Third Judicial District, State of Alaska. |
| Topography | Property is composed of uneven and broken terrain with a steep ravine along the entire North boundary of property. |
| Special Features | Subject property abuts Diamond Ridge Road to the North and is located in an area with similar sized lots. With proper site preparation, a potential view is possible from the highest elevation of lot located along the South boundary. |
| Disclosures | Steep ravine exists on the North side of subject property just off of Diamond Ridge Road. |
| Access | Property appears to be difficult to access. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Gas and electric utilities are in the area. |



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

Minimum Bid
TBD

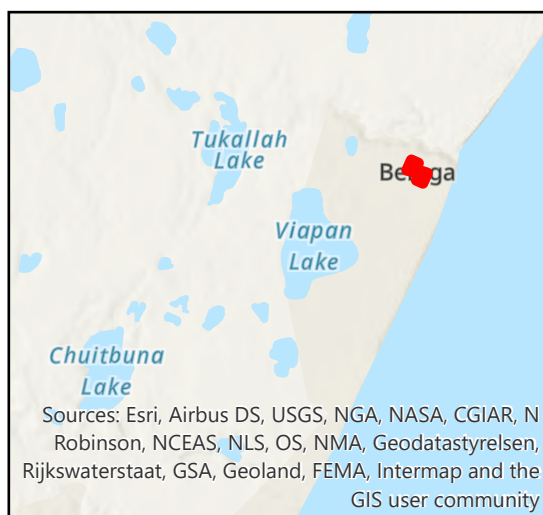
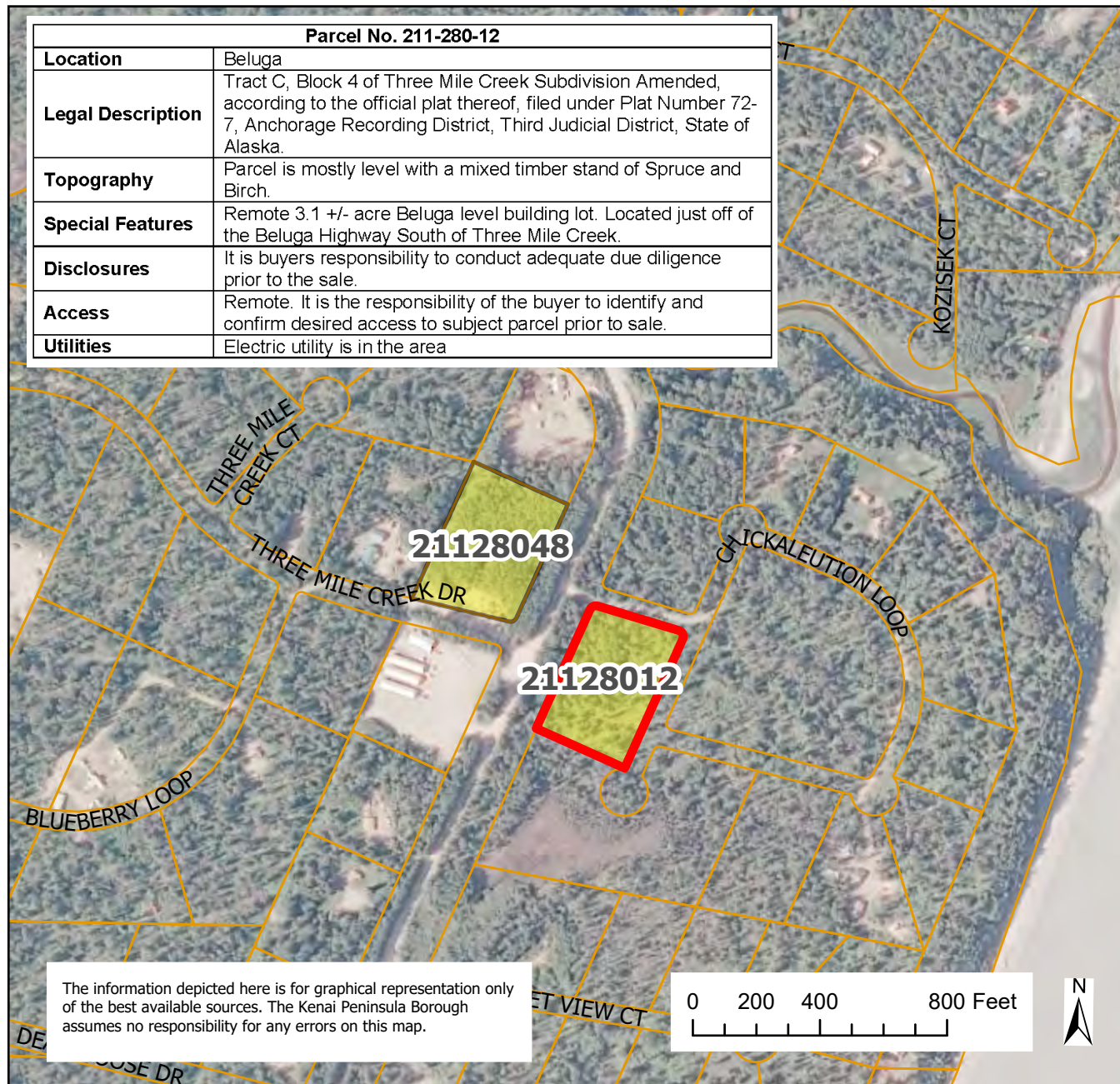
Acres: 2.5 +/- Each



Minimum Bid
TBD

Acres: 3.14 +/-

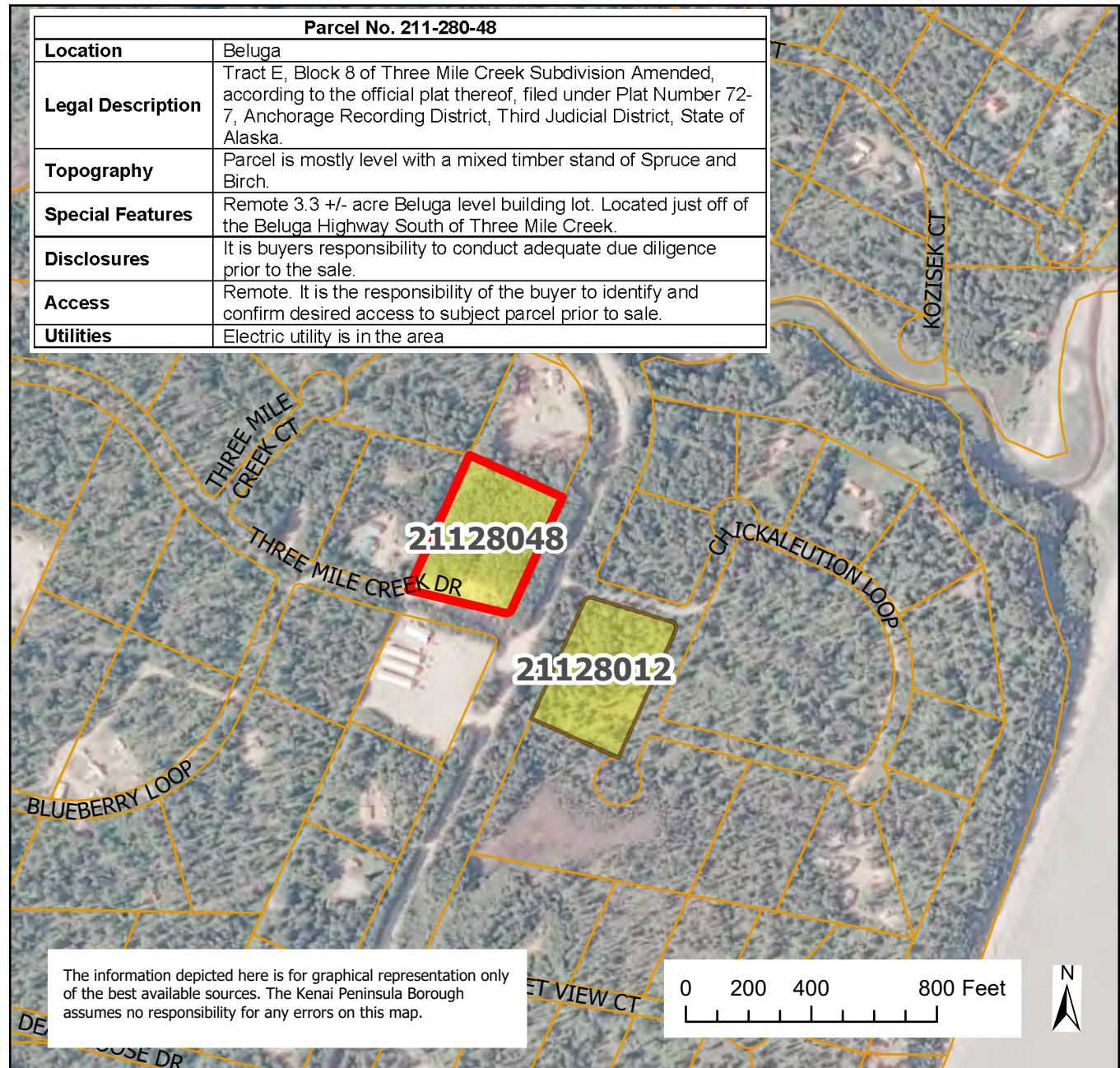
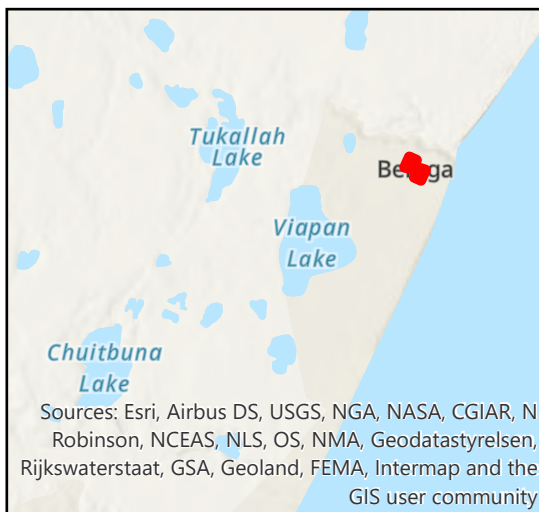
| Parcel No. 211-280-12 | |
|--------------------------|---|
| Location | Beluga |
| Legal Description | Tract C, Block 4 of Three Mile Creek Subdivision Amended, according to the official plat thereof, filed under Plat Number 72-7, Anchorage Recording District, Third Judicial District, State of Alaska. |
| Topography | Parcel is mostly level with a mixed timber stand of Spruce and Birch. |
| Special Features | Remote 3.1 +/- acre Beluga level building lot. Located just off of the Beluga Highway South of Three Mile Creek. |
| Disclosures | It is buyers responsibility to conduct adequate due diligence prior to the sale. |
| Access | Remote. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Electric utility is in the area |



Minimum Bid
TBD

Acres: 3.3 +/-

| Parcel No. 211-280-48 | |
|-----------------------|---|
| Location | Beluga |
| Legal Description | Tract E, Block 8 of Three Mile Creek Subdivision Amended, according to the official plat thereof, filed under Plat Number 72-7, Anchorage Recording District, Third Judicial District, State of Alaska. |
| Topography | Parcel is mostly level with a mixed timber stand of Spruce and Birch. |
| Special Features | Remote 3.3 +/- acre Beluga level building lot. Located just off of the Beluga Highway South of Three Mile Creek. |
| Disclosures | It is buyers responsibility to conduct adequate due diligence prior to the sale. |
| Access | Remote. It is the responsibility of the buyer to identify and confirm desired access to subject parcel prior to sale. |
| Utilities | Electric utility is in the area |



| | |
|----------------|--------------|
| Introduced by: | Derkevorkian |
| Date: | 06/15/21 |
| Hearing: | 08/03/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-24**

**AN ORDINANCE AMENDING KPB 22.40.080 TO LIMIT ASSEMBLY MEMBER'S
CLOSING COMMENTS TO THREE MINUTES**

WHEREAS, assembly meetings provide the venue for the assembly to consider and either approve or disapprove proposed ordinances and resolutions after hearing comments offered by members of the public; and

WHEREAS, borough code at KPB 22.40.080 provides for public comment on action items or any other matters not appearing on the agenda; and

WHEREAS, public comment time is limited to three minutes per speaker for public comment opportunity on the agenda; and

WHEREAS, assembly members are afforded the opportunity to make comments after all action items have been completed and no time limit is imposed on assembly member comments during this final part of the meeting; and

WHEREAS, it is in the best interests of the public's time to align the assembly's closing comment period with the public's comment time limitation of three minutes;

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

SECTION 1. That KPB 22.40.080 is hereby amended as follows:

22.40.080. Agenda—Order of business.

The order of business shall be:

Call to order;

Pledge of allegiance;

Invocation;

Roll call;

Committee reports;

Vacancy, designation or seating members (only when needed);

Approval of agenda and consent agenda;

Approval of minutes;

Commending resolutions and proclamations;

Presentations with prior notice (20 minutes total);

Public comments on items not appearing on the agenda (three minutes per speaker; 20 minutes aggregate);

Items not completed from prior agenda;

Public hearings on ordinances (Testimony limited to 3 minutes per speaker);

Unfinished business

1. Postponed items
2. Notices to reconsider/rescind;

New business;

1. Bid awards
2. Resolutions
3. Ordinances for introduction
4. Other (including addition of late items);

Mayor's Report;

Public comments and public presentations (Limited to 3 minutes per speaker);

Assembly comments **(Limited to 3 minutes per assembly member)**;

Pending legislation;

Informational materials and reports;

Assembly meeting and hearing announcements;

Adjournment

SECTION 2. That this ordinance shall take effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2021.**

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Assembly

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Richard Derkevorkian, Assembly Member *RD*

DATE: June 3, 2021

RE: Ordinance 2021-24, Amending KPB 22.40.080 to Limit Assembly Members' Closing Comments to Three Minutes (Derkevorkian)

This ordinance is brought forward to amend KPB 22.40.080, Agenda – Order of business and is in the best interest of the public's time.

