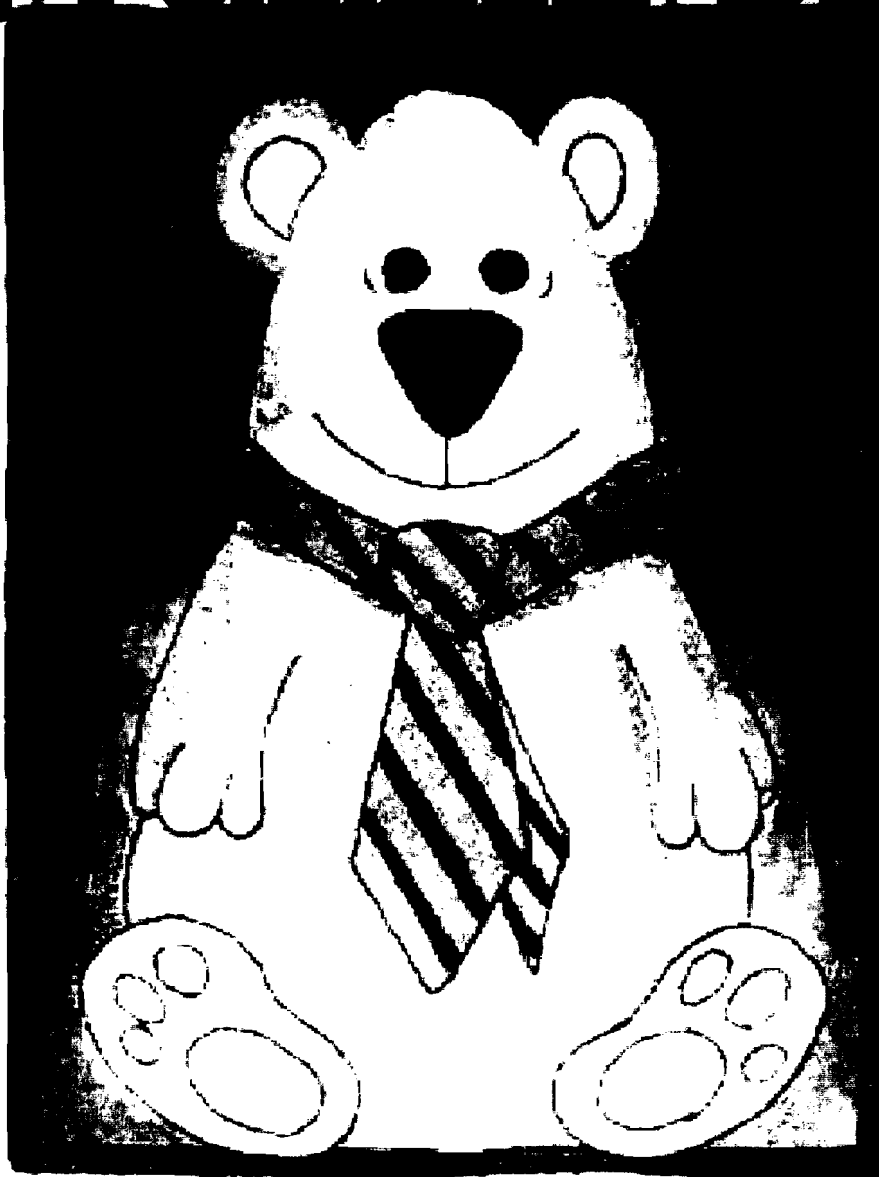


Kenai Peninsula Borough

COUNTER COPY



Assembly Packet * June 17, 2003 * 7:00 PM

Happy Father's Day!



Borough Administration Building

144 N. Binkley Street

Soldotna, Alaska

June 2003


Monthly Planner

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday																																																																																																		
1	<p style="text-align: center;">2</p> <p style="text-align: center;">7:30 PM School Board</p> <div style="border: 1px solid black; padding: 2px; text-align: center; margin: 5px 0;"> 10:00 AM BUDGET WORK SESSION </div>	<p style="text-align: center;">3</p> <p style="text-align: center;">7:00 PM Anchor Point APC</p> <div style="border: 1px solid black; padding: 2px; text-align: center; margin: 5px 0;"> 8:30 AM BUDGET WORK SESSION & 7:00 PM ASSEMBLY MEETING </div>	<p style="text-align: center;">4</p> <p style="text-align: center;">7:00 PM Moose Pass APC</p> <div style="border: 1px solid black; padding: 2px; text-align: center; margin: 5px 0;"> 10:00 AM Board of Adjustment </div>	<p style="text-align: center;">5</p> <p style="text-align: center;">6:00 PM South Pen Hospital</p> <p style="text-align: center;">7:00 PM Kachemak Emergency Services</p>	<p style="text-align: center;">6</p>	<p style="text-align: center;">7</p> <p style="text-align: center;"><i>Linda Murphy's Birthday</i></p> <div style="text-align: center;">  </div>																																																																																																		
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July 2003

Monthly Planner

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APC = Advisory Planning Commission; FSA = Fire Service Area; SA = Service Area

June 2003 - May 2004

Assembly Yearly Planner

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JUNE

- 3 Assembly Meeting
- 4 Board of Adjustment
- 10 Lowell Pt. By-Mail Election
- 12 Board of Equalization
- 13 Board of Equalization
- Special Assembly Meeting (8:30 AM)
- 16 Hearing on Flood Service Area - Seward (6:00 PM)

JULY

- 17 Assembly Meeting
- Board of Equalization (11:00 AM)
- 1 South Peninsula Hospital By-Mail
- 4 Fourth of July
- 8 Assembly Meeting
- 11 NACo Annual Conf Milwaukee, WI (July 11-15)

AUGUST

- 5 Assembly Meeting
- 19 Assembly Meeting

SEPTEMBER

- 1 Labor Day
- 2 Assembly Meeting
- 16 Assembly Meeting - Homer

OCTOBER

- 7 Municipal Election
- 14 Assembly Meeting

28 Assembly Meeting

NOVEMBER

- 4 Assembly Meeting
- 11 Veterans Day
- 18 Assembly Meeting
- 27 Thanksgiving Holiday
- 28 Thanksgiving Holiday

DECEMBER

- 16 Assembly Meeting
- 25 Christmas Day

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Kenai Peninsula Borough

Assembly Meeting Schedule

TUESDAY, June 17, 2003

- 11:00 AM** **Board of Equalization**
Borough Assembly Chambers
Borough Administration Building
Soldotna, Alaska
- 2:30 PM** **Finance Committee**
Borough Assembly Chambers
Borough Administration Building
Soldotna, Alaska
- 3:30 PM** **Lands Committee**
Conference Room "A"
Borough Administration Building
Soldotna, Alaska
- 4:00 PM** **Policies and Procedures Committee**
Conference Room "B"
Borough Administration Building
Soldotna, Alaska
- 4:30 PM** **Legislative Committee**
Borough Assembly Chambers
Borough Administration Building
Soldotna, Alaska
- 5:00 PM** **Reconvene Policies and Procedures**
*Executive Session to discuss Borough Clerk's and Deputy Clerk's
Salary for FY 2004*
Borough Assembly Chambers
Borough Administration Building
Soldotna, Alaska
- 5:30 PM** **Dinner Hosted by Prince William Sound
Regional Citizens' Advisory Council (PWS RCAC)**
Conference Room "A & B"
Borough Administration Building
Soldotna, Alaska
- 7:00 PM** **Regular Assembly Meeting**
Borough Assembly Chambers
Borough Administration Building
Soldotna, Alaska

June 17, 2003	2:30 PM	Borough Assembly Chambers Borough Administration Building, Soldotna
Chris Moss, Chair	Gary Superman, Vice Chair	Paul Fischer

AGENDA

O. NEW BUSINESS

1. Bid Awards

- *a. Resolution 2003-068: Authorizing Award of a Contract for Design Build Services for Ninilchik School Pool Gutter and Filter Upgrade (Mayor) 205
- *b. Resolution 2003-069: Authorizing Award of a Contract for Construction Services for Soldotna Middle School Classroom Renovations (Mayor) 207
- *c. Resolution 2003-070: Authorizing Award of Contract for Nikiski Emergency Escape Route Upgrade & Paving (Mayor) 209
- *d. Resolution 2003-071: Authorizing Award of Contracts for Summer and Winter Road Maintenance in the Central and East Regions of the Road Service Area (Mayor) 211

2. Resolutions

- *a. Resolution 2003-072: 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 (Mayor) 214
- *b. Resolution 2003-073: Authorizing the Purchase of a Digital Recording System and Associated Sound System Improvements in the Borough Assembly Chambers and Authorizing the Transfer of Funds for Purchase, Installation and Training (Sprague at the Request of the Borough Clerk) 242

3. Ordinances

- *a. Ordinance 2002-19-43: Accepting and Appropriating a Grant from the Denali Commission in the Amount of \$993,000 for a Fire Station for Kachemak Emergency Service Area (Mayor, Martin) (Shortened Hearing on 07/08/03) 252

- *b. Ordinance 2002-19-44: Appropriating \$14,700,000 in General Obligation School Bond Proceeds to the School Bond Fund for Costs Associated with Design and Construction of the New Seward Middle School (Mayor) (Hearing on 08/05/03) **259**
- *c. Ordinance 2002-19-45: Appropriating \$584,840.44 from the Division of Emergency Services to Reimburse the Borough for Cost Incurred in Responding to Flooding Occurring from October 23, 2002 to November 12, 2002 (Mayor) (Hearing on 08/05/03) **261**
- *f. Ordinance 2003-27: Providing for Submission to the Qualified Voters of the Central Kenai Peninsula Hospital Service Area the Question of Authorizing the Issuance of General Obligation Bonds in an Amount not to Exceed Forty Nine Million Nine Hundred Thousand Dollars (\$49,900,000) to Pay the Costs of Hospital Capital Improvements, at a Regular Election in and for the Central Kenai Peninsula Hospital Service Area on October 7, 2003 (Mayor at the Request of the Central Peninsula General Hospital) (Hearing on 08/05/03) **270**

4. Other

- *b. Approving the Application for Restaurant Designation Permit filed by Golden Dragon Restaurant in Soldotna **278**

*Consent Agenda Items

Staff requested:

Finance Director or Representative

June 17, 2003

3:30 PM

Conference Room "A"
Borough Administration Building, Soldotna

Milli Martin, Chair Grace Merkes, Vice Chair Pete Sprague

AGENDA

M. PUBLIC HEARINGS ON ORDINANCES

- 1. Ordinance 2003-20: Authorizing the Market Value Lease of Agricultural Land by Sealed Bid (Mayor) **83**
- 2. Ordinance 2003-21: Extending the Termination Date of Ordinance 2000-50 and Adding Property to Be Included in the Emergency Harvest of Spruce Bark Beetle Killed Timber (Mayor) **116**

O. NEW BUSINESS

- 3. Ordinances
 - *e. Ordinance 2003-26: Extending the Deadline in Ordinance 2001-16 Regarding Certain Grazing Leases (Mayor) (Shortened Hearing on 07/08/03) **266**

*Consent Agenda Items

Staff requested:
Finance Director or Representative

Kenai Peninsula Borough Assembly

Policies & Procedures Committee

June 17, 2003

4:00 PM

Conference Room "B"
Borough Administration Building

Betty Glick, Chair

Ron Long, Vice Chair

John Davis

AGENDA

O. NEW BUSINESS

3. Ordinances

*d. Ordinance 2003-25: Amending KPB 4.30.010 to Require School Board Members to be Elected From Their Respective Districts (Sprague) (Shortened Hearing on 07/08/03) **263**

4. Other

*a. Appointment of Canvass Board for July 1, 2003 Special Election **277**

[Please Note: It is the intent to recess the Policies and Procedures Committee at 4:30 pm to attend the Legislative Committee and reconvene Policies and Procedures Committee in Executive Session at 5:00 pm to set the Borough Clerk's and Deputy Clerk's salary for Fiscal Year 2004]

***Consent Agenda Items**

Staff requested:

Borough Clerk

Kenai Peninsula Borough Assembly

Legislative Committee

June 17, 2003

4:30 PM

Borough Assembly Chambers
Borough Administration Building, Soldotna

Ron Long, Chair Pete Sprague, Vice Chair

AGENDA

ITEMS NOT ON THE REGULAR MEETING AGENDA

1. Legislative Discussion and Travel Plans for Upcoming Trips

* Consent Agenda Items

Staff requested:

Borough Clerk

Assembly Agenda

June 17, 2003 - 7:00 p.m.