This ordinance, if approved, would limit the assembly's closing comment period to three minutes per assembly member in alignment with the public's comment time limitations.

Your consideration is appreciated.

| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/15/21 |
| Hearing: | 08/03/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-25**

**AN ORDINANCE AMENDING KPB 2.58.058 (A) TO CLARIFY THAT ASSEMBLY
MEMBERS MAY SERVE ON THE BOARD OF EQUALIZATION**

WHEREAS, KPB 2.58.058 was enacted in Ordinance 85-95 to prohibit assembly members from serving on any borough board or commission; and

WHEREAS, the whereas clauses indicate that serving in both capacities would be considered as holding incompatible offices; and

WHEREAS, Alaska Statute 29.45.200 specifically provides that the governing body sits as a board of equalization for the purpose of hearing an appeal from a determination of the assessor or it may delegate this authority to one or more boards appointed by it; and

WHEREAS, KPB 2.58.058(A) has not been construed to prevent assembly members from serving on the Board of Equalization; and, as this provision in the Alaska Statutes specifically authorizes assembly members to serve on the Board of Equalization, it supersedes the borough code provision; and

WHEREAS, to avoid confusion KPB 2.58.058(A) should be amended to clarify that assembly members may serve on the Board of Equalization;

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

SECTION 1. That KPB 2.58.058(A) is hereby amended as follows:

2.58.058 Prohibition of Dual Service on Assembly and Borough Boards and Commissions, and on Assembly Members' Eligibility for Employment by the Borough.

- A. No assembly member may serve on any borough board or commission except that assembly members are authorized to serve on the borough Board of Equalization.
- B. An assembly member shall not be eligible for employment for which a wage is paid by the borough until one year has elapsed

from the date the member leaves the assembly. This does not preclude appointment of assembly members within the one-year period to borough boards or commissions for which a per diem amount, but no wage, is paid. While an assembly member may not simultaneously serve as an assembly member and borough mayor, nothing in this provision shall render an assembly member ineligible to run for borough mayor and, if elected, to serve as borough mayor at any time.

SECTION 2. That this ordinance shall take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Colette Thompson, Borough Attorney *CT*

DATE: June 1, 2021

RE: Ordinance 2021-25, Amending KPB 2.58.058(A) to Clarify that Assembly Members may Serve on the Board of Equalization (Mayor)

The administration recently noticed that KPB 2.58.058(A) prohibits assembly members from serving on any borough board or commission. This was enacted in response to a determination that simultaneous service on these boards, such as service area boards, would be incompatible.

KPB 2.58.058(A) has never been construed to prohibit an assembly member from serving on the Board of Equalization. Alaska statutes clearly authorize assembly members' service on the BOE, and that statute supersedes the code. This ordinance would amend KPB 2.58.058(A) to clarify that it does not apply to assembly membership on the BOE.

Your consideration is appreciated.

Introduced by: McGahan
Carey
Date: Dec. 3, 1985
Hearing: Jan. 21, 1986
Vote: Unanimous
Action: Enacted

KENAI PENINSULA BOROUGH

ORDINANCE 85-95

AMENDING THE BOROUGH CONFLICT OF INTEREST ORDINANCE TO PROHIBIT DUAL SERVICE ON THE ASSEMBLY AND ANY BOROUGH BOARD OR COMMISSION.

WHEREAS, a recent question has been raised about whether an assembly member serving on both the assembly and a Borough board or commission could be considered as holding "incompatible offices"; and

WHEREAS, it is in the public interest to avoid the problem of holding incompatible offices; and

WHEREAS, it is in the public interest to establish a policy by ordinance that prohibits such dual office holding in the future;

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

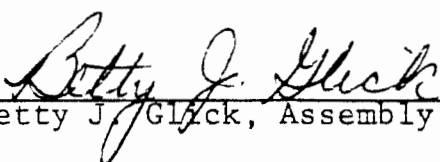
Section 1. That KPB 2.58 is amended by adding a new section to read as follows:

2.58.058 Prohibition of dual service on assembly and Borough boards and commissions. No assembly member may serve on any Borough board or commission.

Section 2. That assembly members serving as elected members of a Borough board or commission as of the effective date of this ordinance may serve their full terms on such Borough board and/or commission, but may not be reelected or reappointed.

Section 3. That this ordinance shall take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 21st DAY OF January, 1986.


Betty J. Gluck, Assembly President

ATTEST:


Joanne Brendley
Borough Clerk

| | |
|----------------|----------|
| Introduced by: | Mayor |
| Date: | 06/15/21 |
| Hearing: | 08/03/21 |
| Action: | |
| Vote: | |

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-26**

**AN ORDINANCE AMENDING KPB 2.24.010 TO MODIFY THE RISK MANAGEMENT
COMMITTEE SCHOOL DISTRICT MEMBER'S REQUIREMENTS**

WHEREAS, the borough code identifies members of the risk management committee and currently lists the borough school district member as an employee of the school district with significant responsibility for managing school district finances; and

WHEREAS, the current school district member is retiring and the superintendent would like to appoint a person with significant human resources experience or responsibility for managing school district finances; and

WHEREAS, a person charged with significant responsibility for managing human resources or overseeing school district finances would be knowledgeable in areas managed by the risk management committee and best represent the interests of the school district on the committee; and

WHEREAS, a significant component of the risk management committee's work includes reviewing workers' compensation claims, employee safety, and property and liability claims;

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

SECTION 1. That KPB 2.34.010 is hereby amended as follows:

2.34.010. Risk Management Office established - Administrator.

There is in the human resources department, the office of risk management. The office of risk management shall be administered by the claims manager and a risk management committee consisting of the Kenai Peninsula Borough attorney, the Kenai Peninsula Borough finance director and an employee of the Kenai Peninsula Borough School District who has significant responsibility for managing school district finances and/or human resources and is appointed by the Superintendent. The members of the risk management committee may each designate a person to act as a committee member in the event of absence of that committee member. Meetings of the risk management

committee shall be held on a regular monthly basis, and are exempt from the Open Meetings Act as now enacted or as may be hereinafter amended.

SECTION 2. That this ordinance shall take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:


No:



Absent:

Kenai Peninsula Borough
Legal Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor 

FROM: Colette Thompson, Borough Attorney 
Brandi Harbaugh, Finance Director 

DATE: June 3, 2021

RE: Ordinance 2021-26, Amending KPB 2.34.010 to Modify the Risk Management Committee School District Member's Requirements (Mayor)

The borough code at KPB 2.34.010 establishes the office of risk management in the borough human resources department. It also establishes the risk management committee, which is responsible for administering the office of risk management in conjunction with the claims manager. It provides that the risk management committee members shall include the borough finance director, the borough attorney, and an employee of the school district who has significant responsibility for managing school district finances.


The new school district superintendent would like to appoint the school district human resources manager to the risk management committee. Much of the work done by the risk management committee crosses over into human resources concerns including worker's compensation claims, other litigation relating to human resources issues, and employee safety. This ordinance would amend the language to provide that the school district member will have significant responsibility for managing school district finances and/or human resources.

Your consideration of this ordinance would be appreciated.

Kenai Peninsula Borough
Office of the Borough Mayor

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members of the Kenai Peninsula Borough Assembly

FROM: Charlie Pierce, Kenai Peninsula Borough Mayor 

DATE: June 15, 2021

RE: Appointment to the KPB Advisory Planning Commission

In accordance with KPB 21.02, appointments to Kenai Peninsula Borough Advisory Planning Commissions are recommended by the Borough Mayor, subject to confirmation by the Borough Assembly. The applicant meets the residency and registered voter qualifications. I hereby submit to the Assembly my recommendation for confirmation of the following appointment to the KPB Advisory Planning Commission:

| <u>Anchor Point APC</u> | <u>Seat</u> | <u>Expires</u> |
|--------------------------------|--------------------|-----------------------|
| Jay Wright | B | September 30, 2023 |

Cc: Melanie Aeschliman, Planning Director
Sandra Fletcher, Planning Senior Clerk
Bryan Taylor, Land Management
Clerk's Office

Kenai Peninsula Borough

Planning Department

Advisory Planning Commission Application Submitted 2021-05-18 11:04:55

APC/Seat: Anchor Point – Seat B (Term Expires 09/30/2023)


| | |
|---|---|
| Name | Mobile Phone |
| Jay Wright | 9072298259 |
| Home Phone | Work Phone |
| Email | Date of Birth |
| Jflatsmjic@gmail.com | [REDACTED] |
| SSN | Voter # |
| [REDACTED] | [REDACTED] |
| Residence Address | Mailing Address |
| 33246 Jayme street Anchor point , Alaska 99556 | P.O. Box 1297 Anchor point , Alaska 99556 |
| How long have you lived in the area served by this Advisory Planning Commission? | What knowledge, experience, or expertise will you bring to this board? |
| 15 years | 70 years of being on this earth, loving my country, flying the American flag, raising 5 children, and wanting to help in anyway that will make our community a better place to live. Also working in construction as an electrician since 1968. |

Kenai Peninsula Borough

Office of the Borough Mayor

MAYOR'S REPORT TO THE ASSEMBLY

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Charlie Pierce, Kenai Peninsula Borough Mayor 

DATE: June 15, 2021

Assembly Request / Response

None

Agreements and Contracts

- a. Authorization to Award a Contract for RFP21-007 Cybersecurity Assessment to Moss Adams, LLP.
- b. Authorization to Award a Contract for ITB21-028 Summer & Winter Road Maintenance – East Region Unit 1, to AG & Building Supply, Hope, AK.
- c. Authorization to Award a Contract for ITB21-028 Summer & Winter Road Maintenance – West Region Unit 3, to Mountain Vista Estates, dba Captain Cook Construction, Clam Gulch, AK.

Other

- a. Certification of the 2021 Main Roll Assessment
- b. Public Relations Update – "Know Your Borough" Campaign"
- c. Budget Revisions – May 2021
- d. Revenue – Expenditure Report – May 2021

Kenai Peninsula Borough

Purchasing & Contracting

MEMORANDUM

TO: Charlie Pierce, Mayor

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

THRU: Ben Hanson, IT Director *BH*

FROM: Dan Nelson, Office of Emergency Management Manager *DN*

DATE: May 17, 2021

RE: Authorization to Award a Contract for RFP21-007 Cybersecurity Assessment

On April 13, 2021, the Kenai Peninsula Borough Office of Emergency Management formally solicited proposals for RFP21-007 Cybersecurity Assessment. The request for proposals was advertised in the Peninsula Clarion and the Anchorage Daily News on March 16, 2021.

The project consists of the following: Perform an analysis of the Borough's current cybersecurity program, perform an analysis of current IT policies and procedures and recommend priorities and items for improvement to the cybersecurity program.

On the due date of April 13, 2021, Six (6) proposals were received and reviewed by a review committee as follows:

| <u>FIRMS</u> | | <u>TOTAL SCORE</u> |
|--|-------------------------|--------------------|
| Moss Adams, LLP | Seattle, Washington | 211 |
| Resource Data, Inc. | Anchorage, Alaska | 200 |
| Computer Aid, Inc. | Allentown, Pennsylvania | 196 |
| MGT of America Consulting, LLC | Tampa, Florida | 184 |
| International Consulting Acquisition Corp dba ISG Public Sector | Stamford, Arizona | 149 |
| CDW Government, LLC | Vernon Hills, Illinois | Non-Responsive |

Funding of this contract will be charged to account number 271.94910.20HSP.43011.



Charlie Pierce, Mayor

5/22/2021

Date

NOTES: After Ordinance
2020-19-32
accepting/appropriating add'l
grant funds is enacted by
the Assembly, the \$9,010
funds will be shifted to the
grant 2020-19-32

| | |
|------------------------------------|-------------------------------------|
| FINANCE DEPARTMENT | |
| FUNDS VERIFIED | |
| 100.11250.00000.43011 - \$9,010.00 | |
| Acct. No. | 271.94910.20HSP.43011 - \$55,453.00 |
| Amount | \$64,463.00 TOTAL AMOUNT |
| By: <i>PP BH</i> | Date: 5/21/2021 |

Kenai Peninsula Borough

Road Service Area

MEMORANDUM

TO: Charlie Pierce, Mayor

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

FROM: Dil Uhlin *DU*

DATE: May 27, 2021

RE: Authorization to Award a Contract for ITB21-028 Summer & Winter Road Maintenance – East Region Unit 1

The Purchasing and Contracting Office formally solicited and received bids for the ITB21-028 Summer & Winter Road Maintenance, East Region Unit 1. Bid packets were released on April 21, 2021 and the Invitation to Bid was advertised in the Peninsula Clarion on April 21, 2021, and in the Seward Journal on April 22, 2021.

The project consists of furnishing all labor, materials and equipment to perform summer and winter road maintenance.

On the due date of May 13, 2021, (1) one bid was received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$62,400.00 was submitted by AG & Building Supply.

Your approval for this bid award is hereby requested. Funding for this project is in account number 236.33950.00000.43592.

Charlie Pierce

Charlie Pierce, Mayor

6/1/2021

Date

| | |
|--|-----------------------|
| FINANCE DEPARTMENT FUNDS VERIFIED | |
| Acct. No. <u>236.33950.00000.43592</u> | |
| Amount <u>\$62,400.00</u> | |
| By: <i>PP</i> <i>BA</i> | Date: <u>6/1/2021</u> |

NOTES: Contingent upon Assembly approval of FY22 budget.

KENAI PENINSULA BOROUGH PURCHASING & CONTRACTING

BID TAB FOR: ITB21-028 Summer & Winter Maintenance - E1 Region

| CONTRACTOR | LOCATION | BASE BID |
|-----------------|----------|-------------|
| AG & BLD Supply | Hope, AK | \$62,400.00 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

DUE DATE: May 13, 2021

KPB OFFICIAL:


John Hedges, Purchasing & Contracting Director

Kenai Peninsula Borough

Road Service Area

MEMORANDUM

TO: Charlie Pierce, Mayor

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

FROM: Dil Uhlin *DU*

DATE: May 27, 2021

RE: Authorization to Award a Contract for ITB21-028 Summer & Winter Road Maintenance – West Region Unit 3

The Purchasing and Contracting Office formally solicited and received bids for the ITB21-028 Summer & Winter Road Maintenance, West Region Unit 3. Bid packets were released on April 21, 2021 and the Invitation to Bid was advertised in the Peninsula Clarion on April 21, 2021 and in the Seward Journal on April 22, 2021.

The project consists of furnishing all labor, materials and equipment to perform summer and winter road maintenance.

On the due date of May 13, 2021, three (3) bids were received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$84,000.00 was submitted by Mountain Vista Estates, DBA Captain Cook Construction.

Your approval for this bid award is hereby requested. Funding for this project is in account number 236.33950.00000.43592.

Charlie Pierce
Charlie Pierce, Mayor

6/1/2021
Date

| | |
|--------------------------------------|------------------------------|
| FINANCE DEPARTMENT FUNDS VERIFIED | |
| Acct. No. | <u>236.33950.00000.43952</u> |
| Amount | <u>\$84,000</u> |
| By: <i>PP BH</i> | Date: <u>6/1/2021</u> |

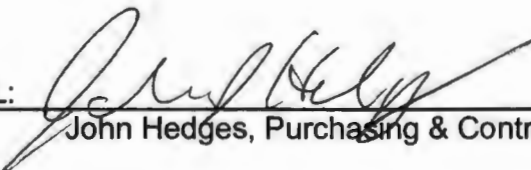
NOTES: Contingent upon Assembly approval of FY22 budget.

KENAI PENINSULA BOROUGH PURCHASING & CONTRACTING

BID TAB FOR: ITB21-028 Summer & Winter Maintenance - W3 Region

| CONTRACTOR | LOCATION | BASE BID |
|--|----------------|--------------|
| Mountain Vista Estates dba Captain Cook Construction | Clam Gulch, AK | \$84,000.00 |
| River City Construction | Soldotna, AK | \$376,200.00 |
| Steam on Wheels LLC | Soldotna, AK | \$381,600.00 |
| | | |
| | | |
| | | |
| | | |

DUE DATE: May 13, 2021

KPB OFFICIAL: 
 John Hedges, Purchasing & Contracting Director

Kenai Peninsula Borough
Assessing Department

MEMORANDUM

TO: Charlie Pierce, Borough Mayor
FROM: Adeena Wilcox, Borough Assessor
DATE: June 1, 2021
RE: Certification of the 2021 Main Roll Assessment

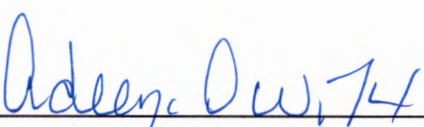
The undersigned, duly qualified and appointed Assessor of the Kenai Peninsula Borough, does hereby certify that the following is the total valuation contained in the 2021 Main Assessment Roll as of June 1, 2021.

The total assessed value for the Kenai Peninsula Borough, including all properties on this assessment roll is as follows:

| PERSONAL PROPERTY | REAL PROPERTY | OIL PROPERTY | TOTAL PROPERTY |
|------------------------------|--------------------------|-------------------------|---------------------------|
| \$349,891,306 | \$17,574,001,000 | \$1,421,415,850 | \$19,345,308,156 |

The total taxable value for the Kenai Peninsula Borough is as follows:

| PERSONAL PROPERTY | REAL PROPERTY | OIL PROPERTY | TOTAL PROPERTY |
|------------------------------|--------------------------|-------------------------|---------------------------|
| \$313,775,160 | \$6,713,041,900 | \$1,421,415,850 | \$8,448,232,910 |


Adeena Wilcox, Borough Assessor

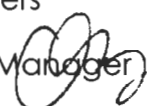
Kenai Peninsula Borough

Community & Fiscal Projects

MEMORANDUM

TO: Charlie Pierce, Mayor

THRU: Borough Internal Public Relations Team Members

FROM: Brenda Ahlberg, Community & Fiscal Projects Manager 

DATE: June 01, 2021

RE: Public Relations Update – "Know Your Borough" Campaign

The borough sought quotes to complete the "Know Your Borough" campaign (formally titled "Did You Know"). Three firms were interested; however, one bid proposal was received from the public relations firm Agnew::Beck in the amount of \$29,000. Members of the internal public relations team reviewed the proposal with no additional comments.

The administration approved entering into short-form contract with Agnew::Beck to promote the Borough, a municipal government organization, and the unique aspects of services provided through general government and its authorized service areas. Authorization for the funding is by way of Ordinance 2020-19 and Resolution 2021-003.

Agnew::Beck will create social media posts, imagery or videos to highlight borough services by topic. The platforms are Facebook, Twitter, LinkedIn and GovDelivery accounts with the intend that the informational posts will be reusable whenever possible.

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Borough Mayor *Ch*

THRU: Brandi Harbaugh, Finance Director *Br*

FROM: Sarah Hostetter, Payroll Accountant *SH*

DATE: June 2, 2021

RE: Budget Revisions – May 2021

Attached is a budget revision listing for May 2021. The attached list contains budget revisions between major expenditure categories (i.e., maintenance & operations and capital outlay). Other minor transfers were processed between object codes within major expenditure categories.

ASSESSING - APPRAISAL

Updating multiple workstations for ergonomic upgrades.

100-11520-00000-43210 (Transportation and Subsistence) \$5,500.00

100-11520-00000-48720 (Minor Office Furniture) \$5,500.00

CENTRAL EMERGENCY SERVICES

To purchase various items; replacement gas range, medical vault for new ambulance, tools/safety equipment for new apparatus.

211-51610-00000-43210 (Transportation and Subsistence) \$30,551.89

211-51610-00000-43780 (Building and Grounds Maintenance) \$1,693.02

211-51610-00000-48720 (Minor Office Furniture) \$182.96

211-51610-00000-48740 (Minor Machines and Equipment) \$182.96

211-51610-00000-48740 (Minor Machines and Equipment) \$1,693.02

211-51610-00000-48760 (Minor Fire Fighting Equipment) \$30,551.89

CLERK'S OFFICE - ASSEMBLY

To purchase a TV for the Clerk's conference room.

100-11110-00000-43216 (Travel in State) \$710.00

100-11110-00000-48710 (Minor Office Equipment) \$710.00

CLERK'S OFFICE - ASSEMBLY & ADMINISTRATION

To replace old Assembly iPads.

100-11120-00000-48710 (Minor Office Equipment) \$5,120.00

100-11110-00000-48710 (Minor Office Equipment) \$5,120.00

CLERK'S OFFICE - ELECTIONS, ADMINISTRATION, RECORDS & ASSEMBLY

To cover underfunded utilities, and to pay for an election security risk and vulnerability assessment per resolution 2021-032.

100-11110-00000-40321 (Health Insurance) \$25,000.00

100-11130-00000-43011 (Contractual Services) \$10,000.00

100-11120-00000-43610 (Public Utilities) \$5,000.00

100-11140-00000-43610 (Public Utilities) \$5,000.00

100-11110-00000-43610 (Public Utilities) \$5,000.00

MAY 2021 CONTINUED**INCREASE****DECREASE****CLERK'S OFFICE - RECORDS**

To purchase various items; archival boxes, carbon monoxide detector, chair and chair mats.

| | | |
|---|----------|----------|
| 100-11140-00000-43720 (Equipment Maintenance) | | \$655.00 |
| 100-11140-00000-42210 (Operating Supplies) | \$525.00 | |
| 100-11140-00000-42410 (Tools and Minor Equipment) | \$130.00 | |

HUMAN RESOURCES - ADMINISTRATION

To purchase a new fireproof cabinet.

| | | |
|--|------------|------------|
| 100-11230-00000-43210 (Transportation and Subsistence) | | \$5,493.00 |
| 100-11230-00000-48710 (Minor Office Equipment) | \$5,493.00 | |

HUMAN RESOURCES - CUSTODIAL

To purchase a floor tool for the vacuum.

| | | |
|---|---------|---------|
| 100-11235-00000-43720 (Equipment Maintenance) | | \$14.00 |
| 100-11235-00000-42410 (Tools and Minor Equipment) | \$14.00 | |

HUMAN RESOURCES - PRINT SHOP

To purchase a label printer.

| | | |
|---|----------|----------|
| 100-11233-00000-43720 (Equipment Maintenance) | | \$199.53 |
| 100-11233-00000-42410 (Small Tools and Equipment) | \$199.53 | |

HUMAN RESOURCES - PRINT SHOP

To purchase a phone headset for the print shop.

| | | |
|---|----------|----------|
| 100-11233-00000-43720 (Equipment Maintenance) | | \$304.11 |
| 100-11233-00000-42410 (Small Tools and Equipment) | \$304.11 | |

KACHEMAK EMERGENCY SERVICES

To purchase a vacuum mattress and a spare backup unit.

| | | |
|---|------------|------------|
| 212-51810-00000-42220 (Medical Supplies) | | \$2,000.00 |
| 212-51810-00000-48750 (Minor Medical Equipment) | \$2,000.00 | |

KACHEMAK EMERGENCY SERVICES

To purchase iPads that are compatible with Crew Force software.

| | | |
|--|------------|------------|
| 212-51810-00000-43210 (Transportation and Subsistence) | | \$2,500.00 |
| 212-51810-00000-48710 (Minor Office Equipment) | \$2,500.00 | |

MAY 2021 CONTINUED**INCREASE****DECREASE****MAINTENANCE - CUSTODIAL**

To purchase some daily cleaning items.

| | | |
|---|----------|----------|
| 241-11235-00000-43720 (Equipment Maintenance) | | \$100.00 |
| 241-11235-00000-42210 (Operating Supplies) | \$100.00 | |

RISK MANAGEMENT

To purchase an ergonomic chair.

| | | |
|--|---------|---------|
| 700-11234-00000-42250 (Uniforms) | | \$95.00 |
| 700-11234-00000-48720 (Minor Office Furniture) | \$95.00 | |

RISK MANAGEMENT

To purchase a gas meter and a document shredder.

| | | |
|--|------------|------------|
| 700-11234-00000-43210 (Transportation and Subsistence) | | \$1,900.00 |
| 700-11234-00000-48710 (Minor Office Equipment) | \$345.00 | |
| 700-11234-00000-48740 (Minor Machines and Equipment) | \$1,555.00 | |

SEWARD BEAR CREEK FLOOD SERVICE AREA

To purchase a network switch to be installed before moving to the Bear Creek Fire Station office.

| | | |
|---|------------|----------|
| 259-21212-00000-42120 (Computer Software) | | \$65.00 |
| 259-21212-00000-42210 (Operating Supplies) | | \$499.71 |
| 259-21212-00000-42410 (Tools and Minor Equipment) | | \$31.75 |
| 259-21212-00000-43140 (Postage and Freight) | | \$650.00 |
| 259-21212-00000-43260 (Training) | | \$126.00 |
| 259-21212-00000-43920 (Dues and Subscriptions) | | \$161.00 |
| 259-21212-00000-48720 (Minor Office Furniture) | | \$247.02 |
| 259-21212-00000-48710 (Minor Office Equipment) | \$1,780.48 | |

WESTERN EMERGENCY SERVICES

To purchase equipment in order to bring Ninilchik Engines up to NFPA and ISO Standards.

| | | |
|---|------------|------------|
| 209-51410-00000-43011 (Contract Services) | | \$5,500.00 |
| 209-51410-00000-42210 (Operating Supplies) | | \$352.31 |
| 209-51410-00000-48760 (Minor Fire Fighting Equipment) | \$5,852.31 | |

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Borough Mayor *ch*

THRU: Brandi Harbaugh, Finance Director *BR*

FROM: Sarah Hostetter, Payroll Accountant *SH*

DATE: June 2, 2021

RE: Revenue-Expenditure Report – May 2021

Attached is the Revenue-Expenditure Report of the General Fund for the month of May 2021. Please note that 91.67% of the year has elapsed, 92.11% of budgeted revenues have been collected, and 79.12% of budgeted expenditures have been made.