Regular Meeting

Borough Assembly Chambers, Soldotna, Alaska

*Steve Sprague
Assembly President
Seat 4 - Soldotna
Term Expires 2004*

*Gary Superman
Assembly Vice
President
Seat 3 - Nikiski
Term Expires 2004*

*John Davis
Assembly Member
Seat 1 - Kalifornsky
Term Expires 2003*

*Paul Fischer
Assembly Member
Seat 7 - Central
Term Expires 2004*

*Betty Glick
Assembly Member
Seat 2 - Kenai
Term Expires 2005*

*Ron Long
Assembly Member
Seat 6 - East
Peninsula
Term Expires 2003*

*Milli Martin
Assembly Member
Seat 9 - South
Peninsula
Term Expires 2003*

*Grace Merkes
Assembly Member
Seat 5 -
Sterling/Funny River
Term Expires 2005*

*Chris Moss
Assembly Member
Seat 8 - Homer
Term Expires 2005*

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. INVOCATION

D. ROLL CALL

E. COMMITTEE REPORTS

F. 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. 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.)

G. COMMENDING RESOLUTIONS AND PROCLAMATIONS

H. APPROVAL OF MINUTES

- *1. May 27, 2003 Board of Equalization Hearing Minutes 1
- *2. May 29, 2003 Board of Equalization Hearing Minutes 16
- *3. May 30, 2003 Board of Equalization Hearing Minutes 28
- *4. June 3, 2003 Regular Meeting Minutes 35
- *5. June 4, 2003 Board of Adjustment Hearing Minutes 52

I. PUBLIC COMMENTS AND PRESENTATIONS - Items other than those appearing on the agenda (3 minutes per speaker, 20 minutes aggregate)

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 a. Spruce Bark Beetle Mitigation Program:

 • Contract with Paul's Services for removal of slash piles from Kasilof River State Campground 57

 b. Approval of contact with Hart Crowser, Inc. for Stormwater Management Study at Homer Landfill 58

 c. Approval of contract with Steve T. Goniotakis for Technical Laboratory Consulting Services at CES 59

 d. Approval of bid award to Russ Construction for Soldotna High School Gym Floor Renovation 61

 e. Approval of contract amendment for Extension of External Audit Contract with Mikunda Cottrell & Company 63

 f. Approval of Waste Disposal Agreements between KPB and V-Ships Leisure S.A.M and Royal Carribbean Cruise Lines for offloading solid waste to the Homer and Seward Baling Facilities 65

 g. Memorandum of Agreement between KPB, Nikiski Fire Service Area and North Peninsula Recreation Service Area for placement of two Automated External Defibrillators in the Nikiski pool area 69

 h. Memorandum of Agreement between KPB, Nikiski Fire Service Area and Nikiski Senior Citizens, Inc. for placement of an Automated External Defibrillators at the Nikiski Senior Center 72

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 b. Revenue-Expenditure Report - May 2003 78

 c. Litigation Status Report 81

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M. PUBLIC HEARINGS ON ORDINANCES (Testimony limited to 3 minutes per speaker)

- 1. Ordinance 2003-20: Authorizing the Market Value Lease of Agricultural Land by Sealed Bid (Mayor) (Referred to Lands Committee) **83**
- 2. Ordinance 2003-21: Extending the Termination Date of Ordinance 2000-50 and Adding Property to Be Included in the Emergency Harvest of Spruce Bark Beetle Killed Timber (Mayor) (Referred to Lands Committee) **116**

N. UNFINISHED BUSINESS - None

O. NEW BUSINESS

- 1. Bid Awards
 - *a. Resolution 2003-068: Authorizing Award of a Contract for Design Build Services for Ninilchik School Pool Gutter and Filter Upgrade (Mayor) (Referred to Finance Committee) **205**
 - *b. Resolution 2003-069: Authorizing Award of a Contract for Construction Services for Soldotna Middle School Classroom Renovations (Mayor) (Referred to Finance Committee) **207**
 - *c. Resolution 2003-070: Authorizing Award of Contract for Nikiski Emergency Escape Route Upgrade & Paving (Mayor) (Referred to Finance Committee) **209**
 - *d. Resolution 2003-071: Authorizing Award of Contracts for Summer and Winter Road Maintenance in the Central and East Regions of the Road Service Area (Mayor) (Referred to Finance Committee) **211**
- 2. Resolutions
 - *a. Resolution 2003-072: 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 (Mayor) (Referred to Finance Committee) **214**

- *b. Resolution 2003-073: Authorizing the Purchase of a Digital Recording System and Associated Sound System Improvements in the Borough Assembly Chambers and Authorizing the Transfer of Funds for Purchase, Installation and Training (Sprague at the Request of the Borough Clerk) (Referred to Finance Committee) **242**

3. Ordinances

- *a. Ordinance 2002-19-43: Accepting and Appropriating a Grant from the Denali Commission in the Amount of \$993,000 for a Fire Station for Kachemak Emergency Service Area (Mayor, Martin) (Shortened Hearing on 07/08/03) (Referred to Finance Committee) **252**
- *b. Ordinance 2002-19-44: Appropriating \$14,700,000 in General Obligation School Bond Proceeds to the School Bond Fund for Costs Associated with Design and Construction of the New Seward Middle School (Mayor) (Hearing on 08/05/03) (Referred to Finance Committee) **259**
- *c. Ordinance 2002-19-45: Appropriating \$584,840.44 from the Division of Emergency Services to Reimburse the Borough for Cost Incurred in Responding to Flooding Occurring from October 23, 2002 to November 12, 2002 (Mayor) (Hearing on 08/05/03) (Referred to Finance Committee) **261**
- *d. Ordinance 2003-25: Amending KPB 4.30.010 to Require School Board Members to be Elected From Their Respective Districts (Sprague) (Shortened Hearing on 07/08/03) (Referred to Policies and Procedures Committee) **263**
- *e. Ordinance 2003-26: Extending the Deadline in Ordinance 2001-16 Regarding Certain Grazing Leases (Mayor) (Shortened Hearing on 07/08/03) (Referred to Lands Committee) **266**
- *f. Ordinance 2003-27: Providing for Submission to the Qualified Voters of the Central Kenai Peninsula Hospital Service Area the Question of Authorizing the Issuance of General Obligation Bonds in an Amount not to Exceed Forty Nine Million Nine Hundred Thousand Dollars (\$49,900,000) to Pay the Costs of Hospital Capital Improvements, at a Regular Election in and for the Central Kenai Peninsula Hospital Service Area on October 7, 2003 (Mayor at the Request of the Central Peninsula General Hospital) (Hearing on 08/05/03) (Referred to Finance Committee) **270**

- 4. Other
 - *a. Appointment of Canvass Board for 7/01/03 Special Election (Referred to Policies and Procedures Committee) 277
 - *b. Approving the Application for Restaurant Designation Permit filed by Golden Dragon Restaurant in Soldotna (Referred to Finance Committee) 278

P. PUBLIC COMMENTS AND PUBLIC PRESENTATIONS (3 minutes per speaker)

Q. ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

Special Election SPH Bond		July 1, 2003	
Regular Assembly Meeting	07:00 PM	July 8, 2003	Soldotna

R. ASSEMBLY COMMENTS

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

1. Ordinance 2002-19-42: Appropriating \$7,040,000 in General Obligation Bond Proceeds to the Bond Capital Projects Fund for Central Peninsula Landfill Expansion Project (Mayor) (Hearing on 07/08/03) (Referred to Finance Committee)
2. Ordinance 2003-22: Establishing the Kenai Peninsula Borough Trails Service Area (Mayor, Martin) (Hearings on 07/08/09 & 08/05/03) (Referred to Lands Committee)
3. Ordinance 2003-23: Amending KPB 17.10 by Deleting the Requirement for Mandatory Deed Restrictions (Mayor) (Hearing on 07/08/03) (Referred to Lands Committee)
4. Ordinance 2003-24: Approving the Proposed Budget for Funds to be Provided to the Kenai Peninsula Arctic Winter Games Host Society and Authorizing the Kenai Peninsula Borough to Exercise Powers Necessary to Participate in the 2006 Arctic Winter Games (Mayor) (Hearing on 07/08/03) (Referred to Policies and Procedures Committee and Finance Committee)
5. Resolution 2003-017: Clarifying Policy Governing Correspondence by Service Area Boards, Advisory Planning Commissions and Their Members (Glick) (Referred to Policies and Procedures Committee) (Tabled on 02/18/03)

6. Motion to transfer \$10,000 from the Assembly Contingency Account No. 100.11110.00000.49999 to the Assembly Contract Services Account No. 100.11110.00000.43011 and authorize the execution of a contract with Ed McLain to provide lobbying services in Juneau through the end of the 2003 legislative session (Long) (Tabled on 04/15/03)

T. INFORMATIONAL MATERIALS AND REPORTS

U. NOTICE OF NEXT MEETING AND ADJOURNMENT

The next meeting of the Kenai Peninsula Borough Assembly will be held on July 8, 2003, at 7:00 P.M. in the Borough Assembly Chambers, Soldotna, Alaska.

This meeting will be broadcast on KPEN-FM 101.7 (Central Peninsula), KPEN-FM 102.3 (Homer), KGTL-AM 620 (Homer), KPEN-FM 102.3 (Seward), KPEN-FM 99.3 (Anchor Point & Seldovia), KPEN-FM 100.9 (Kachemak City & East End).

Copies of agenda items are available at the Borough Clerk's Office or outside the Meeting Room just prior to the meeting. For further information, please call the Clerk's Office at 262-8608 or toll free within the Borough at 1-800-478-4441, Ext. 308. Visit our website at www.borough.kenai.ak.us for copies of the agenda, meeting summaries, ordinances and resolutions.

Kenai Peninsula Borough

Board of Equalization

May 27, 2003

Borough Assembly Chambers, Soldotna, AK

CALL TO ORDER

The Kenai Peninsula Borough Assembly convened as a Board of Equalization on May 27, 2003, in the Assembly Chambers of the Borough Administration Building in Soldotna, Alaska. Presiding Officer Sprague called the hearing to order at 9:40 a.m.

There were present:

Pete Sprague, Presiding
Paul Fischer
Milli Martin

John Davis (*arrived at 10:03 a.m. & departed at 5:55 p.m.*)
Grace Merkes
Gary Superman

comprising a quorum of the Board.

Absent:

Betty Glick (excused)
Ron Long (excused)
Chris Moss (excused)

Also in attendance were:

Shane Horan, Director of Assessing
Randy Hughes, KPB Appraiser
Paul Knight, KPB Lead Appraiser
Denis Mueller, KPB Residential Appraisal Manager
Randy Barnes, KPB Assessing Systems Analyst
Derrill Weaver, KPB Senior Appraiser
Bill Anderson, KPB Appraiser
George Gaddis, KPB Appraiser
Gary Roten, KPB Appraiser
Kevin Koch, Attorney for the Board of Equalization
Linda Murphy, Borough Clerk
Sherry Biggs, Deputy Borough Clerk

Presiding Officer Sprague read the statement of procedures for the Board of Equalization hearings.

Borough Clerk Linda Murphy swore in all those present who provided testimony.

APPEAL NO. 2003-201

(Tape 1, 190)

Forest DeWayne and Diane Craig

Assessor's Parcel Nos. 047-140-53 through 56 and 047-140-58

Legal Description Redoubt Terrace Subdivision Bluff View Condominiums Units 1 - 4 & 6
T05N R11W S06 KN0990039

The appellant, Forest DeWayne Craig, asked for 30 minutes of presentation time for each of his five parcels. Attorney Kevin Koch noted this was scheduled as only one appeal as was customary when one appellant owned several like properties.

Presiding Officer Sprague allocated 1 hour and 15 minutes of presentation time for both the appellant and the assessor with no objection from the other members of the board.

Mr. Craig said he originally built these units as apartments, but later subdivided them as condominium units for retirement income. He did not realize it would increase the assessed value as substantially as it had. Mr. Craig stated all the units should be depreciated at the same rate and not the varying rates of 8 percent, 11 percent, 16 percent and 40 percent respectively.

[Clerk's Note: Board Member Davis arrived at 10:03 a.m. and did not participate in the Craig appeal.]

Mr. Craig stated Unit #5 was more of a "penthouse" with much nicer features than the other units. Unit #6 was a three-story addition attached to the garage. Mr. Craig stated that comparable townhouses and condominiums were valued one-third less than his properties.

(Tape 1, 1270)

Board Members Superman and Fischer asked about the recent listing prices of \$110,000 - \$117,000 and then the reduction to approximately \$60,000. Mr. Craig said he intended to carry the papers on the reduced prices but he had no offers.

Board Member Merkes asked about the additions to Unit #6. Mr. Craig clarified the photo on page 37 of the record.

ASSESSOR'S PRESENTATION

(Tape 1, 1480)

Gary Roten, KPB Appraiser, provided an overview of the valuation as determined by the Assessing Department.

Board Member Merkes asked if there were any condominium units available for comparison. Mr. Roten said Unit #5 of this property was the only condo sold recently in the Central Peninsula and area townhouses were used for valuations. Mr. Horan discussed the legal difference in valuing an apartment versus a condominium unit.

APPELLANT’S REBUTTAL

(Tape 1, 2550)

Mr. Craig stated that Unit #6 had no view of Cook Inlet and should have a lesser value than the view properties. Mr. Craig felt the units should be valued as apartments and the condominium designation was a legal term only.

ASSESSOR’S REBUTTAL

(Tape 1, 2950)

Mr. Roten stated that view attributes were included in the land values. The lack of view was correctly reflected in the land value for Unit #6 at \$4,500 while the other units with a view of Cook Inlet had a land value of \$9,200.

Board Member Merkes asked about the garage valuation. Mr. Roten said the garage was valued as one building and the assessment was proportionally attributed to the five units that used the garage.

Board Member Martin asked if noise factors were used in valuing apartments or condominiums. Mr. Roten said there was no documentation to support such deductions.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Craig appeal.