KENAI PENINSULA BOROUGH

Revenue Report

For the Period

May 1 through May 31, 2021

| ACCOUNT NUMBER | DESCRIPTION | ESTIMATED REVENUE | YEAR TO DATE RECEIPTS | MONTH TO DATE RECEIPTS | VARIANCE | % COLLECTED |
|-------------------|---------------------------------|----------------------|-----------------------------|------------------------------|----------------|----------------|
| 31100 | Real Property Tax | \$ 31,332,188 | \$ 31,054,171 | \$ 51,042 | \$ (278,017) | 99.11% |
| 31200 | Personal Property Tax | 1,814,997 | 2,177,791 | 10,177 | 362,794 | 119.99% |
| 31300 | Oil Tax | 7,019,116 | 7,025,200 | - | 6,084 | 100.09% |
| 31400 | Motor Vehicle Tax | 676,400 | 380,938 | 56,654 | (295,462) | 56.32% |
| 31510 | Property Tax Penalty & Interest | 590,931 | 584,379 | 17,697 | (6,552) | 98.89% |
| 31610 | Sales Tax | 27,431,594 | 25,853,360 | 3,259,389 | (1,578,234) | 94.25% |
| 33110 | In Lieu Property Tax | 3,200,000 | - | - | (3,200,000) | 0.00% |
| 33117 | Other Federal Revenue | 160,000 | 131,371 | 32,565 | (28,629) | 82.11% |
| 33220 | Forestry Receipts | 400,000 | 448,009 | - | 48,009 | 112.00% |
| 34221 | Electricity & Phone Revenue | 155,000 | - | - | (155,000) | 0.00% |
| 34222 | Fish Tax Revenue Sharing | 500,000 | (50,616) | - | (550,616) | -10.12% |
| 34210 | Revenue Sharing | 312,893 | 312,893 | - | - | 100.00% |
| 37350 | Interest on Investments | 352,913 | 453,935 | 15,772 | 101,022 | 128.63% |
| 39000 | Other Local Revenue | 275,000 | 280,739 | 14,921 | 5,739 | 102.09% |
| 290 | Solid Waste | 802,000 | 452,089 | 3,579 | (349,911) | 56.37% |
| Total Revenues | | \$ 75,023,032 | \$ 69,104,258 | \$ 3,461,797 | \$ (5,918,774) | 92.11% |

KENAI PENINSULA BOROUGH
Expenditure Report
For the Period
May 1 through May 31, 2021

| DESCRIPTION | REVISED BUDGET | YEAR TO DATE EXPENDED | MONTH TO DATE EXPENDED | AMOUNT ENCUMBERED | AVAILABLE BALANCE | % EXPENDED |
|-------------------------------|-------------------|-----------------------------|------------------------------|----------------------|----------------------|---------------|
| Assembly: | | | | | | |
| Administration | \$ 469,648 | \$ 374,175 | \$ 19,377 | \$ 20,219 | \$ 75,254 | 79.67% |
| Clerk | 579,196 | 482,277 | 44,301 | 5,729 | 91,190 | 83.27% |
| Elections | 293,896 | 130,171 | 221 | 144,290 | 19,435 | 44.29% |
| Records Management | 332,678 | 272,053 | 22,169 | 8,090 | 52,535 | 81.78% |
| Mayor Administration | 792,424 | 630,787 | 54,643 | 1,817 | 159,820 | 79.60% |
| Purch/Contracting/Cap Proj | 648,943 | 505,512 | 41,068 | 5,083 | 138,348 | 77.90% |
| Human Resources: | | | | | | |
| Administration | 700,918 | 599,975 | 52,702 | 7,224 | 93,719 | 85.60% |
| Print/Mail | 204,217 | 130,413 | 15,090 | 13,920 | 59,884 | 63.86% |
| Custodial Maintenance | 95,548 | 102,986 | 9,716 | 187 | (7,624) | 107.78% |
| Information Technology | 2,093,923 | 1,646,811 | 127,800 | 23,219 | 423,893 | 78.65% |
| Emergency Management | 933,183 | 803,351 | 47,322 | 31,825 | 98,007 | 86.09% |
| Legal Administration | 1,120,116 | 783,053 | 67,915 | 140,790 | 196,272 | 69.91% |
| Finance: | | | | | | |
| Administration | 505,711 | 445,588 | 43,443 | 1,957 | 58,167 | 88.11% |
| Services | 1,072,179 | 880,574 | 68,969 | 628 | 190,977 | 82.13% |
| Property Tax | 1,141,576 | 792,036 | 59,525 | 74,032 | 275,508 | 69.38% |
| Sales Tax | 901,144 | 784,132 | 63,561 | 3,322 | 113,690 | 87.02% |
| Assessing: | | | | | | |
| Administration | 1,350,530 | 1,094,670 | 90,114 | 2,271 | 253,589 | 81.05% |
| Appraisal | 1,993,482 | 1,399,269 | 111,793 | 16,338 | 577,875 | 70.19% |
| Resource Planning: | | | | | | |
| Administration | 1,261,643 | 864,557 | 81,966 | 18,132 | 378,954 | 68.53% |
| GIS | 499,590 | 407,703 | 25,317 | 1,818 | 90,069 | 81.61% |
| River Center | 675,967 | 495,681 | 34,226 | 21,246 | 159,040 | 73.33% |
| Senior Citizens Grant Program | 719,494 | 592,916 | - | 126,578 | - | 82.41% |
| School District Operations | 55,004,255 | 45,518,719 | 207,250 | - | 9,485,536 | 82.75% |
| Solid Waste Operations | 9,102,389 | 6,226,183 | 382,151 | 899,275 | 1,976,931 | 68.40% |
| Economic Development | 360,000 | 246,697 | 5,359 | 96,581 | 16,723 | 68.53% |
| Non-Departmental | 3,783,925 | 2,334,049 | 22,787 | - | 1,449,876 | 61.68% |
| Total Expenditures | \$ 86,636,575 | \$ 68,544,338 | \$ 1,698,785 | \$ 1,664,569 | \$ 16,427,668 | 79.12% |

| | |
|----------------|-------------------------------------|
| Introduced by: | Mayor |
| Date: | 09/15/20 |
| Hearing: | 10/13/20 |
| Action: | Postponed as Amended to 12/01/20 |
| Vote: | 9 Yes, 0 No, 0 Absent |
| Date: | 12/01/20 |
| Action: | Tabled as Amended |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-19-07**

**AN ORDINANCE APPROPRIATING REFINANCED 2013 BEAR CREEK FIRE
SERVICE AREA GENERAL OBLIGATION BOND PROCEEDS FOR THE PURPOSE
OF PAYING BOND REFINANCING ISSUANCE COSTS**

- WHEREAS,** the Kenai Peninsula Borough, Alaska (the “Borough”), to finance certain capital improvements in the Bear Creek Fire Service Area, issued and sold its Bear Creek Fire Service Area General Obligation Bonds, Series 2013, dated March 12, 2013, in the original principal amount of \$1,215,000 (the “2013 Bond”) to the Alaska Municipal Bond Bank (the “Bond Bank”), as authorized by Resolution No. 2012-091 of the Borough adopted on December 4, 2012 (the “Bond Resolution”), based on terms and conditions set forth in the Bond Resolution and a loan agreement between the Borough and the Bond Bank dated as of March 1, 2013 (the “Loan Agreement”); and
- WHEREAS,** the Bond Bank issued and sold its General Obligation and Refunding Bonds, 2013 Series One (the “Bond Bank Bonds”), to, among other things, provide funds to purchase the 2013 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 2013 Bond may be adjusted to reduce debt service on the 2013 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 (the “Bond Bank Refunding Bonds”) for the purpose, among others, of refunding all, or a portion, of the outstanding Bond Bank Bonds and achieving debt service savings; and
- WHEREAS,** through Resolution 2020-044, the assembly approved the Borough’s participation in this refinancing and to authorize the mayor or his designee to accept a revised debt service schedule for the 2013 Bond if the Bond Bank successfully refinances the Bond Bank Bonds; and

WHEREAS, the Bond Bank anticipates a refinancing closing date following October 1, 2020;

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

SECTION 1. That 2013 refinanced Bear Creek Fire Service Area bond proceeds in the amount of up to \$6,860 are appropriated to the Bear Creek Fire Service Area Capital Project Fund, account number 442.51210.21BND.49999 to pay costs related to the issuance.

SECTION 2. That the 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 3. That eligible costs incurred prior to the appropriation date will be charged to the project.

SECTION 4. This ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2020.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

10/13/20 Vote on motion to postpone as amended to 12/01/20:

Yes: Bjorkman, Blakeley, Carpenter, Cox, Dunne, Hibbert, Johnson, Smalley, Cooper

No: None

Absent: None

12/01/20 Vote on motion to table:

Yes: Bjorkman, Carpenter, Chesley, Cox, Derkevorkian, Dunne, Elam, Johnson, Hibbert

No: None

Absent: None

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: September 3, 2020

SUBJECT: Ordinance 2020-19- 07, Appropriating Refinanced 2013 Bear Creek Fire Service Area General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor)

In May 2020, the Kenai Peninsula Borough Assembly approved Resolution 2020-044, authorizing the Borough's participation in the refinancing of select series for the 2013 Bear Creek Fire Service Area general obligation bonds.

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank has determined that a portion of the outstanding 2013 Bear Creek Fire Service Area bonds could be refinanced, with potential savings to borough residents of approximately \$50,000 in interest over the remaining life of the debt. This ordinance appropriates refinanced bond proceeds for the purpose of paying costs related to the issuance of the bond refinancing.

Your consideration is appreciated.

**FINANCE DEPARTMENT
ACCOUNT / FUNDS VERIFIED**

Acct. No. 442.00000.21BND.39010

Amount: \$6,860.00

By: *PP* Date: 9/2/2020

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: November 19, 2020

SUBJECT: Request to Table Ordinance 2020-19-07, Appropriating Refinanced 2013 Bear Creek Fire Service Area General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor)

The Alaska Supreme Court's recent decision which invalidated a plan to sell bonds to pay oil tax credits has caused a certain amount of uncertainty in the Alaska bond market. The Alaska Department of Law has requested a rehearing to better define the scope of the ruling.

The Alaska Municipal Bond Bank has delayed its bond issue for a time uncertain as a result of the recent decision. Therefore, pending further analysis of the effect of the Supreme Court ruling we are looking to postpone the refinancing of the 2013 Bear Creek Service Area General Obligation Bonds until calendar year 2021.

Therefore, we are requesting to table this ordinance until early 2021, providing more time for analysis and review of the market

Your consideration is appreciated.

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor CP

FROM: Brandi Harbaugh, Finance Director BH

DATE: October 1, 2020

SUBJECT: Amendment to Ordinance 2020-19-07, Appropriating Refinanced 2013 Bear Creek Fire Service Area General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs & Request to Postpone Hearing (Mayor)

The Alaska Supreme Court's recent decision which invalidated a plan to sell bonds to pay oil tax credits has caused a certain amount of uncertainty in the Alaska bond market. The Alaska Department of Law has requested a rehearing to better define the scope of the ruling. The Alaska Municipal Bond Bank has delayed its bond issue for a time uncertain as a result of the recent decision. Therefore, pending further analysis of the effect of the Supreme Court ruling we are seeking to postpone the refinancing of the Bear Creek Fire Service Area General Obligation Bonds until after October 2020.

Based on the above circumstances, postponement of the hearing on this ordinance to the December 1, 2020, meeting is requested as well as the following amendment:

(Please note the bold underlined language is new and the bracketed strikeout language is to be deleted.)

➤ Amend the last whereas clause, as follows:

WHEREAS, the Bond Bank anticipates a refinancing closing date
[of September 2020] following October 1, 2020;

Your consideration is appreciated.

| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 06/16/20 |
| Action: | Adopted |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
RESOLUTION 2020-044**

A RESOLUTION APPROVING THE KENAI PENINSULA BOROUGH'S PARTICIPATION IN A PROPOSED REFINANCING BY THE ALASKA MUNICIPAL BOND BANK OF ITS GENERAL OBLIGATION BONDS THAT PROVIDED FUNDS TO PURCHASE THE BEAR CREEK FIRE SERVICE AREA GENERAL OBLIGATION BONDS, SERIES 2013 OF THE KENAI PENINSULA BOROUGH, UNDER A LOAN AGREEMENT BETWEEN THE KENAI PENINSULA BOROUGH AND THE ALASKA MUNICIPAL BOND BANK; AND AUTHORIZING THE KENAI PENINSULA BOROUGH MAYOR OR DESIGNEE TO APPROVE A REVISED SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS ON THE KENAI PENINSULA BOROUGH'S 2013 BOND, IN ACCORDANCE WITH THE LOAN AGREEMENT, IF THE ALASKA MUNICIPAL BOND BANK SUCCESSFULLY REFINANCES ITS BONDS

WHEREAS, the Kenai Peninsula Borough, Alaska (the "Borough"), to finance certain capital improvements in the Bear Creek Fire Service Area, issued and sold its Bear Creek Fire Service Area General Obligation Bonds, Series 2013, dated March 12, 2013, in the original principal amount of \$1,215,000 (the "2013 Bond") to the Alaska Municipal Bond Bank (the "Bond Bank"), as authorized by Resolution No. 2012-091 of the Borough adopted on December 4, 2012 (the "Bond Resolution"), based on terms and conditions set forth in the Bond Resolution and a loan agreement between the Borough and the Bond Bank dated as of March 1, 2013 (the "Loan Agreement"); and

WHEREAS, the Bond Bank issued and sold its General Obligation and Refunding Bonds, 2013 Series One (the "Bond Bank Bonds"), to, among other things, provide funds to purchase the 2013 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 2013 Bond may be adjusted to reduce debt service on the 2013 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 (the "Bond Bank Refunding Bonds") for the purpose, among others, of refunding all, or a portion, of the outstanding Bond Bank Bonds and achieving debt service savings; and

WHEREAS, the Assembly wishes to approve the Borough's participation in this refinancing and to authorize the Borough Mayor or his designee to accept a revised debt service schedule for the 2013 Bond if the Bond Bank successfully refinances the Bond Bank Bonds;

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

SECTION 1. Approval of Refinancing. The Assembly hereby approves the Borough's participation in the Bond Bank's refinancing of the Bond Bank Bonds and authorizes the Borough Mayor or his designee to approve a revised schedule of principal payment amounts and interest rates for the 2013 Bond, in accordance with Section 6 of the Loan Agreement, so long as the revised debt service schedule is financially advantageous to the Borough. The revised schedule of debt service on the 2013 Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement (the "Amendatory Loan Agreement") and a refunding bond (the "2020 Refunding Bond") to be issued in exchange for the 2013 Bond. Notwithstanding, if only a portion of the outstanding principal amount of the 2013 Bond is refinanced, the 2013 Bond shall be exchanged for a bond reflecting the unrefunded portion of the 2013 Bond (the "Exchanged 2013 Bond"). The Borough Mayor or Finance Director is hereby authorized to execute and deliver the Amendatory Loan Agreement on behalf of the Borough and to deliver the 2020 Refunding Bond and Exchanged 2013 Bond, as the case may be, executed in accordance with the provisions of the Bond Resolution and this resolution, to the Bond Bank in exchange for the 2013 Bond. The Borough Mayor, Finance Director and other appropriate officers and employees of Borough are also hereby authorized to provide financial information about the Borough that the Bond Bank may require for the official statement for the Bond Bank Refunding Bonds.

SECTION 2. Tax Matters. The 2013 Bond was issued as a tax-exempt obligation under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Subject to applicable law, the 2020 Refunding Bond may be issued on a tax-exempt or taxable basis, as determined by the Mayor or Finance Director. The Exchanged 2013 Bond shall retain its original tax treatment under the Code.

SECTION 3. General Authorization. The Mayor, Finance Director, Borough Clerk, Borough Attorney, and any other appropriate officers, agents, attorneys and employees of the Borough are each hereby authorized and directed to cooperate with the Bond Bank and to take such steps, do such other acts and things, and execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this Resolution.

SECTION 4. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys and employees of the Borough in connection with refinancing the 2013 Bond are hereby ratified and confirmed.**SECTION 5. Recitals.** The recitals to this resolution are hereby incorporated into this resolution as if fully set forth herein.

SECTION 6. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF JUNE, 2020.

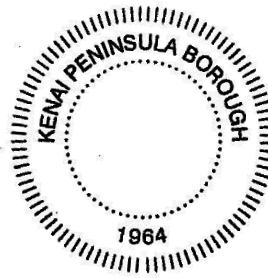


Kelly Cooper, Assembly President

ATTEST:



John Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Blakeley, Carpenter, Cox, Dunne, Hibbert, Johnson, Smalley, Cooper
No: None
Absent: None


CERTIFICATE

I, the undersigned, Clerk of the Kenai Peninsula Borough, Alaska (the "Borough"), Do
HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2020-044 (the "Resolution") of the Borough as approved at a regular meeting of the Assembly of the Kenai Peninsula Borough, Alaska (the "Assembly") held on the 16th day of June, 2020, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such regular meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the approval of the Resolution; that all other requirements and proceedings incident to the proper approval of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of June, 2020.



John Blankenship, MMC, Borough Clerk
Kenai Peninsula Borough

| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 12/04/12 |
| Action: | Adopted |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
RESOLUTION 2012-091**

**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 ONE MILLION
FOUR HUNDRED THOUSAND DOLLARS (\$1,400,000) TO PAY THE COSTS
OF CAPITAL IMPROVEMENTS IN THE BEAR CREEK FIRE SERVICE
AREA, FIXING CERTAIN DETAIL OF SUCH BONDS, AND PLEDGING THE
FULL FAITH AND CREDIT OF THE BEAR CREEK FIRE SERVICE AREA TO
THE PAYMENT THEREOF**

WHEREAS, pursuant to Ordinance 2007-24 of the Kenai Peninsula Borough (the "Borough") passed and approved on August 7, 2007, and as further clarified by the assembly on August 21, 2007, the following question, referred to at the election held on October 2, 2007, as Proposition No. 4, ("Proposition 4") was passed and approved:

PROPOSITION NO. 4
BEAR CREEK FIRE SERVICE AREA CAPITAL IMPROVEMENT PROJECT AND
ISSUANCE OF GENERAL OBLIGATION BONDS

Shall the Kenai Peninsula Borough spend \$3,500,000 for capital improvements related to the Bear Creek Fire Service Area and issue up to \$1,400,000 of general obligation bonds to provide funding for the project?

The bond proceeds of \$1,400,000 will be used to pay the costs of planning, designing, acquiring property for, site preparation, financing, constructing, acquiring, renovating, expanding, installing and equipping the Bear Creek Fire Service Area facility located within the Bear Creek Fire Service Area. Issuance of the bonds is subject to availability of grant funds for the remaining costs of the project; if the grant funding is not received the bonds will not be issued.

The general obligation bond debt will be paid from operating revenues generated by the Bear Creek Fire Service Area and from ad valorem taxes on all taxable property levied and collected in the Bear Creek Fire Service Area. The Bear Creek Fire 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 Bear Creek Fire Service Area (based on the estimated 2007 tax year assessed valuation) an annual tax of approximately \$100.00 (an amount equal to approximately 1.0 mill) to retire the proposed general obligation bond debt.

YES [A Yes vote approves the sale of the bonds and construction of a new fire and emergency services facility – based on receiving \$2,100,000 of additional grant funding.]

NO [A No vote prohibits the issuance of the bonds and the construction project.]

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 4 (the "Project"), and issue not to exceed \$1,400,000 principal amount of the general obligation bonds referred to in Proposition 4, 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) "Acquired Obligations" means and includes any of the following securities, if and to the extent the same are at the time legal for investment of funds of the Borough: any noncallable bonds or other noncallable obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America.

- (b) "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.
- (c) "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 4.
- (d) "Bond Bank" means the Alaska Municipal Bond Bank.
- (e) "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.
- (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) "Code" means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.
- (h) "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.

- (i) "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.
- (j) "Registered Owner" means the person named as the registered owner of a Bond in Bond Register.
- (k) "Registrar" means the Finance Director of the Borough, or any successor that the Borough may appoint by resolution.
- (l) "Service Area" means the Bear Creek Fire 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 \$1,400,000. The Bonds shall be designated "Kenai Peninsula Borough, Alaska Bear Creek Fire Service Area General Obligation Bonds."

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 4.

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 are 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 6.0% unless approved by resolution of the Assembly; and (iii) all of the Bonds shall mature on or before December 31, 2033.

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 or before the payment date, provided that the final installment of principal and interest on the Bonds will be payable upon presentation and surrender of the Bonds by the Registered Owner at the principal office of the Registrar.

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 BEAR CREEK FIRE
SERVICE AREA GENERAL OBLIGATION BONDS

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> |
|-------------|-----------------------------|--------------------------|
| _____ | _____ | _____ |

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 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 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 Bear Creek Fire Service Area General Obligation Bonds 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 educational capital improvements in the Borough, and is issued under Resolution 2012-091 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 ONE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$1,400,000) TO PAY THE COSTS OF CAPITAL IMPROVEMENTS IN THE BEAR CREEK FIRE SERVICE AREA, FIXING CERTAIN DETAIL OF SUCH BONDS, AND PLEDGING THE FULL FAITH AND CREDIT OF THE BEAR CREEK FIRE 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 Bear Creek Fire 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 its Mayor and its corporate seal to be hereunto impressed or otherwise reproduced and attested by its Clerk, all as of the ____ day of _____, 2012.

Mike Navarre, Mayor

ATTEST:

Johni Blankenship, MMC, 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 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 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 of for not to exceed \$1,400,000 aggregate principal amount of the Bonds, as provided in the Loan Agreement and this resolution, is hereby authorized and approved. The Mayor or Borough 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 Borough 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. Defeasance. In the event that money and/or non-callable Acquired Obligations maturing at such 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 trust account to effect such redemption or retirement and such moneys and the principal of and interest on such Acquired Obligations are irrevocably set aside and pledged for such purpose, then no further payments need to be made to pay or secure the payment of the principal of and interest on such Bonds and such Bonds shall be deemed not to be outstanding.

SECTION 16. 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 17. 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 18. 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 19. Effective date. This resolution shall take effect immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 4TH DAY OF DECEMBER, 2012.

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes: Haggerty, Johnson, McClure, Pierce, Smalley, Smith, Tauriainen, Wolf, Murphy
No: None
Absent: None

| | |
|----------------|-------------------------------------|
| Introduced by: | Mayor |
| Date: | 09/15/20 |
| Hearing: | 10/13/20 |
| Action: | Postponed as Amended to 12/01/20 |
| Vote: | 9 Yes, 0 No, 0 Absent |
| Date: | 12/01/20 |
| Action: | Tabled as Amended |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-19-08**

**AN ORDINANCE APPROPRIATING REFINANCED 2013 SCHOOL GENERAL
OBLIGATION BOND PROCEEDS FOR THE PURPOSE OF PAYING BOND
REFINANCING ISSUANCE COSTS**

WHEREAS, the Kenai Peninsula Borough, Alaska (the “Borough”), to finance certain educational capital improvements, issued and sold its Education Capital Improvement General Obligation Bond, Series 2013, dated November 14, 2013, in the original principal amount of \$20,860,000 (the “2013 Bond”) to the Alaska Municipal Bond Bank (the “Bond Bank”), as authorized by Resolution No. 2013-071 of the Borough adopted on October 8, 2013 (the “Bond Resolution”), based on terms and conditions set forth in the Bond Resolution and a loan agreement between the Borough and the Bond Bank dated as of November 1, 2013 (the “Loan Agreement”); and

WHEREAS, the Bond Bank issued and sold its General Obligation Bonds, 2013 Series Three (the “Bond Bank Bonds”), to, among other things, provide funds to purchase the 2013 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 2013 Bond may be adjusted to reduce debt service on the 2013 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 (the “Bond Bank Refunding Bonds”) for the purpose, among others, of refunding all, or a portion, of the outstanding Bond Bank Bonds and achieving debt service savings; and

WHEREAS, through Resolution 2020-042, the assembly approved the Borough’s participation in this refinancing and to authorize the mayor or his designee to accept a revised debt service schedule for the 2013 Bond if the Bond Bank successfully refinances the Bond Bank Bonds; and

WHEREAS, the Bond Bank anticipates a refinancing closing date following October 1, 2020;

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

SECTION 1. That 2013 refinanced school bond proceeds in the amount of up to \$6,860.00 are appropriated to the School Bond Capital Project Fund, account number 401.78050.21BND.49999 to pay costs related to the issuance.

SECTION 2. That the 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 3. That eligible costs incurred prior to the appropriation date will be charged to the project.

SECTION 4. This ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2020.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

10/13/20 Vote on motion to postpone as amended to 12/01/20:

Yes: Bjorkman, Blakeley, Carpenter, Cox, Dunne, Hibbert, Johnson, Smalley, Cooper
No: None
Absent: None

12/01/20 Vote on motion to table as amended:

Yes: Bjorkman, Carpenter, Chesley, Cox, Derkevorkian, Dunne, Elam, Johnson, Hibbert
No: None
Absent: None

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: September 3, 2020

SUBJECT: Ordinance 2020-19 08, Appropriating Refinanced 2013 School General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor)

In May 2020, the Kenai Peninsula Borough approved Resolution 2020-042, authorizing the Borough's participation in the refinancing of select series for the 2013 school general obligation bonds.

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank has determined that a portion of the outstanding 2013 school bonds could be refinanced, with potential savings to borough residents of approximately \$670,000 in interest over the remaining life of the debt. This ordinance appropriates refinanced bond proceeds for the purpose of paying costs related to the issuance of the bond refinancing.

Your consideration is appreciated.