MOTION:

(Tape 1, 3350)

Merkes moved to uphold the Assessor’s valuation of the property described as:

- Parcel No. 047-140-53 \$80,000
 (Land=\$9,200; Improvement=\$70,800)
- Parcel No. 047-140-54 \$82,900
 (Land=\$9,200; Improvement=\$73,700)
- Parcel No. 047-140-55 \$87,000
 (Land=\$9,200; Improvement=\$77,800)
- Parcel No. 047-140-56 \$88,800
 (Land=\$9,200; Improvement=\$79,600)

for the reason the appellants, Forest DeWayne and Diane Craig, failed to prove unequal, improper or excessive valuation by the Assessing Department, as the appellant did not present any evidence to the Board of Equalization for consideration and the assessed value was supported by current sales.

VOTE ON MOTION TO UPHOLD THE ASSESSOR’S VALUATION:

- Yes: Fischer, Martin, Merkes, Sprague
- No: Superman
- Absent: Glick, Long, Moss
- Abstain: Davis

MOTION PASSED:

4 Yes, 1 No, 3 Absent, 1 Abstention

MOTION:

Merkes moved to reduce the Assessor's valuation of the property described as Parcel No. 047-140-58 to a total of \$80,400 (Land=\$4,500; Improvements=\$75,900) owned by Forest DeWayne and Diane Craig, as the lack of view was considered in the valuation of the land and a recent site inspection revealed a lesser level of completion.

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes:

Fischer, Martin, Merkes, Sprague

No:

Superman

Absent:

Glick, Long, Moss

Abstain:

Davis

MOTION PASSED:

4 Yes, 1 No, 3 Absent, 1 Abstention

(Tape 2, 85)

APPEAL NO. 2003-204

Alaska Homesteads, Inc.

Assessor's Parcel Nos. 059-150-71 through 75

Legal Description Tracts 4A, 4B, 4C, 4D and 4E Hayward Hill Subdivision #3
T05N R10W S29 KN0850132

The appellant's representative, Mark Kulstad, requested an additional 30 minutes for presentation.

Presiding Officer Sprague allocated an additional 30 minutes to the appellant and the assessor with no objection voiced from the board.

Mr. Kulstad said the properties under appeal were also known as the "old Coastal Drilling site." Mr. Kulstad said the property was contaminated and suggested a minimum of -\$1.5M value. Coastal Drilling operated at the Swanson River oil fields from the late 1950s to the mid 1970s. Mr. Kulstad stated the property was assessed by the Department of Environmental Conservation (DEC) as contaminated over the last 12 years.

Board Member Merkes asked if all the parcels were contaminated. Mr. Kulstad replied in the affirmative. Mr. Kulstad stated if you walked the property today you would smell diesel fumes. Mr. Kulstad said to his knowledge the contamination had not migrated but was contained within the properties.

Presiding Officer Sprague asked about the private well lot shown on page 14. Mr. Kulstad also discussed the City of Soldotna's well on nearby property.

Board Member Merkes asked if this was the first year that the taxes were being appealed. Mr. Kulstad stated the value had previously been reduced administratively.

Board Member Martin asked if other businesses occupied the property. Mr. Kulstad said Custom Seafood Processors was currently operating on one of the parcels.

Board Member Fischer asked if Alaska Homesteads, Inc. knew of the contamination when the property was purchased. Mr. Kulstad said the property was purchased in the 1980s, site unseen. Mr. Kulstad said this site was No. 16 on the State's superfund list.

ASSESSOR'S PRESENTATION

(Tape 2, 1325)

Shane Horan, KPB Director of Assessing, provided an overview of the valuation as determined by the Assessing Department. Mr. Horan said the evidence supplied by Mr. Kulstad adequately determined the state of contamination for the property.

Board Member Superman asked if the lesser valuations in 1995, 1996 and 1997 were by action of the Board of Equalization. Mr. Horan did not have information on those years.

Board Member Fischer asked about the process if the property was cleaned up before the 20 year remediation time. Mr. Horan said that as soon as the property was cleaned up it would be assessed at its full and true value.

Presiding Officer Sprague asked about a 20 year versus a 10 year clean up period. Mr. Horan said the Board of Equalization had historically used a 20 year time period.

APPELLANT'S REBUTTAL

(Tape 2, 3000)

Mr. Kulstad did not feel that anyone would purchase the property in the future and did not agree with valuing the properties at a reduced rate and suggested a \$0 value for the land.

Board Member Merkes asked Mr. Kulstad if the owner's desire was to have the oil companies release Alaska Homesteads, Inc. from all liabilities. Mr. Kulstad replied in the affirmative.

Board Member Fischer asked about the DEC waiver of responsibilities. Mr. Kulstad said DEC always finds someone to bill for the clean up costs.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Alaska Homesteads, Inc. appeal.

MOTION: Martin moved to deliberate in executive session.

VOTE ON MOTION:
Yes: Martin, Fischer, Davis, Superman, Sprague
No: Merkes

Absent: Glick, Long, Moss
MOTION PASSED: 5 Yes, 1 No, 3 Absent

[Clerk's Note: The Board began deliberations at 12:45 p.m. and reconvened at 1:50 p.m.]

MOTION: Martin moved to reduce the Assessor's valuation of the property described as follows:
Parcel No. 059-150-71 \$0=land
Parcel No. 059-150-72 \$0=land
Parcel No. 059-150-73 \$0=land
as the cost to remediate these properties was in excess of \$1M and the valuation by the Assessing Department was excessive.

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes: Martin, Fischer, Davis, Superman
No: Merkes, Sprague
Absent: Glick, Long, Moss
MOTION PASSED: 4 Yes, 2 No, 3 Absent

MOTION: Martin moved to reduce the assessed value of the following parcels as recommended by the Assessor in accordance with a 10-year reversion to full and true value:

Parcel No. 059-150-74 \$54,100
(Land=\$37,100; Improvement=\$17,000)
Parcel No. 059-150-75 \$184,400
(Land=\$25,400; Improvement=\$159,000)

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes: Davis, Fischer, Martin, Merkes, Superman, Sprague
No: None
Absent: Glick, Long, Moss
MOTION PASSED: 6 Yes, 0 No, 3 Absent

APPEAL NO. 2003-205
Arnold Trust

-WITHDRAWN-

(Tape 3, 485)

APPEAL NO. 2003-206
Steve Miedzwiadok
Parcel No. 133-540-10

Legal Description Lot 2B Block 1 Coal Creek Country Estates Subdivision
T03N R12W S13 KN0900002

[Clerk's Note: An additional page supplied by Mr. Miedzwiadok was inadvertently excluded from the packet and, with no objection from the Assessor, copies were distributed to all those present.]

Mr. Miedzwiadok said his property had no improvements and he did not agree with the increased valuation of his property. Mr. Miedzwiadok had spoken with Paul Knight of the Assessing Department who had stated the Kasilof River area had not been reviewed in over 10 years. Mr. Miedzwiadok was not pleased that the Assessing Department had searched through deeds of trust to determine the sale price of the property and requested that all properties be put through such scrutiny.

ASSESSOR'S PRESENTATION

(Tape 3, 780)

Paul Knight, KPB Lead Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Knight noted a deed of trust was recorded when Mr. Miedzwiadok purchased the property. The seller confirmed the sales price of \$53,500.

APPELLANT'S REBUTTAL

(Tape 3, 1430)

Mr. Miedzwiadok questioned the raw land values listed for 2002 and 2003 on surrounding properties as supplied by the Assessing Department.

ASSESSOR'S REBUTTAL

(Tape 3, 1580)

Mr. Knight clarified the 2002 figures were for raw land only and the parcel lookup information included well, septic and driveway in addition to the value of the raw land.

(Tape 3, 1695)

Board Member Davis asked why surrounding properties did not increase by the same ratio. Mr. Knight replied that previous values certainly varied and in reassessing the Kasilof River area a benchmark had been established for future use.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Miedzwiadok appeal.

(Tape 3, 2310)

MOTION:

Merkes moved to uphold the Assessor's valuation of the property owned by Steve Miedzwiadok, described as Assessor's Parcel 133-540-10, totaling \$43,500 (land = \$43,500) as the Kasilof River study conducted by the Assessing Department supported the valuation.

VOTE ON MOTION TO UPHOLD THE
ASSESSOR'S VALUATION:

Yes: Davis, Fischer, Martin, Merkes, Superman,
Sprague
No: None
Absent: Glick, Long, Moss
MOTION PASSED: 6 Yes, 0 No, 3 Absent

(Tape 3, 2415)

APPEAL NO. 2003-209

Wayne M. and Lyn L. Brooks
Assessor's Parcel No. 055-651-27
Legal Description Lot 17 Richard Williams Subdivision Franke Addition
T01N 401W S23 SW0950012

Mr. Brooks first stated the appraiser, Derrill Weaver, was very professional and polite in his dealings. Mr. Brooks asked his builder for a suggested value and was told \$124,000 was a proper value. Mr. Brooks thought the assessed value of \$175,000 was excessive.

ASSESSOR'S PRESENTATION

(Tape 3, 2785)

Derrill Weaver, KPB Appraiser, provided an overview of the valuation as determined by the Assessing Department. An inspection revealed the garage should have been classified as a shop and a reduced total value of \$175,500 was presented to the owner who chose to continue with the appeal.

APPELLANT'S REBUTTAL

(Tape 3, 3250)

Mr. Brooks did not feel that someone would purchase his home for \$175,000 when a new comparable home could be purchased for \$124,000.

ASSESSOR'S REBUTTAL

(Tape 3, 3300)

Mr. Weaver noted this was a new subdivision and none of the sales in the neighborhood had been reported yet. Mr. Weaver also said there were noted upgrades to Mr. Brooks' home.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Brooks appeal.

(Tape 4, 40)

MOTION: Martin moved to reduce the Assessor's valuation as recommended for the property owned by Wayne and Lyn Brooks, described as Assessor's Parcel No. 055-651-27, to \$175,500 (land = \$17,700; improvements = \$140,700; shop = \$17,100) as the Assessing Department had conducted a recent inspection which changed the classification of the garage to a shop.

VOTE ON MOTION TO REDUCE THE

ASSESSOR'S VALUATION:

Yes: Davis, Fischer, Martin, Merkes, Superman, Sprague
No: None
Absent: Glick, Long, Moss
MOTION PASSED: 6 Yes, 0 No, 3 Absent

(Tape 4, 180)

APPEAL NO. 2003-211

Lawrence L. And Caroline E. Rebischke
Assessor's Parcel No. 159-470-28
Legal Description Lot 15 Block 1 Glen Eyrie Subdivision
T02S R14W S20 HM0770051

Mr. Rebischke stated the property was just purchased in January of 2003 for \$33,000. Mr. Rebischke said the cabin was in a state of disrepair and was less than the 95% complete as listed by the Assessing Department. There was no well or septic on the property.

ASSESSOR'S PRESENTATION

(Tape 4, 415)

Derrill Weaver, KPB Senior Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Weaver noted that bluff erosion and beetle killed timber did not affect surrounding property values.

Presiding Officer Sprague asked about the unfinished areas of the cabin, the poor quality of the foundation and the lack of a well. Mr. Weaver said a few years ago the Gambrel style of home was changed to reflect a two-story structure which does add more value.

APPELLANT'S REBUTTAL

(Tape 4, 840)

Mr. Rebischke did not feel the proposed \$1,000 reduction was enough to correct all the shortcomings in the cabin.

Board Member Merkes asked if the structure was insulated. Mr. Rebischke said there was no insulation.

ASSESSOR'S REBUTTAL

(Tape 4, 930)

Mr. Weaver noted the foundation did need repair, there were broken windows, drywall required tape and texture, and 50 percent of the structure needed floor covering. This structure had 2 x 6 construction. Effective age, quality and obsolescence were taken into consideration in determining the value.

Board Member Superman asked about the lack of plumbing and how it was deducted from the valuation. Mr. Weaver noted the property card showed no plumbing.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Rebischke appeal.

(Tape 4, 1620)

MOTION:

Martin moved to reduce the Assessor's valuation as recommended for the property owned by Lawrence and Caroline Rebischke, described as Assessor's Parcel 159-470-28, to \$60,500 (land = \$16,500; improvements = \$43,000; features = \$1,000) as the Assessing Department had conducted a recent inspection which showed foundation damage and lack of plumbing and private well.

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes:

Davis, Fischer, Martin, Merkes, Sprague

No:

Superman

Absent:

Glick, Long, Moss

MOTION PASSED:

5 Yes, 1 No, 3 Absent

(Tape 4, 1820)

APPEAL NO. 2003-202

Clifford and Sondra Hugg

Assessor's Parcel No. 059-122-11

Legal Description Lots 22-A and 22-B, Aspen Flats Subdivision, Addition No. 3
T05N R10W S29 KN0770172

The appellants, Clifford and Sondra Hugg, participated via teleconference. Presiding Officer Sprague read the statement of procedures. Borough Clerk Linda Murphy swore in Mr. and Mrs. Hugg. The Clerk also noted that Mr. Hugg had new evidence that he asked to have presented before the Board of Equalization. The Assessor had no objection and the material was distributed to all parties.

Mr. Hugg noted his property was being assessed at more than twice the square foot price as nearby commercial property. Mrs. Hugg requested that the property be valued using the income approach.

ASSESSOR'S PRESENTATION

(Tape 4, 3250)

Randy Hughes, KPB Commercial Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Hughes noted an inspection was conducted in April 2003 and the basement was not as large as previously recorded and was not in good condition. The building was no longer used as a multi-use office building; it now served as a medical clinic. Mr. Hughes said the Assessing Department reconciled property on the cost approach but occasionally used the sale or income approach as tools. A reduced value of \$289,300 for the structure was recommended to the appellant who chose to contest the valuation.