**FINANCE DEPARTMENT
ACCOUNT / FUNDS VERIFIED**

Acct. No. 401.00000.21BND.39010

Amount: \$6,860.00

By: *PP* Date: 9/2/2020

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor CP

FROM: Brandi Harbaugh, Finance Director BH

DATE: November 19, 2020

SUBJECT: Request to Table Ordinance 2020-19-08, Appropriating Refinanced 2013 School General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor)

The Alaska Supreme Court's recent decision which invalidated a plan to sell bonds to pay oil tax credits has caused a certain amount of uncertainty in the Alaska bond market. The Alaska Department of Law has requested a rehearing to better define the scope of the ruling.

The Alaska Municipal Bond Bank has delayed its bond issue for a time uncertain as a result of the recent decision. Therefore, pending further analysis of the effect of the Supreme Court ruling we are looking to postpone the refinancing of the 2013 School General Obligation Bonds until calendar year 2021.

Therefore, we are requesting to table this ordinance until early 2021, providing more time for analysis and review of the market

Your consideration is appreciated.

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: October 1, 2020

SUBJECT: Amendment to Ordinance 2020-19-08, Appropriating Refinanced 2013 School General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs & Request to Postpone Hearing (Mayor)

The Alaska Supreme Court's recent decision which invalidated a plan to sell bonds to pay oil tax credits has caused a certain amount of uncertainty in the Alaska bond market. The Alaska Department of Law has requested a rehearing to better define the scope of the ruling. The Alaska Municipal Bond Bank has delayed its bond issue for a time uncertain as a result of the recent decision. Therefore, pending further analysis of the effect of the Supreme Court ruling we are seeking to postpone the refinancing of the 2013 School General Obligation Bonds until after October 2020.

Based on the above circumstances, postponement of the hearing on this ordinance to the November 10, 2020, meeting is requested as well as the following amendment:

(Please note the bold underlined language is new and the bracketed strikeout language is to be deleted.)

- Amend the last whereas clause, as follows:

WHEREAS, the Bond Bank anticipates a refinancing closing date ~~[of September 2020]~~ following October 1, 2020;

Your consideration is appreciated.

| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 10/08/13 |
| Action: | Adopted |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
RESOLUTION 2013-071**

**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 \$22,987,000 TO PAY THE
COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS IN THE BOROUGH,
FIXING CERTAIN DETAILS OF SUCH BONDS, AND PLEDGING THE FULL FAITH
AND CREDIT OF THE BOROUGH TO THE PAYMENT THEREOF**

WHEREAS, pursuant to Ordinance 2013-28 of the Kenai Peninsula Borough (the "Borough") enacted on August 6, 2013, the following question, referred to at the election held on October 1, 2013 as Proposition No. 2 ("Proposition 2"), was passed and approved:

PROPOSITION NO. 2

Shall the Kenai Peninsula Borough borrow up to \$22,987,000 through the issuance of general obligation bonds?

The general obligation bond proceeds will be used to pay costs of planning, designing, site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects consisting of a new Homer High School field and roof replacements at Tustumena Elementary School, Skyview School, Soldotna Middle School, Homer Junior High School, Paul Banks School, Kenai Central High School, Soldotna High School, Kenai Middle School, Kenai Alternative School, and Ninilchik School, and similar education capital improvements in the Borough.

The debt will be paid from ad valorem taxes on all taxable property levied and collected areawide in the Borough. The Borough will also pledge its full faith and credit for payment of the debt. The approximate annual amount of taxes on \$100,000 of assessed real or personal property value (based on the Borough's FY2014 taxable assessed valuation) to retire the debt is \$6.77, assuming 70 percent debt service reimbursement from the State of Alaska.

No bonds will be issued, unless and until the project qualifies for at least 70 percent debt service reimbursement from the State of Alaska under existing or new legislation. Receipt of State reimbursement is subject to annual legislative appropriations.

FISCAL NOTE: it is estimated that the annual debt service for the school bonds would be approximately \$1,574,500 of which \$1,102,150 would be received from the State of Alaska under the 70% debt reimbursement program, resulting in a net cost to the Borough of \$472,350; an amount equal to \$6.77 per \$100,000 of assessed real or personal property (based upon the Borough's FY2014 taxable assessed valuation).

Shall the Kenai Peninsula Borough borrow up to \$22,987,000 through the issuance of general obligation bonds?

Yes [A "Yes" vote approves the sale of bonds only if, and to the extent that, such project qualifies for at least 70% debt reimbursement from the State of Alaska.]

No [A "No" vote opposes the sale of bonds.]

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, the Borough received formal notification from the Alaska Department of Education and Early Development ("DEED") that the Project herein is eligible for debt reimbursement at a rate of 70 percent; 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 2 (the "Project"), and issue the general obligation bonds referred to in Proposition 2 in the principal amount not to exceed \$22,987,000, constituting all of the unsold general obligation bonds referred to therein, to pay costs of the Project; and

WHEREAS, it is in the best interest of the Borough to enter into a Loan Agreement 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;

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 2.
- (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) "Continuing Disclosure Certificate" means the certificate dated as of the date of the Bonds, described in Section 18 of this resolution.
- (h) "Cost" or "Costs" means the cost of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping the Project, including interest on the Bonds during the period of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing, and equipping the Project, the cost whether incurred by the Borough 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 or by another in connection with the Project prior to or during construction thereof and allocable portions of direct costs of the Borough, 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 incident to the acquisition and development of the Project, the financing thereof and the putting of the same in use and operation.

- (i) "Loan Agreement" means the Loan Agreement between the Borough and the Bond Bank.
- (j) "Registered Owner" means the person named as the registered owner of a Bond in the Bond Register.
- (k) "Registrar" means the Finance Director of the Borough, or any successor that the Borough may appoint through resolution.

SECTION 2. Authorization of Bonds and Purpose of Issuance. For the purpose of providing the funds required to pay the Costs of the Project, to provide for original issue discount or premium, 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 sell the Bonds in the aggregate principal amount of not to exceed \$22,987,000. The Bonds shall be designated "Kenai Peninsula Borough, Alaska General Obligation School Bonds."

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 2.

SECTION 3. Obligation of Bonds. The Bonds shall be direct and general obligations of the Borough, and the full faith and credit of the Borough are 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 Borough 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 as of 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 on May 15, 2014, and semiannually thereafter on November 15 and May 15 of each year or such other 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 6.0 percent unless approved by resolution of the Assembly; and (iii) all of the Bonds shall mature on or before November, 2034.

SECTION 5. Payment of Principal and Interest. 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 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. 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, maturing at such 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 trust account to effect such redemption or retirement and such moneys 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 Bonds and such Bonds shall be deemed not to be outstanding.

SECTION 7. Redemption. The Bonds, if any, subject to optional redemption by the Borough, the times when such Bonds are subject to optional redemption, the terms upon which such Bonds may be redeemed, and the redemption price or prices for such Bonds, shall be determined at the time of sale of the Bonds by the Mayor or Finance Director. For so long as the Bonds are held by the Bond Bank, redemption shall be in accordance with the provisions of the Loan Agreement.

SECTION 8. 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. _____

\$ _____

GENERAL OBLIGATION SCHOOL BONDS 20____

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, 2014 and semiannually thereafter on the first days of _____ and _____ of each year, at the rates per annum as follows:

| <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-------------|-----------------------------|--------------------------|
|-------------|-----------------------------|--------------------------|

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 General Obligation School Bonds, 20____ of the Kenai Peninsula Borough, Alaska 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 educational capital improvements in the Borough, and is issued under Resolution 2013-071 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 \$22,987,000 TO PAY THE COSTS OF EDUCATIONAL CAPITAL IMPROVEMENTS IN THE BOROUGH, FIXING CERTAIN DETAILS OF SUCH BONDS, AND PLEDGING THE FULL FAITH AND CREDIT OF THE BOROUGH 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.

This Bond is a general obligation of the Kenai Peninsula Borough, and the full faith and credit of the Borough 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 _____, 20__.

MIKE NAVARRE
Borough Mayor

ATTEST:

JOHNI BLANKENSHIP, MMC, Borough Clerk

SECTION 9. 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 10. Registration. (a) The Bonds shall be issued only in registered form as to both principal and interest. The Borough designates the 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 of 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 11.** 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 12.** Disposition of the Sale Proceeds of the Bonds. The sale proceeds of the Bonds representing accrued interest on the Bonds, if any, shall be applied to pay a portion of the interest due on the Bonds on the first interest payment date for the Bonds. 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 as may be determined by the Finance Director.
- 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 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 14.** Sale of the Bonds; Loan Agreement. The sale of not to exceed \$22,987,000 aggregate principal amount of the Bonds, as provided in the Loan Agreement and this resolution, is hereby authorized and approved. The Mayor and the Finance Director are each hereby authorized to execute and deliver the Loan Agreement, a Continuing Disclosure Certificate and such other documents as may be necessary to effectuate issuance of the Bonds on behalf of the Borough.
- SECTION 15.** 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, 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 16. 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 Owners 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 particulars 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 17. 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 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.

SECTION 18. Continuing Disclosure. The Borough acknowledges that now or in the future the Borough may be an "obligated person" under Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). In accordance with the Rule, the Borough agrees to comply with and carry out continuing disclosure obligations required under Rule 15c2-12 and the Loan Agreement. 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, the Loan Agreement or the Bonds; however the beneficial owner of any Bond may bring an action for specific performance, to cause the Borough to comply with its continuing disclosure obligations.

SECTION 19. 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 20. Effective date. This resolution shall take effect immediately upon adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 8TH DAY OF OCTOBER, 2013.

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes: Haggerty, Johnson, McClure, Pierce, Smalley, Smith, Tauriainen, Wolf, Murphy
No: None
Absent: None

| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 06/16/20 |
| Action: | Adopted |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
RESOLUTION 2020-042**

A RESOLUTION APPROVING THE KENAI PENINSULA BOROUGH'S PARTICIPATION IN A PROPOSED REFINANCING BY THE ALASKA MUNICIPAL BOND BANK OF ITS GENERAL OBLIGATION BONDS THAT PROVIDED FUNDS TO PURCHASE THE EDUCATION CAPITAL IMPROVEMENT GENERAL OBLIGATION BOND, SERIES 2013 OF THE KENAI PENINSULA BOROUGH, UNDER A LOAN AGREEMENT BETWEEN THE KENAI PENINSULA BOROUGH AND THE ALASKA MUNICIPAL BOND BANK; AND AUTHORIZING THE KENAI PENINSULA BOROUGH MAYOR OR DESIGNEE TO APPROVE A REVISED SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS ON THE KENAI PENINSULA BOROUGH'S 2013 BOND, IN ACCORDANCE WITH THE LOAN AGREEMENT, IF THE ALASKA MUNICIPAL BOND BANK SUCCESSFULLY REFINANCES ITS BONDS

WHEREAS, the Kenai Peninsula Borough, Alaska (the "Borough"), to finance certain educational capital improvements, issued and sold its Education Capital Improvement General Obligation Bond, Series 2013, dated November 14, 2013, in the original principal amount of \$20,860,000 (the "2013 Bond") to the Alaska Municipal Bond Bank (the "Bond Bank"), as authorized by Resolution No. 2013-071 of the Borough adopted on October 8, 2013 (the "Bond Resolution"), based on terms and conditions set forth in the Bond Resolution and a loan agreement between the Borough and the Bond Bank dated as of November 1, 2013 (the "Loan Agreement"); and

WHEREAS, the Bond Bank issued and sold its General Obligation Bonds, 2013 Series Three (the "Bond Bank Bonds"), to, among other things, provide funds to purchase the 2013 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 2013 Bond may be adjusted to reduce debt service on the 2013 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 (the "Bond Bank Refunding Bonds") for the purpose, among others, of refunding all, or a portion, of the outstanding Bond Bank Bonds and achieving debt service savings; and

WHEREAS, the Assembly wishes to approve the Borough's participation in this refinancing and to authorize the Borough Mayor or his designee to accept a revised debt service schedule for the 2013 Bond if the Bond Bank successfully refinances the Bond Bank Bonds;

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

SECTION 1. Approval of Refinancing. The Assembly hereby approves the Borough's participation in the Bond Bank's refinancing of the Bond Bank Bonds and authorizes the Borough Mayor or his designee to approve a revised schedule of principal payment amounts and interest rates for the 2013 Bond, in accordance with Section 6 of the Loan Agreement, so long as the revised debt service schedule is financially advantageous to the Borough. The revised schedule of debt service on the 2013 Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement (the "Amendatory Loan Agreement") and a refunding bond (the "2020 Refunding Bond") to be issued in exchange for the 2013 Bond. Notwithstanding, if only a portion of the outstanding principal amount of the 2013 Bond is refinanced, the 2013 Bond shall be exchanged for a bond reflecting the unrefunded portion of the 2013 Bond (the "Exchanged 2013 Bond"). The Borough Mayor or Finance Director is hereby authorized to execute and deliver the Amendatory Loan Agreement on behalf of the Borough and to deliver the 2020 Refunding Bond and Exchanged 2013 Bond, as the case may be, executed in accordance with the provisions of the Bond Resolution and this resolution, to the Bond Bank in exchange for the 2013 Bond. The Borough Mayor, Finance Director and other appropriate officers and employees of Borough are also hereby authorized to provide financial information about the Borough that the Bond Bank may require for the official statement for the Bond Bank Refunding Bonds.