Board Member Superman asked about the concrete load bearing walls. Mr. Hughes said the back wall and both sides of the building were concrete block.

APPELLANT'S REBUTTAL

(Tape 5, 650)

Mr. Hugg said the recent remodeling was specific to the current tenants and he may have to return the building to its original state when they leave. Mrs. Hugg reiterated they believed the income approach would be used to value their property.

ASSESSOR'S REBUTTAL

(Tape 5, 765)

Mr. Hughes felt the sale listing of the appellants' property at \$425,000 warranted the current valuation.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Hugg appeal.

MOTION:

Merkes moved to reduce the Assessor's valuation as recommended on the property described as Assessor's Parcel 059-122-11 to \$378,000 (land = \$88,700 and improvements = \$289,300) as the appraiser had properly used the cost approach in determining the value.

(Tape 5, 820)

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes:	Davis, Fischer, Martin, Merkes, Superman, Sprague
No:	None
Absent:	Glick, Long, Moss
MOTION PASSED:	6 Yes, 0 No, 3 Absent

(Tape 5, 875)

APPEAL NO. 2003-203

Robert M. and Denise Hayes
Assessor's Parcel No. 144-013-58
Legal Description Lot 1, Block 3, Seward Park Subdivision Phase 3
T01N 401W S23 SW0950012

Mr. and Mrs. Hayes were not present, nor did they submit any written evidence by the filing deadline. Mr. Hayes requested that new evidence be allowed. Denis Mueller of the Assessing Department objected. The material was not presented.

ASSESSOR'S PRESENTATION

(Tape 5, 880)

Bill Anderson, KPB Appraiser, provided an overview of the valuation as determined by the Assessing Department.

Board Member Martin asked about the conditions of the road. Mr. Anderson said that in a flood plain the developer was responsible for maintaining the roadway.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Hayes appeal.

MOTION:

(Tape 5, 1085)
Merkes moved to uphold the Assessor's valuation for the property owned by Robert M. and Denise Hayes, described as Assessor's Parcel 144-013-58, totaling \$73,200 (land = \$21,700; improvements = \$51,500) as the appellants failed to prove improper, excessive or unequal valuation and the value was based on recent inspections conducted by the Assessing Department.

VOTE ON MOTION TO UPHOLD THE ASSESSOR'S VALUATION:

Yes:

Davis, Fischer, Martin, Merkes, Superman, Sprague

No:

None

Absent:

Glick, Long, Moss

MOTION PASSED:

6 Yes, 0 No, 3 Absent

(Tape 5, 1165)

APPEAL NO. 2003-207

Thomas E. Price, Jr.

Assessor's Parcel No. 185-150-21

Legal Description ADL 200693 consisting of 159.97 acres more or less
T04S R11W S28

Mr. Price was not present at the hearing.

ASSESSOR'S PRESENTATION

(Tape 5, 1200)

Paul Knight, KPB Lead Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Price had asked that his property be valued for the income it could produce. Mr. Price originally planned a timber operation for the property, but said that beetles had killed all the trees. Mr. Knight noted a corrected 2003 assessment notice was sent to Mr. Price, but he disagreed with the adjusted value.

Board Member Martin asked about subdividing agricultural lands. Mr. Knight said properties could only be subdivided into four portions.

Board Member Merkes asked about valuing agriculture lands. Mr. Knight discussed the state's agricultural property program and its restrictions.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Price appeal.

(Tape 5, 1710)

MOTION:

Martin moved to uphold the Assessor's valuation of the property described at Parcel No. 185-150-21 totaling \$129,100 (Land=\$83,900; Improvements=\$45,200) as the appellant, Thomas E. Price, Jr., failed to prove improper, excessive or unequal valuation and the Assessing Department had analyzed surrounding agricultural lands in determining the value.

VOTE ON MOTION TO UPHOLD THE ASSESSOR'S VALUATION:

Yes:

Davis, Fischer, Martin, Merkes, Superman, Sprague

No:

None

Absent:

Glick, Long, Moss

MOTION PASSED:

6 Yes, 0 No, 3 Absent

(Tape 5, 1800)

APPEAL NO. 2003-208

William and Deborah Nye

Assessor's Parcel No. 172-180-03

Legal Description Lot 3 Block 1 Puma View Subdivision
T05S R12W S13 HM0760085

[Clerk's Note: Board Member Davis left the hearing at 5:55 p.m.]

Mr. and Mrs. Nye were not present, nor did they submit any written evidence for consideration.

ASSESSOR'S PRESENTATION

(Tape 5, 1825)

Gary Roten, KPB Appraiser, provided an overview of the valuation as determined by the Assessing Department.

With no questions from the members of the board, Presiding Officer Sprague closed the hearing on the Nye appeal.

(Tape 5, 2075)

MOTION:

Merkes moved to uphold the Assessor's valuation for the property owned by William and Deborah Nye, described as Assessor's Parcel 172-180-03, totaling \$84,800 (land = \$17,000; improvements = \$67,800) as the appellants failed to prove improper, excessive or unequal valuation and the Assessing Department had made numerous attempts to schedule an onsite inspection.

VOTE ON MOTION TO UPHOLD THE
ASSESSOR'S VALUATION:

Yes: Fischer, Martin, Merkes, Sprague, Superman
No: None
Absent: Davis, Glick, Long, Moss
MOTION PASSED: 5 Yes, 0 No, 4 Absent

APPEAL NO. 2003-210

-WITHDRAWN-

Stanford O. Hill, Jr. and Nona R. Hill, ET AL

(Tape 5, 2155)

APPEAL NO. 2003-212

Connie L. Alderson

Assessor's Parcel No. 165-550-10

Legal Description Lot 9 Eva Fay Subdivision

T04S R15W S35 HM0780042

Ms. Alderson was not present at the hearing. Ms. Alderson's documents referred to the decline in surrounding property values attributed to the close proximity of gravel pits.

ASSESSOR'S PRESENTATION

(Tape 5, 2185)

George Gaddis, KPB Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Gaddis noted the property was advertized for sale in 2002 for \$190,000.

With no questions from the members of the board, Presiding Officer Sprague closed the hearing on the Alderson appeal.

(Tape 5, 2955)

MOTION:

Superman moved to reduce the Assessor's valuation as recommend for the property owned by Connie Alderson, described as Assessor's Parcel 165-550-10, to \$139,300 (land = \$18,700; improvements = \$120,600) as the Assessing Department had conducted a recent inspection which revealed additional physical depreciation and some unfinished conditions in the structure.

VOTE ON MOTION TO REDUCE THE
ASSESSOR'S VALUATION:

Yes: Fischer, Martin, Merkes, Superman, Sprague
No: None
Absent: Davis, Glick, Long, Moss
MOTION PASSED: 5 Yes, 0 No, 4 Absent

ADJOURNMENT

(Tape 5, 3035)

With no further business to come before the Board of Equalization, the meeting was adjourned at 6:25 p.m.

I certify the above represents an accurate summary of the Board of Equalization hearing of May 27, 2003.

Linda S. Murphy, Borough Clerk

Approved: _____

Kenai Peninsula Borough

Board of Equalization

May 29, 2003

Borough Assembly Chambers, Soldotna, AK

CALL TO ORDER

The Kenai Peninsula Borough Assembly convened as a Board of Equalization on May 29, 2003, in the Assembly Chambers of the Borough Administration Building in Soldotna, Alaska. Presiding Officer Sprague called the hearing to order at 9:05 a.m.

There were present:

Pete Sprague, Presiding
John Davis (*left at 12:20 p.m.*)
Paul Fischer (*left at 2:30 p.m.*)
Ron Long (*arrived at 9:25 a.m.*)

Milli Martin (*left at 2:45 p.m.*)
Grace Merkes
Chris Moss
Gary Superman

comprising a quorum of the Board.

Absent:

Betty Glick (excused)

Also in attendance were:

Shane Horan, Director of Assessing
Randy Hughes, KPB Commercial Appraiser
Paul Knight, KPB Lead Appraiser
Denis Mueller, KPB Residential Appraisal Manager
Steve Ford, KPB Senior Appraiser
George Gaddis, KPB Appraiser
Kevin Koch, Attorney for the Board of Equalization
Linda Murphy, Borough Clerk
Sherry Biggs, Deputy Borough Clerk

Presiding Officer Sprague read the statement of procedures for the Board of Equalization hearings.

Borough Clerk Linda Murphy swore in all those present who provided testimony.

APPEAL NO. 2003-301

Inlet Fisheries, Inc.

Assessor's Parcel Nos. 049-101-06

Legal Description Lot 2 Kenai Spit Subdivision
 T05N R11W S068 KN0890012

(*Tape 1, 140*)

The appellant, Vince Goddard, president of Inlet Fisheries, Inc., requested an additional 15 minutes for presentation. Presiding Officer Sprague allocated an additional 15 minutes to both the appellant and the Assessor with no objection from the members of the board.

Mr. Goddard said Inlet Fisheries, Inc. had filed for Chapter 11 protection. Mr. Goddard said the factor for economic obsolescence used by the Assessing Department was incorrect. The fisheries plant was on property leased by the City of Kenai. Mr. Goddard said a large percentage of the property was wetlands.

[Clerk's Note: Board Member Long arrived at 9:25 a.m. and did not participate in the Inlet Fisheries, Inc. appeal.]

ASSESSOR'S PRESENTATION

(Tape 1, 685)

Randy Hughes, KPB Commercial Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Hughes noted the structures were valued with a 50 percent reduction due to economic obsolescence.

Board Member Martin asked about the wetland situation and the inability to have a septic system on site. Mr. Hughes said that was taken into consideration in determining the value.

Board Member Moss asked if properties were revalued annually. Mr. Hughes said there was a five year review cycle but any owner could request a review at any time.

Board Member Merkes asked about the land at the comparable Ward's Cove site. Mr. Hughes said in evaluating the two sites, Ward's Cove had 56+ acres in comparison to the 12+ acres at the Inlet Fisheries, Inc. location and, in his opinion, the Ward's Cove property was of higher caliber.

Presiding Officer Sprague asked the department to define "economic obsolescence." Mr. Hughes said it was an outward, intangible factor that the owner had no control over, such as the downward turn in the salmon market.

APPELLANT'S REBUTTAL

(Tape 1, 2190)

Mr. Goddard said the surrounding properties had other uses and were valued at a lower per acre price. Mr. Goddard said Inlet Fisheries, Inc. spent approximately \$70,000 each summer for waste disposal. Mr. Goddard said Ward's Cove had recently dropped its selling price from \$1.5M to \$1.25M. Mr. Goddard asked that his property be valued at \$3,900 per acre to match the adjoining property value at Ward's Cove. He requested the obsolescence factor be increased from 50 to 60 percent.

Board Member Moss asked about the value of the plant's discharge permit. Mr. Goddard said permits were available and the Inlet Fisheries, Inc. permit was of no great value.

Mr. Moss asked about the difference between filled land versus uplands along the Kenai River. Mr. Goddard said nothing grows on his property and the cost associated with waste disposal was extremely high.

ASSESSOR'S REBUTTAL

(Tape 1, 3060)

Paul Knight, KPB Lead Appraiser, provided information on the Kenai River Study which was conducted last year by the Assessing Department. Mr. Knight explained the size ratio used for larger parcels and noted that adjustments were made to the Inlet Fisheries, Inc. parcel for wetlands and tidelands.

Mr. Hughes said a septic system was not valued with this property. Mr. Hughes noted the appellant had provided no written evidence to support his appeal.

Board Member Moss asked if the structures were valued for their use as a processing facility or just as a building. Mr. Hughes said it was valued as a structure only.

Board Member Merkes asked about the computation for the wetlands. Mr. Hughes noted the 3.8 acres of wetlands were calculated at a 50 percent reduction from the remaining acreage.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Inlet Fisheries, Inc. appeal.

(Tape 2, 30)

MOTION:

Superman moved to reduce the Assessor's valuation of the property described as:

Parcel No. 049-101-06 \$617,800
(Land=71,800; Improvement=\$546,000)

for the reason the Assessing Department's value was excessive in relation to the only comparable land sale (Salamatof Native Association) and stated the 3.8 acres of wetlands should be calculated at \$3,488 per acre with the remaining 8.4 acres valued at \$6,977 per acre.

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes:

Davis, Fischer, Martin, Merkes, Moss, Superman

No:

Sprague

Absent:

Glick

Abstain:

Long

MOTION PASSED:

6 Yes, 1 No, 1 Absent, 1 Abstention

APPEAL NO. 2003-302

The River Company LLC / Trans-Aqua International, Inc.

Assessor's Parcel No. 133-470-02, 133-470-05, 133-470-06

Legal Description Lots 22-A and 22-B, Aspen Flats Subdivision, Addition No. 3
T05N R10W S29 KN0770172

The appellant requested an additional 15 minutes for presentation and Presiding Officer Sprague granted that to both parties with no objection from the members of the board.

Vince Goddard provided a history of the property in its use as a salmon processing plant. Mr. Goddard said the structure would never be used as a processing plant again and felt it no longer had any value other than as a warehouse. Mr. Goddard felt that \$200,000 for Parcel 133-470-06 was acceptable.