SECTION 2. Tax Matters. The 2013 Bond was issued as a tax-exempt obligation under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Subject to applicable law, the 2020 Refunding Bond may be issued on a tax-exempt or taxable basis as determined by the Mayor or Finance Director. The Exchanged 2013 Bond shall retain its original tax treatment under the Code.

SECTION 3. General Authorization. The Mayor, Finance Director, Borough Clerk, Borough Attorney, and any other appropriate officers, agents, attorneys and employees of the Borough are each hereby authorized and directed to cooperate with the Bond Bank and to take such steps, do such other acts and things, and execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this Resolution.


SECTION 4. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys and employees of the Borough in connection with refinancing the 2013 Bond are hereby ratified and confirmed.


SECTION 5. Recitals. The recitals to this resolution are hereby incorporated into this resolution as if fully set forth herein.

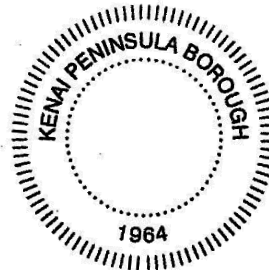
SECTION 6. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF JUNE, 2020.

ATTEST:


Johni Blankenship, MMC, Borough Clerk


Kelly Cooper, Assembly President



Yes: Bjorkman, Blakeley, Carpenter, Cox, Dunne, Hibbert, Johnson, Smalley, Cooper
No: None
Absent: None

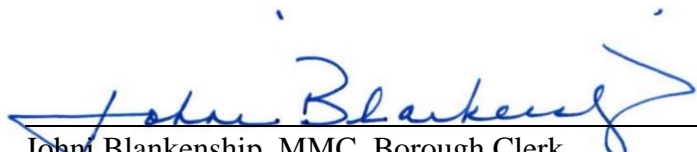
CERTIFICATE

I, the undersigned, Clerk of the Kenai Peninsula Borough, Alaska (the "Borough"), Do
HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2020-042 (the "Resolution") of the Borough as approved at a regular meeting of the Assembly of the Kenai Peninsula Borough, Alaska (the "Assembly") held on the 16th day of June, 2020, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such regular meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the approval of the Resolution; that all other requirements and proceedings incident to the proper approval of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of June, 2020.



John Blankenship, MMC, Borough Clerk
Kenai Peninsula Borough

| | |
|----------------|-------------------------------------|
| Introduced by: | Mayor |
| Date: | 09/15/20 |
| Hearing: | 10/13/20 |
| Action: | Postponed as Amended to 12/01/20 |
| Vote: | 9 Yes, 0 No, 0 Absent |
| Date: | 12/01/20 |
| Action: | Tabled as Amended |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-19-09**

**AN ORDINANCE APPROPRIATING REFINANCED 2011 HOSPITAL GENERAL
OBLIGATION BOND PROCEEDS FOR THE PURPOSE OF PAYING BOND
REFINANCING ISSUANCE COSTS**

WHEREAS, the Kenai Peninsula Borough, Alaska (the “Borough”), refunded its Central Kenai Peninsula Hospital Service Area General Obligation Bonds, Series 2003, dated December 18, 2003, with proceeds of its Central Kenai Peninsula Hospital Service Area General Obligation Refunding Bonds, 2011, in the original principal amount of \$27,905,000 (the “2011 Bond”); and

WHEREAS, the 2011 Bond was issued pursuant to Borough Resolution 2011-073, adopted by the Assembly on July 5, 2011 (the “Bond Resolution”) and purchased by the Alaska Municipal Bond Bank (the “Bond Bank”), based on the terms and conditions set forth in the Bond Resolution and a loan agreement between the Borough and the Bond Bank dated as of September 15, 2011 (the “Loan Agreement”); and

WHEREAS, the Bond Bank issued and sold its General Obligation and Refunding Bonds, 2011 Series Three (the “Bond Bank Bonds”), to, among other things, provide funds to purchase the 2011 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 2011 Bond may be adjusted to reduce debt service on the 2011 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 (the “Bond Bank Refunding Bonds”) for the purpose, among others, of refunding all, or a portion, of the outstanding Bond Bank Bonds and achieving debt service savings; and

WHEREAS, through Resolution 2020-043, the assembly approved the Borough’s participation in this refinancing and to authorize the mayor or his designee to accept a revised debt service schedule for the 2011 Bond if the Bond Bank successfully refinances the Bond Bank Bonds; and

WHEREAS, the Bond Bank anticipates a refinancing closing date following October 1, 2020;

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

SECTION 1. That 2011 refinanced hospital bond proceeds in the amount of up to \$6,860 are appropriated to the Central Peninsula Hospital Capital Project Fund, account number 490.81110.21BND.49999 to pay costs related to the issuance.

SECTION 2. That the 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 3. That eligible costs incurred prior to the appropriation date will be charged to the project.

SECTION 4. This ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2020.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

10/13/20 Vote on motion to postpone as amended to 12/01/20:

Yes: Bjorkman, Blakeley, Carpenter, Cox, Dunne, Hibbert, Johnson, Smalley, Cooper

No: None

Absent: None

12/01/20 Vote on motion to table as amended:

Yes: Bjorkman, Carpenter, Chesley, Cox, Derkevorkian, Dunne, Elam, Johnson, Hibbert

No: None

Absent: None

Kenai Peninsula Borough
Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: September 3, 2020

SUBJECT: Ordinance 2020- 19-09, Appropriating Refinanced 2011 Hospital General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor)

In May 2020, the Kenai Peninsula Borough Assembly approved Resolution 2020-043, authorizing the Borough's participation in the refinancing of select series for the 2011 hospital general obligation bonds.

Due to reductions in long term interest rates, the Alaska Municipal Bond Bank has determined that a portion of the outstanding 2011 hospital bonds could be refinanced, with potential savings to borough residents of approximately \$200,000 in interest over the remaining life of the debt. This ordinance appropriates refinanced bond proceeds for the purpose of paying costs related to the issuance of the bond refinancing.

Your consideration is appreciated.

| | |
|--|------------------------------|
| FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED | |
| Acct. No. | <u>490.00000.21BND.39010</u> |
| Amount: | <u>\$6,860.00</u> |
| By: <u><i>PP</i></u> | Date: <u>9/2/2020</u> |

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: November 19, 2020

SUBJECT: Request to Table Ordinance 2020-19-09, Appropriating Refinanced 2011 Hospital General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs (Mayor)

The Alaska Supreme Court's recent decision which invalidated a plan to sell bonds to pay oil tax credits has caused a certain amount of uncertainty in the Alaska bond market. The Alaska Department of Law has requested a rehearing to better define the scope of the ruling.

The Alaska Municipal Bond Bank has delayed its bond issue for a time uncertain as a result of the recent decision. Therefore, pending further analysis of the effect of the Supreme Court ruling we are looking to postpone the refinancing of the 2011 Central Peninsula Hospital General Obligation Bonds until calendar year 2021.

Therefore, we are requesting to table this ordinance until early 2021, providing more time for analysis and review of the market

Your consideration is appreciated.

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor CP

FROM: Brandi Harbaugh, Finance Director BH

DATE: October 1, 2020

SUBJECT: Amendment to Ordinance 2020-19-09, Appropriating Refinanced 2011 Hospital General Obligation Bond Proceeds for the Purpose of Paying Bond Refinancing Issuance Costs & Request to Postpone Hearing (Mayor)

The Alaska Supreme Court's recent decision which invalidated a plan to sell bonds to pay oil tax credits has caused a certain amount of uncertainty in the Alaska bond market. The Alaska Department of Law has requested a rehearing to better define the scope of the ruling. The Alaska Municipal Bond Bank has delayed its bond issue for a time uncertain as a result of the recent decision. Therefore, pending further analysis of the effect of the Supreme Court ruling we are seeking to postpone the refinancing of the 2011 CPGH Hospital General Obligation Bonds until after October 2020.

Based on the above circumstances, postponement of the hearing on this ordinance to the November 10, 2020, meeting is requested as well as the following amendment:

(Please note the bold underlined language is new and the bracketed strikeout language is to be deleted.)

- Amend the last whereas clause, as follows:

WHEREAS, the Bond Bank anticipates a refinancing closing date ~~[of September 2020]~~ **following October 1, 2020;**

Your consideration is appreciated.

| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 07/05/11 |
| Action: | Adopted |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
RESOLUTION 2011-073**

**A RESOLUTION AUTHORIZING THE ISSUE OF CENTRAL KENAI PENINSULA
HOSPITAL SERVICE AREA GENERAL OBLIGATION REFUNDING BONDS, 2011 IN
ONE OR MORE SERIES IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED
\$33,965,000 TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION
BONDS OF THE SERVICE AREA, FIXING CERTAIN DETAILS OF SUCH BONDS
AND AUTHORIZING THEIR SALE AND REPEALING RESOLUTION 2010-091**

WHEREAS, there are now outstanding \$35,990,000 of the Central Kenai Peninsula Hospital Service Area General Obligation Bonds, Series 2003 of the Borough maturing on or after February 1, 2012 issued under Resolution 2003-121 of the Borough (the "2003 Bonds"); and

WHEREAS, the Assembly finds that it is in the best interest of the Borough to provide for the refunding, including payment of principal of, premium, if any, and interest on, those maturities of the 2003 Bonds (the "Refunded Bonds") whose refunding the Borough Mayor or Borough Finance Director determines will produce the debt service savings described in this resolution, by the issuance of Service Area general obligation refunding bonds in the aggregate principal amount of not to exceed \$33,965,000; and

WHEREAS, to effect such refunding in the most economical manner, part of the sale proceeds of the bonds authorized herein (the "Bonds") may be invested in obligations to be authorized and approved by the Borough Mayor or Borough Finance Director, maturing in such amounts and at such times as are required to pay interest on the Refunded Bonds prior to the date of their redemption and to redeem the Refunded Bonds on the earliest date on which the Refunded Bonds may be called for redemption; and

WHEREAS, Section 29.47.320 of the Alaska Statutes provides that general obligation refunding bonds may be issued without an election and that their issuance may be authorized by resolution, and Section 29.47.410 of the Alaska Statutes provides that the Assembly by resolution or resolution may provide for the form and manner of sale of bonds and notes; 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 maturity amounts, interest rates and other details of the Bonds, the amount of Bond proceeds and the obligations necessary to effect the refunding of the Refunded Bonds, and to determine other matters that are not provided for in this

resolution;

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 Kenai Peninsula Borough, as the same shall be duly and regularly constituted from time to time.
- (b) "Bond" or "Bonds" means any of the "Central Kenai Peninsula Hospital Service Area General Obligation Refunding Bonds, 2011" of the Kenai Peninsula Borough, in one or more series, 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 and Refunding Bonds, 2011 Series Three of the Bond Bank.
- (e) "Bond Register" means the registration books maintained by the Paying Agent as Bond registrar, which include the names and addresses of the owners or nominee of the owners of the Bonds.
- (f) "Borough" means the Kenai Peninsula Borough, a municipal corporation of the State of Alaska, incorporated January 1, 1964 as a second class borough under the laws of the State of Alaska.
- (g) "Code" means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.
- (h) "Cost" or "Costs" means allocable portions of direct costs of the Borough, legal fees, fees and expenses of the Paying Agent, 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, and all other expenses necessary or incidental thereto.
- (i) "Escrow Agent" means The Bank of New York Trust Company, N.A., and its successors.
- (j) "Escrow Agreement" means the Escrow Agreement between the Escrow Agent and the Borough, under which the Escrow Obligations will be deposited, together with other moneys, if necessary, to pay the interest on and the redemption price of the Refunded Bonds.

- (k) "Escrow Obligations" means. 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.
- (l) "Letter of Representations" means the blanket letter of representations from the Borough to DTC, dated as of October 23, 2003.
- (m) "Loan Agreement" means the Loan Agreement between the Borough and the Bond Bank to be entered into in conjunction with issuing the Bonds.
- (n) "2003 Bonds" means the \$47,985,000 of Central Kenai Peninsula Hospital Service Area General Obligation Bonds, Series 2003 of the Borough.
- (o) "Refunded Bonds" means the maturities and sinking fund installments of the 2003 Bonds whose refunding is approved by the Borough Mayor or Borough Finance Director under Section 13 hereof.
- (p) "Refunding Account" means the special account established under Section 7(C) hereof and designated as the "Service Area General Obligation Bond Refunding Account," for the purpose of holding moneys, including Bond proceeds, to be used to pay the interest on and the redemption price of the Refunded Bonds.
- (q) "Registered Owner" means the person named as the registered owner of a Bond in the Bond Register.
- (r) "Registrar" means the Borough Finance Director.
- (s) "Resolution" means this Resolution 2011-__ of the Borough.
- (t) "Service Area" means the Central Kenai Peninsula Hospital Service Area.

SECTION 2. Authorization of Bonds and Purpose of Issuance. For the purpose of providing part of the funds required to pay the Costs, providing the funds required to purchase Escrow Obligations and to provide beginning cash to effect the refunding of the Refunded Bonds in the manner and at the times hereinafter set forth, to provide for original issue 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 sell the Bonds in the aggregate principal amount of not to exceed \$33,965,000.