Board Member Moss asked if the vacant building had been advertized for rent. Mr. Goddard said it had not been advertized.

ASSESSOR'S PRESENTATION

(Tape 2, 1020)

Randy Hughes, KPB Commercial Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Hughes noted the warehouse was of above average construction. Mr. Hughes noted that several old structures on Parcel 133-470-06 were listed as "no value", but the warehouse had a fire suppression system and was "top of the line" in comparison to other warehouses in the Kasilof and Kenai area. Parcel 133-470-05 contained a commercial dock, but with no comparable dock sales, the cost approach was used with both an economic obsolescence factor and physical depreciation taken into consideration. Mr. Hughes felt that generous consideration was given in valuing the warehouse.

Mr. Hughes noted the appellant did not submit any written evidence to the Board of Equalization for consideration.

Board Member Long asked about effective age of buildings. Mr. Horan said it was not the chronological age, but a combination of upkeep and the perceived age of a structure.

Board Member Merkes asked if the income approach was used in valuing these properties. Mr. Horan said there was not enough income and expense data available.

APPELLANT'S REBUTTAL

(Tape 2, 2450)

Mr. Goddard reviewed the purchase price and items of negotiation in acquiring the properties. Mr. Goddard did not believe the purchase price should reflect the assessed value, but stressed that it should be considered in determining the full and true value. Mr. Goddard asked for not just a numerical analysis, but market conditions should also have been addressed. Mr. Goddard said the properties had value for the river access and dock facility, but the large warehouse was merely a "white elephant."

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the River Company, LLC / Trans-Aqua International, Inc. appeal.

(Tape 2, 3125)

MOTION:

Moss moved to uphold the Assessor's valuation of the property described as follows:

Parcel No.133-470-02 \$55,100
(Land=\$31,900; Improvement=\$23,200)

as the appellant, The River Company, LLC / Trans-Aqua International, Inc., provided no evidence to support the request for a reduction in the value and failed to prove the Assessing Department's value was excessive, when in fact the Department had discounted the valuation by 50 percent due to economic conditions.

VOTE ON MOTION TO UPHOLD
THE ASSESSOR'S VALUATION:

Yes:

Davis, Fischer, Martin, Long, Merkes, Moss,
Superman, Sprague

No:

None

Absent:

Glick

MOTION PASSED:

8 Yes, 0 No, 1 Absent

MOTION:

Moss moved to uphold the Assessor's valuation of the property described as follows:

Parcel No. 133-470-05 \$86,700
(Land=\$9,700; Improvement=\$77,000)

as the land value increased as determined by the Assessing Department's Kasilof River Study and the improvements had been devalued due to the age of the structure and economic conditions.

VOTE ON MOTION TO UPHOLD
THE ASSESSOR'S VALUATION:

Yes:

Davis, Fischer, Martin, Long, Merkes, Moss,
Superman, Sprague

No:

None

Absent:

Glick

MOTION PASSED:

8 Yes, 0 No, 1 Absent

MOTION:

Merkes moved to reduce the Assessor's valuation of the property described as follows:

Parcel No. 133-470-06 \$438,000
(Land=\$24,300; Improvement=\$413,700)

by increasing the functional obsolescence and depreciation rates for the warehouse to 30 percent as the Assessor's value was excessive and there was no information available to use the income or sales approach as indicators in determining value.

Board Member Fischer suggested there was considerable value for the building as an enclosed storage facility in the winter and for camping with an available boat lift in the summer.

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes: Davis, Merkes
No: Fischer, Long, Martin, Moss, Superman, Sprague
Absent: Glick
MOTION FAILED: 2 Yes, 6 No, 1 Absent

(Tape 3, 280)

MOTION:

Moss moved to uphold the Assessor's valuation of the Property described as follows:

Parcel No. 133-470-06 \$531,300
(Land=\$24,300; Improvement=\$507,000)

as the appellant, The River Company, LLC / Trans-Aqua International, Inc., failed to prove excessive valuation by the Assessing Department and the Department had applied an economic obsolescence factor to the value.

VOTE ON MOTION TO UPHOLD THE ASSESSOR'S VALUATION:

Yes: Fischer, Long, Martin, Moss, Superman, Sprague
No: Davis, Merkes
Absent: Glick
MOTION PASSED: 6 Yes, 2 No, 1 Absent

[Clerk's Note: Board Member Davis left at 12:20 p.m.]

(Tape 3, 385)

APPEAL NO. 2003-203

Ron Weilbacher

Assessor's Parcel No. 057-670-01

Legal Description Tract 1-A Baughman Subdivision Replat of Tracts 1 & 2
T05N R11W S24 KN7500099

Presiding Officer Sprague read the statement of procedures and Borough Clerk Murphy swore in Mr. Weilbacher.

Mr. Weilbacher thought the increase of \$400,000 for both 2002 and 2003 was excessive. Mr. Weilbacher did not spend as much money building the resort as it was appraised.

ASSESSOR'S PRESENTATION

Randy Hughes, KPB Commercial Appraiser, provided an overview of the valuation as determined by the Assessing Department.

Paul Knight, KPB Lead Appraiser, provided information on the 2002 Kenai River Study as conducted by the Assessing Department.

Board Member Merkes asked if the property had a lesser value since it was not used year round. Mr. Hughes said that had been taken into consideration and the structures were ranked rather low to reflect the vacancy over the winter.

APPELLANT'S REBUTTAL

(Tape 3, 2100)

Mr. Weilbacher stated he paid less for the plumbing and heating than the Assessing Department's valuation of those features.

ASSESSOR'S REBUTTAL

(Tape 2, 2285)

Mr. Hughes noted the appellant failed to provide any written evidence for the Board's consideration.

Board Member Superman asked about the valuation of the foundation and exterior walls. Mr. Horan explained the Marshall & Swift estimate tables included the foundation in the base cost for commercial structures. Mr. Hughes rated the base cost at a low factor to acknowledge the fact the units were on pilings rather than on a concrete foundation.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Weilbacher appeal.

MOTION: Superman moved to deliberate in executive session.

MOTION PASSED: Without objection.

[Clerk's Note: The Board began deliberations at 2:00 p.m. and reconvened at 2:25 p.m.]

(Tape 3, 3120)

MOTION:

Superman moved to uphold the Assessor's valuation for the property owned by Ron Weilbacher, described as follows:

Parcel No.057-670-01	\$2,003,400
Land=	\$371,400
Improvement #1=	\$187,945
Improvement #2=	\$485,291
Improvement #3=	\$148,638
Improvement #4=	\$323,226
Improvement #5=	\$430,871
Improvement #6=	\$ 15,324
Improvement #7=	\$ 13,523
Improvement #8=	\$ 14,627
RV Park =	\$ 12,500

as the appellant, Ron Weilbacher, failed to provide sufficient evidence to prove an unequal, excessive or improper valuation. Further, the appellant failed to provide any written evidence or documentation to support his position or to show any flaws in the Assessor's calculations or method of valuation.

VOTE ON MOTION TO UPHOLD THE ASSESSOR'S VALUATION:

Yes:

Fischer, Long, Martin, Merkes, Moss, Superman, Sprague

No:

None

Absent:

Davis, Glick

MOTION PASSED:

7 Yes, 0 No, 2 Absent

[Clerk's Note: Board Member Fischer left at 2:30 p.m.]

(Tape 3, 3440)

APPEAL NO. 2003-304

John Monfor

Assessor's Parcel No. 017-270-41

Legal Description Lot 2 Monfor Subdivision No. 2
T06N R12W S11 KN0960088

No evidence was submitted for this appeal and there was no representative present.

ASSESSOR'S PRESENTATION

(Tape 3, 3550)

Denis Mueller, KPB Lead Appraiser, provided an overview of the valuation as determined by the Assessing Department. The property was currently used as a private cemetery and not opened to the public. The appellant had requested a community purpose exemption from property taxes, but was denied due to the fact it was not owned by a non-profit organization and was not made available to the public at large.

With no questions from the members of the board, Presiding Officer Sprague closed the hearing on the Monfor appeal.

MOTION:

Long moved to uphold the Assessor's valuation of the property described as follows:

(Tape 4, 220)

Parcel No. 017-270-40 \$8,500=land

for the reason the appellant, John Monfor, failed to provide any written evidence to prove excessive valuation by the Assessing Department and all other cemeteries within the borough were assessed at their true and full value.

VOTE ON MOTION TO UPHOLD THE ASSESSOR'S VALUATION:

Yes:

Long, Martin, Merkes, Moss, Superman, Sprague

No:

None

Absent:

Davis, Glick, Fischer

MOTION PASSED:

6 Yes, 0 No, 3 Absent

[Clerk's Note: Board Member Martin left at 2:45 p.m.]

(Tape 4, 300)

APPEAL NO. 2003-305

Vernon Smith

Parcel No. 013-070-07

Legal Description Lot 11 Wik Lake Subdivision
T07N R11W S08 KN0001350

The appellant was not present at the hearing.

ASSESSOR'S PRESENTATION

(Tape 4, 350)

Steve Ford, KPB Senior Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Ford conducted a recent onsite inspection. He did not notice any extreme structural problems. The appellant supplied material that major roof and electrical problems required costly repairs. Mr. Ford stated that was excessive.

With no questions from the members of the board, Presiding Officer Sprague closed the hearing on the Smith appeal.

(Tape 4, 715)

MOTION:

Superman moved to reduce the Assessor's valuation of the property described as follows:

Parcel No. 013-070-07 \$65,000
(Land = \$16,500; Structure = \$48,200;
Special Features = \$300)

owned by Vernon Smith, as the Assessing Department conducted an inspection on April 2, 2003, and the valuation was excessive due to the documentation supplied by the appellant noting roof deterioration and a poor electrical system. The appellant's purchase price was reflective of the home's value. Also, there was no driveway as the home fronts on Holt-Lamplight Road, therefore the decrease of \$1,000 in land values.

Board Member Superman noted that he was familiar with the home, but had no contact with the homeowners regarding this appeal.

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes: Long, Merkes, Moss, Superman
No: Sprague
Absent: Davis, Glick, Fischer, Martin
MOTION PASSED: 4 Yes, 1 No, 4 Absent

APPEAL NO. 2003-306

~~-WITHDRAWN-~~

RPM Rebuild, Inc.
Parcel No. 047-051-09

(Tape 4, 940)

APPEAL NO. 2003-307

Vivian Swanson
Assessor's Parcel Nos. 058-021-16 and 058-021-17
Legal Description Government Lots 8 and 9
 T05N R10W S11 KN

Ms. Swanson was not present at the hearing nor did she supply any written evidence for consideration.

ASSESSOR'S PRESENTATION

George Gaddis, KPB Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Gaddis noted this property was included in the recent canvas of the Soldotna area.

Mr. Gaddis inspected the property on April 23, 2003. Structures on Parcel 058-021-16 appeared never to have been completed and were in total disrepair. Mr. Gaddis also considered the poor quality of the road and the lack of natural gas to the properties and recommended reductions to the land values.

Board Member Moss asked if there was an easement or roadway to the parcels. Mr. Knight did not know if there was a dedicated access point.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Swanson appeal.

MOTION:

(Tape 4, 1485)

Long moved to reduce the Assessor's valuation as recommended for the property owned by Vivian Swanson listed below:

Parcel No. 058-021-16 \$75,400
Land = \$72,400
Features = \$1,000
Improvements = \$2,000

Parcel No. 058-021-17 \$92,800
Land = \$67,200
Features = \$2,000
Improvements = \$23,600

as the Assessing Department's inspection of the properties warranted reductions to both the structures and land values.

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes: Long, Merkes, Moss, Superman, Sprague
No: None
Absent: Davis, Glick, Fischer, Martin
MOTION PASSED: 5 Yes, 0 No, 4 Absent

ADJOURNMENT

(Tape 4, 1595)

With no further business to come before the Board of Equalization, the meeting was adjourned at 3:20 p.m.

I certify the above represents an accurate summary of the Board of Equalization hearing of May 29, 2003.

Linda S. Murphy, Borough Clerk

Approved: _____

Kenai Peninsula Borough

Board of Equalization

May 30, 2003

Borough Assembly Chambers, Soldotna, AK

CALL TO ORDER

The Kenai Peninsula Borough Assembly convened as a Board of Equalization on May 30, 2003, in the Assembly Chambers of the Borough Administration Building in Soldotna, Alaska. Presiding Officer Sprague called the hearing to order at 9:05 a.m.

There were present:

Pete Sprague, Presiding
John Davis
Ron Long

Milli Martin
Grace Merkes
Gary Superman

comprising a quorum of the Board.

Absent:

Betty Glick (excused)
Paul Fischer (excused)
Chris Moss (excused)

Also in attendance were:

Shane Horan, Director of Assessing
Randy Hughes, KPB Appraiser
Paul Knight, KPB Lead Appraiser
Denis Mueller, KPB Residential Appraisal Manager
Kevin Koch, Attorney for the Board of Equalization
Linda Murphy, Borough Clerk
Sherry Biggs, Deputy Borough Clerk

Presiding Officer Sprague read the statement of procedures for the Board of Equalization hearings.

Borough Clerk Linda Murphy swore in all those present who provided testimony.