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 are 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. Designation, Maturities, Interest Rates, and Other Details of Bonds. The Bonds shall be designated the "Central Kenai Peninsula Hospital Service Area General Obligation Refunding Bonds, 2011." The Bonds shall be in the denomination of \$5,000 or any integral multiple thereof, shall be numbered separately in the manner and 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.

The dated date, the principal and interest payment dates, the aggregate principal amount, the principal amount of each maturity, and the interest rates on the Bonds shall be determined at the time of execution of the Loan Agreement under Section 13.

SECTION 5. Redemption. The bonds are subject to redemption as provided in the Loan Agreement.

SECTION 6. Form of Bond. Each 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. _____ \$ _____

CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA
GENERAL OBLIGATION REFUNDING BONDS, 2011

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 _____ and _____ of each year, at the rates per annum as follows:

| <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-------------|-----------------------------|--------------------------|
|-------------|-----------------------------|--------------------------|

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 dated as of _____, 2011 (the "Loan Agreement"). In the event that this Bond is no longer owned by the Bank, installments of principal of and interest on this Bond shall be made by check or draft mailed by first class mail to the registered owner as of the close of business on the fifteenth day of the month preceding each installment payment date; provided that the final installment of principal 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 one of the Central Peninsula Hospital Service Area General Obligation Refunding Bonds, 2011 of the Kenai Peninsula Borough, Alaska 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 refunding certain general obligation bonds issued by the Borough, and is issued under Resolution 2011-__ of the Borough entitled:

A RESOLUTION AUTHORIZING THE ISSUE OF CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA GENERAL OBLIGATION REFUNDING BONDS, 2011 IN ONE OR MORE SERIES IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$_____ TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE SERVICE AREA, FIXING CERTAIN DETAILS OF SUCH BONDS AND AUTHORIZING THEIR SALE AND REPEALING RESOLUTION 2010-091.

(herein called the "Resolution").

The Bond is subject to redemption prior to maturity 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.

This Bond is a general obligation of the Central Peninsula Hospital Service Area, and the full faith and credit of the 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 and the ordinances 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 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, statutes, or ordinances.

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 _____, 2011.

David R. Carey, Mayor

ATTEST:

Johni Blankenship, MMC, Borough Clerk

SECTION 7. Disposition of the Sale Proceeds of the Bonds.

- (A) The sale proceeds of the Bonds representing accrued interest on the Bonds, if any, shall be applied to pay a portion of the interest due on the Bonds on the first interest payment date for the Bonds.
- (B) Sale proceeds of a principal amount of Bonds to be determined by the Borough Mayor or the Borough Finance Director shall be applied to pay Costs allocated to such Bonds, and shall be deposited in the appropriate funds or accounts of the Borough for such purposes.
- (C) Sale proceeds of a principal amount of Bonds to be determined by the Borough Mayor or the Borough Finance Director shall be deposited in the "Service Area General Obligation Bond Refunding Account" (the "Refunding Account") which is hereby created, and used, together with such other moneys as may be transferred to said account, to deposit cash and to purchase Escrow

Obligations maturing as to principal and interest in such amounts and at such times as necessary to provide for the payment of the interest on and the redemption price of the Refunded Bonds. Such money and escrow obligations shall be deposited in trust with the Escrow Agent pursuant to the Escrow Agreement, the terms of which shall be subject to approval by the Borough Finance Director. Such money and obligations are hereby pledged to be held and applied solely for the purpose set forth herein. When all of the Refunded Bonds shall have been redeemed and retired, the Borough may cause to be transferred to the Borough from the Refunding Account free of trust all moneys remaining therein.

SECTION 8. Designation of Refunded Bonds. The Borough Mayor and the Borough Finance Director each is authorized to designate which, if any, maturities of the 2003 Bonds, authorized to be refunded in this Resolution shall be refunded, provided that the refunding of the bonds so designated shall realize a debt service savings, net of all issuance costs and underwriting discount.

SECTION 9. Call of Refunded Bonds for Redemption. The Borough hereby elects to redeem the Refunded Bonds on August 1, 2013.

Notice of redemption of the Refunded Bonds shall be given in the manner set forth in Resolution 2003-121 authorizing the Refunded Bonds. The election to make such call for redemption shall be subject to the delivery of the Bonds to the initial purchasers thereof and shall become irrevocable upon such delivery.

SECTION 10. 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 11. Amendatory and Supplemental Resolutions.

- (A) The Assembly from time to time and at any time may adopt a resolution supplemental hereto, which 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 Owners 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 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 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 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 Registered Owners of each Bond so affected; or
 - (2) reduce the aforesaid percentage of Registered Owners of Bonds required to approve any such supplemental resolution without the consent of the Registered Owners of all of 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 Owners of the Bonds then outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

SECTION 12. 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, maturing at such 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 trust account to effect such redemption or retirement and such moneys 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 Bonds and such Bonds shall be deemed not to be outstanding.

SECTION 13. Sale of Bonds. The sale of not to exceed \$33,965,000 aggregate principal amount of the Bonds to the Bond Bank, as provided in the Loan Agreement is hereby authorized and approved. 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 Bonds. 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 Bonds as provided herein. Each of the Mayor and the Borough Finance Director is hereby authorized to determine the aggregate principal amount, maturity amounts, interest rates, yields, dated date, principal and interest payment dates, and redemption terms, if any, for the Bonds, so that such terms of the Bonds conform to the terms of the corresponding Bond Bank Bonds; provided that (i) the principal amount of each maturity of the Bonds shall not exceed the principal amount of the portion of the corresponding maturity of the Bond Bank Bonds that is allocated to the making of a loan to the Borough; and (ii) the interest rate on each maturity of the Bonds 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 and execute a 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 a Loan Agreement within 180 days from the effective date of this Resolution, the Loan Agreement may not be executed on behalf of the Borough without further authorization from the Assembly.

SECTION 14. Official Statement. The Borough Mayor and Borough Finance Director each is hereby authorized to approve and deem a preliminary Official Statement final

for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), and to approve and execute a final Official Statement for the Bonds.

SECTION 15. 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 Bonds and this Resolution.

SECTION 16. Prohibited Sale of Bonds. No person, firm or corporation, or any agent or employee thereof, acting as financial consultant to the Borough under an agreement for payment in connection with the sale of the Bonds is eligible to purchase the Bonds as a member of the original underwriting syndicate either at public or private sale.

SECTION 17. 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 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 Service Area.

SECTION 18. Continuing Disclosure. The Borough hereby covenants and agrees that it will comply with and carry out all of the provisions of a Continuing Disclosure Agreement, to be entered into upon issuance of the Bonds in accordance with Securities and Exchange Commission Rule 15c2-12. Notwithstanding any other provision of this Resolution, failure of the Borough to comply with the Continuing Disclosure Agreement shall not be considered a default of the Borough's obligations under this Resolution or the Bonds.

SECTION 19. Repeal. Resolution 2010-091 is repealed.

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 Bonds.

SECTION 21. Effective date. This resolution shall take effect immediately upon its adoption.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS
5TH DAY OF JULY, 2011.**

Gary Knopp, Assembly President

ATTEST:

Johni Blankenship, Borough Clerk

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp
No: None
Absent: None

| | |
|----------------|-----------------------|
| Introduced by: | Mayor |
| Date: | 06/16/20 |
| Action: | Adopted |
| Vote: | 9 Yes, 0 No, 0 Absent |

**KENAI PENINSULA BOROUGH
RESOLUTION 2020-043**

A RESOLUTION APPROVING THE KENAI PENINSULA BOROUGH'S PARTICIPATION IN A PROPOSED REFINANCING BY THE ALASKA MUNICIPAL BOND BANK OF ITS GENERAL OBLIGATION BONDS THAT PROVIDED FUNDS TO PURCHASE THE CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA GENERAL OBLIGATION REFUNDING BONDS, 2011 OF THE KENAI PENINSULA BOROUGH, UNDER A LOAN AGREEMENT BETWEEN THE KENAI PENINSULA BOROUGH AND THE ALASKA MUNICIPAL BOND BANK; AND AUTHORIZING THE KENAI PENINSULA BOROUGH MAYOR OR DESIGNEE TO APPROVE A REVISED SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS ON THE KENAI PENINSULA BOROUGH'S 2011 BOND, IN ACCORDANCE WITH THE LOAN AGREEMENT, IF THE ALASKA MUNICIPAL BOND BANK SUCCESSFULLY REFINANCES ITS BONDS

WHEREAS, the Kenai Peninsula Borough, Alaska (the "Borough"), refunded its Central Kenai Peninsula Hospital Service Area General Obligation Bonds, Series 2003, dated December 18, 2003, with proceeds of its Central Kenai Peninsula Hospital Service Area General Obligation Refunding Bonds, 2011, in the original principal amount of \$27,905,000 (the "2011 Bond"); and

WHEREAS, the 2011 Bond was issued pursuant to Borough Resolution 2011-73, adopted by the Assembly on July 5, 2011 (the "Bond Resolution") and purchased by the Alaska Municipal Bond Bank (the "Bond Bank"), based on the terms and conditions set forth in the Bond Resolution and a loan agreement between the Borough and the Bond Bank dated as of September 15, 2011 (the "Loan Agreement"); and

WHEREAS, the Bond Bank issued and sold its General Obligation and Refunding Bonds, 2011 Series Three (the "Bond Bank Bonds"), to, among other things, provide funds to purchase the 2011 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 2011 Bond may be adjusted to reduce debt service on the 2011 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 (the "Bond Bank Refunding Bonds") for the purpose, among others, of refunding all, or a portion, of the outstanding Bond Bank Bonds and achieving debt service savings; and

WHEREAS, the Assembly wishes to approve the Borough's participation in this refinancing and to authorize the Borough Mayor or his designee to accept a revised debt service schedule for the 2011 Bond if the Bond Bank successfully refinances the Bond Bank Bonds;

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

SECTION 1. Approval of Refinancing. The Assembly hereby approves the Borough's participation in the Bond Bank's refinancing of the Bond Bank Bonds and authorizes the Borough Mayor or his designee to approve a revised schedule of principal payment amounts and interest rates for the 2011 Bond, in accordance with Section 6 of the Loan Agreement, so long as the revised debt service schedule is financially advantageous to the Borough. The revised schedule of debt service on the 2011 Bond and other provisions as may be required by the Bond Bank will be set forth in an amendatory loan agreement (the "Amendatory Loan Agreement") and a refunding bond (the "2020 Refunding Bond") to be issued in exchange for the 2011 Bond. Notwithstanding, if only a portion of the outstanding principal amount of the 2011 Bond is refinanced, the 2011 Bond shall be exchanged for a bond reflecting the unrefunded portion of the 2011 Bond (the "Exchanged 2011 Bond"). The Borough Mayor or Finance Director is hereby authorized to execute and deliver the Amendatory Loan Agreement on behalf of the Borough and to deliver the 2020 Refunding Bond and Exchanged 2011 Bond, as the case may be, executed in accordance with the provisions of the Bond Resolution and this resolution, to the Bond Bank in exchange for the 2011 Bond. The Borough Mayor, Finance Director and other appropriate officers and employees of Borough are also hereby authorized to provide financial information about the Borough that the Bond Bank may require for the official statement for the Bond Bank Refunding Bonds.

SECTION 2. Tax Matters. The 2011 Bond was issued as a tax-exempt obligation under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Subject to applicable law, the 2020 Refunding Bond may be issued on a tax-exempt or taxable basis, as determined by the Mayor or Finance Director. The Exchanged 2011 Bond shall retain its original tax treatment under the Code.

SECTION 3. General Authorization. The Mayor, Finance Director, Borough Clerk, Borough Attorney, and any other appropriate officers, agents, attorneys and employees of the Borough are each hereby authorized and directed to cooperate with the Bond Bank and to take such steps, do such other acts and things, and execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable to carry out the terms and provisions of, and complete the transactions contemplated by, this Resolution.


SECTION 4. Prior Acts. Any and all acts heretofore taken by officers, agents, attorneys and employees of the Borough in connection with refinancing the 2011 Bond are hereby ratified and confirmed.


SECTION 5. Recitals. The recitals to this resolution are hereby incorporated into this resolution as if fully set forth herein.

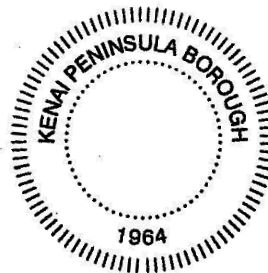
SECTION 6. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF JUNE, 2020.

ATTEST:


John Blankenship, MMC, Borough Clerk


Kelly Cooper, Assembly President



Yes: Bjorkman, Blakeley, Carpenter, Cox, Dunne, Hibbert, Johnson, Smalley, Cooper
No: None
Absent: None


CERTIFICATE

I, the undersigned, Clerk of the Kenai Peninsula Borough, Alaska (the "Borough"), Do
HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2020-043 (the "Resolution") of the Borough as approved at a regular meeting of the Assembly of the Kenai Peninsula Borough, Alaska (the "Assembly") held on the 16th day of June, 2020, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such regular meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the approval of the Resolution; that all other requirements and proceedings incident to the proper approval of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of June, 2020.



John Blankenship, MMC, Borough Clerk
Kenai Peninsula Borough