APPEAL NO. 2003-401

(Tape 1, 135)

Walter S. Page

Assessor's Parcel No. 049-120-55

Legal Description Lot 2 Ruby's Dazzling Scenic View Subdivision
 T05N R11W S10 KN0980003

Mr. Page said a new subdivision was established adjacent to his property and debris piles now blocked his view. Mr. Page stated the value of his property was diminished. Mr. Page also said he lost access to his driveway. Mr. Page said he was never notified that a new subdivision was being developed.

Board Member Superman asked if the driveway was a dedicated easement. Mr. Page said it was listed in the certificate to plat, dated February 2, 1998, and appeared in an aerial photograph from 1975.

Presiding Officer Sprague asked about the roadway shown on page 6 of the record. Mr. Page explained where the original roadway was in the photograph.

Board Member Davis asked for a suggested value for the land. Mr. Page asked that it be valued between \$10,000 - \$15,000.

ASSESSOR'S PRESENTATION

(Tape 1, 1250)

Paul Knight, KPB Senior Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Knight said a recent inspection revealed below average construction of the structure and a reduction was recommended. Mr. Knight said the comparable sales data for land value was correct. Mr. Knight acknowledged the presence of debris piles, but Mr. Page still had a view of the mountain range.

Board Member Long asked if a certain percentage was calculated for view properties. Mr. Knight said that was market driven.

Board Member Martin asked if the neighboring parcels had the same land value. Mr. Knight said they were all assessed at \$27,500 for the raw land.

APPELLANT'S REBUTTAL

(Tape 1, 1625)

Mr. Page said he paid \$25,000 for his property in 1999. The Whispering Willows Subdivision did not exist when he purchased the property.

Board Member Martin asked if his driveway appeared as a dedicated right of way. Mr. Page said it was not dedicated, but appeared on the early plat papers.

Board Member Davis asked who developed the new subdivision. Mr. Page said it was not the same person who sold him the property; it was a different party.

Board Member Merkes asked if the parcel was within Kenai city limits. Mr. Page replied in the affirmative.

ASSESSOR'S REBUTTAL

(Tape 1, 1965)

Mr. Knight reminded the board that properties were assessed as of January 1, 2003. At that time, the parcel had access and an unobstructed view.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Page appeal.

(Tape 1, 2055)

MOTION:

Merkes moved to reduce the valuation as recommended on Assessor's Parcel No. 049-120-55, owned by Walter S. Page, as follows:

Total value = \$93,800
(Raw land = \$27,500; Land improvements = \$6,500; Structure = \$59,800)

as the Assessing Department conducted an inspection and considered the level of completeness and the lesser quality of construction in determining the new value.

Board Member Superman spoke against the motion.

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes: Long, Martin, Merkes, Sprague
No: Davis, Superman
Absent: Fischer, Glick, Moss
MOTION PASSED: 4 Yes, 2 No, 3 Absent

APPEAL NO. 2003-402

(VIA TELECONFERENCE)

(Tape 1, 2425)

John B. and Maria B. Reinhart

Assessor's Parcel No. 057-493-65

Legal Description Lot 116 Poacher's Cove Planned Unit Development Amended
T05N R10W S19 KN0870069

Presiding Officer Sprague read the statement of procedures. Borough Clerk Murphy swore in Mr. Reinhart.

Mr. Reinhart said the labor and materials to build his summer home totaled \$60,000 and he felt the \$87,500 valuation for the structure was excessive. Mr. Reinhart said the water and sewer was shut off to the property in the winter. A smaller structure in Poacher's Cove was assessed at \$27,000. Mr. Reinhart said he was not being assessed as all the other properties in Poacher's Cove.

Board Member Merkes asked about the trailer at the property. Mr. Reinhart said all properties in Poacher's Cove must have a trailer.

ASSESSOR'S PRESENTATION

(Tape 1, 2925)

Gary Roten, KPB Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Roten said actual construction costs did not reflect market value. Mr. Roten said many summer homes exist in the Peninsula. The other structures in Poacher's Cove were travel trailers with lean-tos. Those were indeed valued differently from the Reinhart single family residence with 1,100 square feet. The lack of insulation was reflected in the rating of the structure and an adjustment was recommended by the Assessing Department.

Board Member Merkes asked if water and sewer access for only 6 months of the year was considered in the Assessor's valuation. Mr. Roten said it was addressed under the quality rating.

Presiding Officer Sprague asked about the lack of insulation in the walls as stated by Mr. Reinhart. Mr. Roten said that would decrease the value of the structure by \$900.

Board Member Superman asked about the general construction components. Mr. Horan said the structure appeared to be of above average construction.

APPELLANT'S REBUTTAL

(Tape 2, 800)

Mr. Reinhart said there was another structure in Poacher's Cove just like his that was valued at \$27,000.

Board Members Merkes and Long asked about the other building. Mr. Reinhart said it was built by the same builder as his structure, but it was only 700 square feet.

Presiding Officer Sprague asked if the floor in Mr. Reinhart's home was insulated. Mr. Reinhart said it was not insulated.

ASSESSOR'S REBUTTAL

(Tape 2, 900)

Mr. Roten said the other structure Mr. Reinhart referred to was listed as either a lean-to or a cabin, not as a stand alone structure.

Board Member Merkes asked about the classification of a cabin. Mr. Roten said it depended on the square footage of a structure.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Reinhart appeal.

MOTION:

(Tape 2, 1100)
Merkes moved to deliberate in executive session.

MOTION PASSED:

Without objection.

[Clerk's Note: The Board recessed into executive session at 11:10 a.m. and reconvened at 11:35 a.m.]

MOTION:

Long moved to reduce the Assessor's valuation of Parcel No. 057-493-65 as follows:

Total Assessment \$98,400
(Land = \$12,700; Improvement = \$85,700)

as the appellant, John Reinhart, stated there was no insulation in the walls and floor of the structure.

VOTE ON MOTION TO REDUCE THE ASSESSOR'S VALUATION:

Yes:

Long, Merkes, Martin, Davis, Superman, Sprague

No:

None

Absent:

Glick, Fischer, Moss

MOTION PASSED:

6 Yes, 0 No, 3 Absent

APPEAL NO. 2003-403

(Tape 2, 1200)

David and Bonnie Faulk

Assessor's Parcel Nos. 147-300-08 through -19

Legal Description Harbor Lights Condominiums Units 1 through 12
T01S R01W S03 SW0900020

Mr. and Mrs. Faulk were not present at the hearing. Mr. Faulk sent a fax to the Clerk's Office after 5:00 p.m. on May 29, 2003, requesting that a statement be read into the record. The Assessing Department objected to the submittal of new documents. Attorney Koch said the document appeared to contain some testimony but the majority was Mr. Faulk's argument to the appeal.

Board Member Long asked if the document also contained evidence. Attorney Koch referred to 5.12.055(B) of the Borough Code of Ordinances which stated, "The appellant shall provide a copy of any documents or evidence relating to the assessment being appealed to the borough clerk, for the board of equalization, no later than 15 days before the board hearing on the appealed assessment." Mr. Koch said evidence was testimony. He reminded Mr. Long that the Assessing Department objected to the request for the submittal of new documents.

Presiding Officer Sprague ruled there would be no new documents submitted for the Faulk appeal with no objection from the members of the board.

ASSESSOR'S PRESENTATION

(Tape 2, 1465)

Randy Hughes, KPB Commercial Appraiser, provided an overview of the valuation as determined by the Assessing Department. Mr. Hughes noted there was a recorded document establishing the Harbor Lights Condominium Association. Mr. Hughes said there were comparable condominiums in the Seward area to assist in the valuation process. Recent inspections were performed on Units #1, #5, #6 and #10 on May 2, 2003. Maintenance Supervisor Wade Bradison provided onsite information regarding the condition of the remaining units.

Mr. Faulk's appeal papers mentioned a fee appraisal conducted by Erickson and Associates, but that report was not submitted nor made available to the Assessing Department.

Board Member Davis asked about the square footage price for the comparable units. Mr. Hughes said the figures represented the Marshall & Swift tables with quality factors taken into consideration. The comparable units appeared to be in much better condition than the Harbor Lights Condominiums.

Board Member Long asked if the income and expenses provided by Mr. Faulk were sufficient to value the properties on the income approach. Mr. Hughes said for that to be considered there would need to be several other condominiums also valued under the income approach for comparison.

With no further questions from the members of the board, Presiding Officer Sprague closed the hearing on the Faulk appeal.

MOTION: Long moved to deliberate in executive session. *(Tape 2, 3340)*

MOTION PASSED: Without objection.

[Clerk's Note: The Board recessed into executive session at 12:35 p.m. and reconvened at 1:00 p.m.]

MOTION: Long moved to increase the Assessor's valuation of the property described as follows: *(Tape 2, 3345)*

Parcel No. 147-300-08	\$93,200
(Land=\$5,800, Improvement=\$87,400)	
Parcel No. 147-300-09	\$92,000
(Land=\$5,800, Improvement=\$86,200)	
Parcel No. 147-300-10	\$92,000
(Land=\$5,800, Improvement=\$86,200)	
Parcel No. 147-300-11	\$92,000
(Land=\$5,800, Improvement=\$86,200)	
Parcel No. 147-300-12	\$89,200
(Land=\$5,800, Improvement=\$83,400)	
Parcel No. 147-300-13	\$91,300
(Land=\$5,800, Improvement=\$85,500)	
Parcel No. 147-300-14	\$95,100
(Land=\$5,800, Improvement=\$89,300)	

Parcel No. 147-300-15 \$90,200
 (Land=\$5,800, Improvement=\$84,400)
 Parcel No. 147-300-16 \$92,000
 (Land=\$5,800, Improvement=\$86,200)
 Parcel No. 147-300-17 \$89,200
 (Land=\$5,800, Improvement=\$83,400)
 Parcel No. 147-300-18 \$92,000
 (Land=\$5,800, Improvement=\$86,200)
 Parcel No. 147-300-19 \$94,200
 (Land=\$5,800, Improvement=\$88,400)
 to \$1,102,400 (land = \$69,600 and
 improvements = \$1,032,800) for the reason
 the appellants, David and Bonnie Faulk, failed
 to prove excessive valuation by the Assessing
 Department. The original values were
 undervalued and recent inspections warranted
 the increase. The appellant requested the
 income approach be used but there were not
 sufficient expenses provided. Occupancy
 rates were not supplied. The recent mortgage
 of \$1.077 Million was consistent with the
 assessed valuations. The Erickson appraisal,
 as referenced by the appellant, also supported
 the Assessing Department's valuation.

**VOTE ON MOTION TO UPHOLD THE
 ASSESSOR'S VALUATION:**

Yes:

Davis, Long, Martin, Merkes, Superman,
 Sprague

No:

None

Absent:

Glick, Fischer, Moss

MOTION PASSED:

6 Yes, 0 No, 3 Absent

ADJOURNMENT

(Tape 2, 3575)

With no further business to come before the Board of Equalization, the meeting was adjourned at 1:05 p.m.

I certify the above represents an accurate summary of the Board of Equalization hearing of May 30, 2003.

 Linda S. Murphy, Borough Clerk

Approved: _____

Kenai Peninsula Borough

Assembly Meeting Minutes

June 3, 2003 - 7:00 p.m.

Regular Meeting - Soldotna, Alaska

CALL TO ORDER

A Regular Meeting of the Kenai Peninsula Borough Assembly was held on June 3, 2003, in the Assembly Chambers, Borough Administration Building, Soldotna, Alaska. President Sprague called the meeting to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE AND INVOCATION

The Pledge of Allegiance was recited followed by the invocation given by Pastor Rick Cupp, Kenai Fellowship Church.

There were present:

Pete Sprague, Presiding
John Davis
Paul Fischer
Betty Glick
Ron Long

Milli Martin
Grace Merkes
Chris Moss
Gary Superman

comprising a quorum of the assembly.

Also in attendance were:

Dale Bagley, Borough Mayor
Colette Thompson, Borough Attorney
Linda Murphy, Borough Clerk
Sherry Biggs, Deputy Borough Clerk

COMMITTEE REPORTS

(Tape 1, 65)

Assembly Member Moss reported the Finance Committee met and addressed its lengthy agenda. Mr. Moss noted the final budget work session was completed earlier in the day.

Assembly Member Glick reported the Policies and Procedures Committee met and discussed its agenda items. Borough Attorney Colette Thompson clarified the Arctic Winter Games contract did not require the borough, in the event that it did not conduct the games, to pay the international committee or any other entity the \$5Million estimated budget amount. The contract obligates the borough and the host society to raise the funds to conduct the games, but the plan is to not incur debt.

Assembly Member Martin said the Lands Committee addressed its agenda.

Assembly Member Long said the Legislative Committee met and discussed its brief agenda. Mr. Long noted Assembly Member Glick would attend the National Association of Counties (NACo) annual conference scheduled for July 11-15, 2003. A follow-up legislative trip to Washington, DC, also in July, was briefly discussed with details to be finalized at the next assembly meeting.

MOTION: Long requested President Sprague write a letter to the borough's Congressional Delegation in support of continuing or increasing the Payment in Lieu of Taxes (PILT) program, with a copy sent to the Alaska Municipal League.

MOTION PASSED: Unanimous without objection.

APPROVAL OF AGENDA AND CONSENT AGENDA

(Tape 1, 580)

MOTION TO APPROVE AGENDAS: Glick moved for approval of the agenda and consent agenda.

President Sprague called for additions, corrections or deletions to the agenda or consent agenda.

The following item was moved from the regular agenda to the consent agenda:

- Resolution 2003-057: Authorizing the Purchase of Satellite Imagery (Mayor) (Referred to Finance Committee)

The following items were moved from the consent agenda to the regular agenda:

- Resolution 2003-065: Setting the Rate of Levy for Real and Personal Property Taxes for the Kenai Peninsula Borough and for Service Areas within the Borough for the Tax Year 2003 (Mayor) (Referred to Finance Committee)
- Resolution 2003-067: Approving the Letter of Agreement Between the Kenai Peninsula Borough and the Alaska Public Employees Association/AFT Regarding the Borough's Health Care Plan (Mayor) (Referred to Policies and Procedures Committee)

Copies having been made available to the public, Borough Clerk Linda Murphy noted by title only the resolutions and ordinances on the consent agenda.

- May 20, 2003 Regular Assembly Meeting Minutes
- Resolution 2003-057: Authorizing the Purchase of Satellite Imagery (Mayor) (Referred to Finance Committee)

- Resolution 2003-063: Authorizing Award of Contract for Replacement of Tinker Trail Bridge (Mayor) (Referred to Finance Committee)

[Clerk's Note: A technical amendment was made to Resolution 2003-063 listing the winning bidder as D & L Construction Co., Inc. in the amount of \$49,900.]

- Resolution 2003-064: Authorizing Award of Contracts for Nine Road Capital Improvement Projects, Group B (Mayor) (Referred to Finance Committee)

[Clerk's Note: Technical Amendments were made to Resolution 2003-064 as follows:

S03-01	Mary Lane, Sanford Drive Dorothy Dr	<u>East Road Services</u>	<u>\$138,379.90</u>
S03-02	Glacier View Road	<u>Northfield Enterprises</u>	<u>\$68,531.00</u>
S03-05	S. Trail Ct, Trail Mountain Ct Trail Mountain Rd, Aurora Cir	<u>East Road Enterprises</u>	<u>\$99,767.55</u>
C03-03	Mann Rd, Carty Ln	<u>Norris & Son's Contractors</u>	<u>\$92,908.00</u>
C03-04	Silver Salmon Dr, Gene St, King Salmon Dr	<u>Ross Services Excavating</u>	<u>\$79,316.20</u>
C03-05	Adkins Rd, Whale of a Tail	<u>CIC, Inc.</u>	<u>\$110,102.60</u>
C03-06	Otter Trail	<u>CIC, Inc.</u>	<u>\$76,564.05</u>
N03-02	Bastien Dr	<u>Raven Contractors, Inc.</u>	<u>\$61,903.38</u>
N03-04	Tenakee Loop, English Av, Ramona St]	<u>Raven Contractors, Inc.</u>	<u>\$49,961.97</u>

- Resolution 2003-066: Authorizing the Acceptance of Late-Filed Senior Citizen Exemption Applications (Mayor) (Referred to Policies and Procedures Committee)
- Ordinance 2002-19-42: Appropriating \$7,040,000 in General Obligation Bond Proceeds to the Bond Capital Projects Fund for Central Peninsula Landfill Expansion Project (Mayor) (Hearing on 07/08/03) (Referred to Finance Committee)
- Ordinance 2003-22: Establishing the Kenai Peninsula Borough Trails Service Area (Mayor, Martin) (Hearings on 07/08/09 & 08/05/03) (Referred to Lands Committee)
- Ordinance 2003-23: Amending KPB 17.10 by Deleting the Requirement for Mandatory Deed Restrictions (Mayor) (Hearing on 07/08/03) (Referred to Lands Committee)
- Ordinance 2003-24: Approving the Proposed Budget for Funds to be Provided to the Kenai Peninsula Arctic Winter Games Host Society and Authorizing the Kenai Peninsula Borough to Exercise Powers Necessary to Participate in the 2006 Arctic Winter Games (Mayor) (Hearing on 07/08/03) (Referred to Policies and Procedures Committee and Finance Committee)
- Petition to vacate Redpoll Way, Plane Circle, temporary turnaround and associated utility easements within Lot 1A, dedicated and granted by Veil O'Mist No. 08 (Plat KN 85-179);

within Section 5, Township 5 North, Range 8 West, Seward Meridian, Alaska; and within the Kenai Peninsula Borough. KPFB File 2003-064; Location: North of Sterling Highway off Otter Trail Road (Referred to Lands Committee)

[Clerk's Note: The Planning Commission approved the above referenced vacation by unanimous consent at its regularly scheduled May 12, 2003 meeting.]

President Sprague called for public comment.

(Tape 1, 875)

Ruby Kime, Alice Avenue, Ninilchik, AK, spoke in opposition to Resolution 2003-057.

The following people spoke in opposition to Ordinance 2003-24:

James Price, Island Lake Road, Nikiski, AK

Gary Cadd, PO Box 1995, Kenai, AK

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

AGENDAS APPROVED AS AMENDED: Without objection.

COMMENDING RESOLUTIONS AND PROCLAMATIONS

(Tape 1, 1530)

Mayor Bagley proclaimed June 5, 2003 as National Hunger Awareness Day and presented the proclamation to Linda Swarner, executive director of the Kenai Peninsula Food Bank.

PUBLIC COMMENTS AND PRESENTATIONS

(Tape 1, 1675)

Joe Donahue, of JD's Professional Assistance, provided an update on a recent Economic Development District project, "Analysis of the Peninsula's Vocational Education and Workforce Development Efforts."

Gary Cadd, PO Box 1990, Kenai, AK, encouraged the assembly to revisit Resolution 2003-043 regarding the Patriot Act.

REPORTS OF COMMISSIONS AND COUNCILS - None.

MAYOR'S REPORT

(Tape 1, 2120)

1. Agreements and Contracts
 - a. Spruce Bark Beetle Mitigation Program:
 - Contract with Alaska Clear Cut Land Clearing for Woodman Lane Right of Way Project

- Contract with Paul's Services for Cannery Road Log Removal Project (Chinulna Drive, Minke Drive, Mallard Road)
 - Contract with Doug Koch for Sanford Drive Right of Way Project
 - Contract with Doug Koch for Cottonfield Avenue Right of Way Project
- b. Approval of contract with 2 Bears Trucking for Calcium Chloride Application to North Region Roads
 - c. Approval of contract with 2 Bears Trucking for Calcium Chloride Application to Central Region Roads
 - d. Approval of contract with T & C Enterprises for Calcium Chloride Application to South Region Roads
 - e. Approval of contract with METCO, Inc. for Calcium Chloride Application to East Region Roads
 - f. Approval of contract with Julie McElroy for Kasilof River Bank Restoration
 - g. Approval of contract with AMC Engineers for Hot Water Piping and Storage System for Nikiski Pool
 - h. Approval of contract with Kluge & Associates for Seldovia Community Education Center Design Services
 - i. Approval of contract with Hart Crowser Inc. for Stormwater Management Study at Homer Landfill
 - j. Approval of bid award to Dales Floor Coverings., LLC for Soldotna High School and School District Media Center Flooring Replacement Project - 2003
 - k. Approval of bid award to Dales Floor Covering, LLC for Kenai Central High School Flooring Replacement Project - 2003
 - l. Approval of bid award to Floor Center, LLC for North Star Elementary School Flooring Replacement Project - 2003
 - m. Approval of Waste Disposal Agreements between KPB and Clipper Cruise Line, Seawise Foundation, Inc., Hapag-Lloyd Container Line, Celebrity, Princess, Holland America and Cruise West Cruise Lines for offloading solid waste to the Homer and Seward Baling Facilities
 - n. Agreement between KPB and Niniichik Emergency Services for loan of Tanker Pumper Truck from CES

PUBLIC HEARINGS ON ORDINANCES

(Tape 1, 2145)

Ordinance 2002-19-40: Accepting and Appropriating \$38,800 from the U.S. Department of Interior, U.S. Fish and Wildlife Service, for a Challenge Cost Share Agreement to Complete a Fuel Model Map for the Kenai National Wildlife Refuge (Mayor) (Referred to Finance Committee)

MOTION: Moss moved to enact Ordinance 2002-19-40.

Assembly Member Moss said the project would complete an ongoing vegetation classification map of the refuge.

President Sprague called for public comment.

Fred Sturman, PO Box 513, Soldotna, AK, spoke in opposition to Ordinance 2002-19-40.

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

VOTE ON MOTION TO ENACT: Unanimous.

(Tape 1, 2260)

Ordinance 2002-19-41: Accepting a Grant from the Alaska Department of Natural Resources in the Amount of \$30,000 for Jacob’s Ladder Trail Improvements and Appropriating the Grant and Matching Funds (\$20,000) to a Project Account (Mayor) (Referred to Finance Committee)

MOTION: Moss moved to enact Ordinance 2002-19-41.

Assembly Member Moss said the project would improve beach access in the Nikiski area, specifically the Gray Cliff and Moose Point Subdivisions.

(Tape 1, 2700)

Assembly Member Glick stated the original intent in creating these subdivisions was that the borough would not be obligated to provide road maintenance.

Assembly Member Merkes said the property owners in those subdivisions also paid road service area taxes and deserved reasonable access.

President Sprague called for public comment with none being offered.

VOTE ON MOTION TO ENACT:

Yes: Fischer, Davis, Merkes, Martin, Long, Moss, Superman, Sprague

No: Glick

Absent: None

MOTION TO ENACT PASSED: 8 Yes, 1 No, 0 Absent

Ordinance 2003-16: Amending KPB 14.40.060(B) Regarding Mandatory Conditions on All Right-of-Way Permits (Mayor at the Request of the Road Service Area Board) (Referred to Lands Committee)

MOTION: Martin moved to enact Ordinance 2003-16.

President Sprague called for public comment with none being offered.

MOTION TO ENACT PASSED: Unanimous.

MOTION: Merkes moved to suspend the rules and address Resolution 2003-067 as the next item of business.

MOTION PASSED: Without objection.

Resolution 2003-067: Approving the Letter of Agreement between the Kenai Peninsula Borough and the Alaska Public Employees Association/AFT Regarding the Borough's Health Care Plan (Mayor) (Referred to Policies and Procedures Committee)

MOTION: Glick moved to adopt Resolution 2003-067.

Assembly Member Glick said state employees were being discriminated against with this proposed cost shifting plan.

President Sprague called for public comment.

Dick Krapp, Box 92, Sterling, AK, spoke on behalf of the Kenai Borough Employees Association, Local 6140. Mr. Krapp said this modification to the employee health insurance plan would protect the borough against cost shifting by other health care programs.

In response to a question from President Sprague, Mr. Krapp said the State of Alaska plan would no longer pay 80% for spouses' costs, but 20%. The Mat-Su Borough recently changed its plan by adopting language similar to that contained in the resolution before the assembly.

Erin Lockwood, 37085 Hillcrest Street, Soldotna, AK, was a 19+ year borough employee married to a state worker. Ms. Lockwood said all other spouses were provided 80% coverage, but those spouses who were state employees and their dependent children would only have 20% coverage under the borough plan. Ms. Lockwood said this was very unfair and was targeting a select few. Ms. Lockwood suggested that all spouses and dependents have the same coverage under the borough health plan.

Richard Campbell, Director of General Services, said the goal with this change was to not have other companies shift their costs to the borough.

Assembly Member Glick asked if this was truly a cost savings measure for the borough. Mr. Campbell said there was no immediate savings but this measure would provide a safe guard against higher than expected costs.

Assembly Member Long asked if this change should go before the bargaining unit. Ms. Lockwood said there were comments made at an association meeting, but this was not voted on by the membership.

Assembly Member Martin asked if there was now going to be a difference between employees. Mr. Campbell did not know how many borough employees had spouses who worked for the State of Alaska, but saw this as a coming trend and encouraged the borough to protect itself against cost shifting by other health plans.

Harry Lockwood, 37085 Hillcrest Street, Soldotna, AK, said this change was not equitable for all borough employees.

Assembly Member Superman asked about the 20% co-payment. Mr. Lockwood suggested a 50-50 split between borough and state medical coverage payments.

VOTE ON MOTION TO ADOPT:

Yes:	Davis, Fischer, Martin, Merkes, Moss, Long, Superman, Sprague
No:	Glick
Absent:	None
MOTION TO ADOPT PASSED:	8 Yes, 1 No, 0 Absent

(Tape 2, 860)

Ordinance 2003-19: Appropriating Funds for Fiscal Year 2003-2004 (Mayor)
(Final Hearing) (Referred to Finance Committee)

[Clerk's Note: There was a motion to enact on the floor from the May 20, 2003 meeting.]

Assembly Member Moss said the final budget works session concluded earlier in the day.

President Sprague called for public comment.

The following people requested frugality and fiscal restraint with the borough budget:

Ruby Kime, Alice Avenue, Ninilchik, AK
Fred Sturman, PO Box 513, Soldotna, AK
James Price, PO Box 7043, Nikiski, AK

The following people spoke in favor of continued funding support for the Economic Development District:

Stan Steadman, 252 Marydale Avenue, Soldotna, AK
John Froenip, City Manager of Seldovia and member of the EDD Board

Barry Creighton, Burdock Road (Ionia), Kasilof, AK
Kathy Creighton, Burdock Road (Ionia), Kasilof, AK
Dan Ungrue, PO Box 1427, Kenai, AK
Gary Cadd, PO Box 1995, Kenai, AK

The following people spoke in favor of continued funding for the Kenai Peninsula Tourism Marketing Council (KPTMC):

Jillian Simpson, president of the KPTMC board of directors
Ricky Gease, PO Box 700, Kenai, AK, vice president of KPTMC board of directors

The following people spoke in favor of funding the Cook Inlet salmon branding project:

Fred West, Tote Road, Kasilof, AK
Debra Holle, Box 592, Kasilof, AK
Mark Powell, 46655 Kenai Spur Highway, Nikiski, AK

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

MOTION:

Moss moved to amend Ordinance 2003-19 as follows:

(Tape 2, 2550)

Transfer \$50,000 from Community and Economic Development Division (CEDD) Account No.100.11225.43011 to Economic Development District (EDD) Account No. 100.94910.43009.

Assembly Member Long spoke in favor of the amendment.

Assembly Member Superman spoke in opposition to the amendment.

VOTE ON MOTION TO AMEND:

Yes:

Moss, Long, Merkes, Martin, Glick, Sprague

No:

Superman, Fischer, Davis

Absent:

None

MOTION TO AMEND PASSED:

6 Yes, 3 No, 0 Absent

(Tape 2, 2930)

MOTION:

Martin moved to amend Ordinance 2003-19 as follows:

Transfer \$25,000 from Central Area Rural Transit System (CARTS) Account No. 100.94910.43010 to EDD Account No. 100.94910.43009.

Assembly Member Davis asked his colleagues from Homer and Seward about the proposed CARTS expansion to their respective areas. Assembly Members Martin and Long said they had no strong input from their constituents requesting services in Homer and Seward.

MOTION: Merkes moved to divide the question.

(Question #1 = Decreasing funding for CARTS by \$25,000.)

(Question #2 = Increase funding for EDD by \$25,000.)

MOTION PASSED: Without objection.

MOTION TO AMEND: Davis moved to amend Question #1 to specifically eliminate the CARTS expansion programs in Homer and Seward.

VOTE ON MOTION TO AMEND:

Yes: Glick, Davis, Martin, Merkes, Long, Superman, Sprague

No: Fischer, Moss

Absent: None

MOTION TO AMEND PASSED: 7 Yes, 2 No, 0 Absent

VOTE ON QUESTION #1 AS AMENDED:

Yes: Davis, Glick, Martin, Merkes, Moss, Long, Fischer, Sprague

No: Superman

Absent: None

QUESTION #1 AS AMENDED PASSED: 8 Yes, 1 No, 0 Absent

Assembly Member Moss spoke in opposition to additional funding to EDD.

VOTE ON QUESTION #2:

Yes: Davis, Glick, Long, Martin

No: Moss, Fischer, Merkes, Superman, Sprague

Absent: None

QUESTION #2 FAILED: 4 Yes, 5 No, 0 Absent

(Tape 2, 3480)

MOTION: Long moved to increase the budget by \$50,000, distributing in accordance with the funding formula, to the following senior programs: Anchor Point, Cooper Landing, Homer, Kenai, Ninilchik, Seward, Seldovia, Soldotna, and Sterling.

VOTE ON MOTION TO AMEND:

Yes:	Fischer, Davis, Long, Martin, Merkes, Superman, Glick
No:	Moss, Sprague
Absent:	None
MOTION TO AMEND PASSED:	7 Yes, 2 No, 0 Absent

MOTION: Glick moved to amend Ordinance 2003-19 as follows:

Eliminate \$50,000 funding to CARTS
Account No. 100.94910 .43010.

Assembly Member Moss spoke in favor of the amendment.

Assembly Member Davis asked the Attorney Thompson to explain how the borough took on transportation powers. Attorney Thompson said AK statues allowed second class boroughs to adopt transportation powers by ordinance.

Assembly Member Martin spoke in opposition to the amendment and requested a ballot proposition or the establishment of a service area to fund transportation needs.

Assembly Member Fischer spoke in favor of the amendment.

Assembly Members Superman and Davis spoke in opposition to the amendment.

VOTE ON MOTION TO AMEND:

Yes:	Fischer, Glick, Moss
No:	Davis, Martin, Merkes, Long, Superman, Sprague
Absent:	None
MOTION TO AMEND FAILED:	3 Yes, 6 No, 0 Absent

(Tape 3, 450)

MOTION: Glick moved to amend Ordinance 2003-19 as follows:

Eliminate \$190,000 funding to Cook Inlet
Regional Citizens Advisory Council
(CIRCAC) Account No. 100.94910.43011.

Assembly Member Glick suggested the Municipality of Anchorage and Kodiak Island Borough pay for a share of CIRCAC funding.

Assembly Members Merkes and Martin spoke in opposition to the amendment.

VOTE ON MOTION TO AMEND:

Yes: Fischer, Glick
No: Long, Davis, Moss, Martin, Merkes,
Superman, Sprague

Absent: None

MOTION TO AMEND FAILED: 2 Yes, 7 No, 0 Absent

(Tape 3, 715)

MOTION: Glick moved to amend Ordinance 2003-19 as follows:

Delete \$70,000 from Account No. 100.94910.43011, thereby eliminating a federal lobbyist for the borough.

Assembly Member Fischer spoke in favor of the amendment.

Assembly Member Long spoke in opposition to the amendment.

(Tape 3, 1115)

The gavel was passed to Vice President Superman. President Sprague spoke in favor of the amendment. The gavel was returned to Assembly President Sprague.

VOTE ON MOTION TO AMEND:

Yes: Fischer, Davis, Glick, Sprague
No: Long, Martin, Moss, Merkes, Superman

Absent: No

MOTION TO AMEND FAILED: 4 Yes, 5 No, 0 Absent

(Tape 3, 1200)

MOTION: Moss moved to amend Ordinance 2003-19 as follows:

Increase the Coastal Zone Management program funding by \$8,869 to reflect changes in the state funding level and local matching requirements, as recommended by the administration.

MOTION TO AMEND PASSED: Unanimous.

MOTION: Moss moved to amend Ordinance 2003-19 as follows:

Decrease the Medical Malpractice line item for Bear Creek Fire Service Area by \$1,500 as it was no longer needed, per the administration.

MOTION TO AMEND PASSED: Unanimous.
MOTION: Fischer moved to amend Ordinance 2003-19 as follows:
Eliminate \$287,000 funding for CPGH-Serenity House Account No. 600.81110.50600. (Tape 3, 1320)

Assembly Member Superman spoke in favor of the amendment.

VOTE ON MOTION TO AMEND:
Yes: Fischer, Glick, Superman
No: Long, Davis, Merkes, Martin, Moss, Sprague
Absent: None
MOTION TO AMEND FAILED: 3 Yes, 6 No, 0 Absent (Tape 3, 1690)

MOTION: Merkes moved to amend Ordinance 2003-19 as follows:
Delete \$75,000 from Account No. 100.94910.43011, designated for cost associated with accepting and processing animals from the areas outside of the cities.

VOTE ON MOTION TO AMEND:
Yes: Merkes, Glick, Martin, Fischer, Superman, Sprague
No: Moss, Davis, Long
Absent: None
MOTION TO AMEND PASSED: 6 Yes, 3 No, 0 Absent (Tape 3, 1760)

MOTION: Glick moved to amend Ordinance 2003-19 as follows:
Delete \$25,200 for Arctic Winter Games office space rent from Account No. 100.11225.43810.

VOTE ON MOTION TO AMEND:
Yes: Glick, Fischer, Merkes, Moss, Martin, Long, Sprague
No: Davis, Superman
Absent: None
MOTION TO AMEND PASSED: 7 Yes, 2 No, 0 Absent (Tape 3, 1890)

MOTION: Moss moved to amend Ordinance 2003-19 as follows:

Delete \$12,500 for Peninsula Promotion from Account No. 100.94910.43021.

VOTE ON MOTION TO AMEND:

Yes: Moss, Martin, Merkes, Fischer, Long, Superman, Sprague

No: Davis, Glick

Absent: None

MOTION TO AMEND PASSED: 7 Yes, 2 No, 0 Absent

(Tape 3, 1985)

MOTION: Merkes moved to extend the legislative deadline by one half hour to midnight.

MOTION PASSED: Without objection.

(Tape 3, 2070)

Based on the above amendments, Finance Director Jeff Sinz read the following corrected figures for Ordinance 2003-19, resulting in a total reduction of \$80,331:

“Section 1. That \$55,725,452 [\$55,804,283] is appropriated in the General Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004 as follows:

General Government Operations	<u>\$12,994,886</u>	[\$13,077,492]
Nikiski Senior Service Area	<u>\$30,200</u>	[\$26,425]

Section 4. That the appropriations for the Special Revenue Funds for the fiscal year beginning July 1, 2003 and ending June 30, 2004 are as follows:

Bear Creek Fire Service Area	<u>\$211,491</u>	[\$212,991]”
------------------------------	------------------	--------------

VOTE ON MOTION TO ENACT AS AMENDED:

Yes: Davis, Moss, Merkes, Martin, Long, Superman, Sprague

No: Fischer, Glick

Absent: None

MOTION TO ENACT AS AMENDED PASSED: 7 Yes, 2 No, 0 Absent

NEW BUSINESS

(Tape 3, 2200)

Resolution 2003-065: Setting the Rate of Levy for Real and Personal Property Taxes for the Kenai Peninsula Borough and for Service Areas within the Borough for the Tax Year 2003 (Mayor) (Referred to Finance Committee)

MOTION: Moss moved to adopt Resolution 2003-065.

President Sprague called for public comment with none being offered.

MOTION: Fischer moved to amend Resolution 2003-065 as follows:

Amend Section 1 to read, "That the rate of levy of taxes on all real and personal property within the Kenai Peninsula Borough for the tax year 2003 is hereby set at 6.00 [6.50] on each one dollar of assessed value..."

Assembly Member Long noted there was a .5 mill reduction for the past two years. Mr. Long spoke in opposition to the amendment.

VOTE ON MOTION TO AMEND:

Yes: Fischer, Glick, Davis
No: Long, Martin, Merkes, Moss, Superman, Sprague
Absent: None
MOTION TO AMEND FAILED: 3 Yes, 6 No, 0 Absent

MOTION: Fischer moved to amend Resolution 2003-065 as follows:

Amend Section 1 to read, "That the rate of levy of taxes on all real and personal property within the Kenai Peninsula Borough for the tax year 2003 is hereby set at 6.40 [6.50] on each one dollar of assessed value..."

Assembly Member Superman spoke in opposition to the amendment.

VOTE ON MOTION TO AMEND:

Yes: Fischer, Merkes
No: Martin, Moss, Long, Davis, Glick, Superman, Sprague
Absent: None
MOTION TO AMEND FAILED: 2 Yes, 7 No, 0 Absent

VOTE ON MOTION TO ADOPT AS AMENDED:

Yes: Merkes, Martin, Moss, Davis, Long, Superman, Sprague
No: Fischer, Glick
Absent: None
MOTION TO ADOPT AS AMENDED: 7 Yes, 2 No, 0 Absent

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

Fred Sturman, PO Box 513, Soldotna, AK, expressed his thoughts on the state and local economy.

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

- Board of Adjustment 10:00 AM June 4, 2003 Soldotna
 - Special Election June 10, 2003 Lowell Point
 - Board of Equalization 09:00 AM June 12, 2003 Soldotna
 - Special Assembly Meeting 08:30 AM June 13, 2003 Soldotna
 - Board of Equalization 09:00 AM June 13, 2003 Soldotna
 - Public Hearing 06:00 PM June 16, 2003 Seward
 - Board of Equalization 11:00 AM June 17, 2003 Soldotna
 - Special Election July 1, 2003 S. Pen Hospital
- The next meeting of the Kenai Peninsula Borough Assembly was scheduled for June 17, 2003, at 7:00 p.m. in the Assembly Chambers, Borough Administration Building, Soldotna, Alaska.

ASSEMBLY COMMENTS

Assembly Member Martin announced the Kids All American Fishing Derby in Anchor Point was scheduled for Saturday, June 7, 2003.

Assembly Member Davis was concerned with beetle killed spruce in the Kenai National Wildlife Refuge.

Assembly Member Glick wished a Happy Birthday to Linda Murphy, Sherry Biggs and Johni Blankenship from the Clerk’s Office.

Assembly Member Long thanked the administration for the work on the budget.

Assembly President Sprague thanked the staff, assembly and administration for the budget preparation. Mr. Sprague noted the borough had received a “Distinguished Budget Presentation Award” from the Government Finance Officers Association. President Sprague thanked Sue Ellen Essert and Johni Blankenship from the Clerk’s Office for their work on the South Peninsula Hospital Service Area Special Election.

Mayor Bagley thanked Terry Eubank, Craig Chapman, Cathey Wallace, and Jeff Sinz for their assistance with the budget document.

ADJOURNMENT

Having reached the mandatory adjournment time of 12:00 a.m., the meeting was adjourned.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of June 3, 2003.

Linda S. Murphy, Borough Clerk

Approved by Assembly: _____

Kenai Peninsula Borough

Board of Adjustment Minutes

Borough Assembly Chambers

June 4, 2003

A. CALL TO ORDER AND ROLL CALL

The Kenai Peninsula Borough Assembly convened as a Board of Adjustment on June 4, 2003, in the Assembly Chambers of the Borough Administration Building in Soldotna, Alaska. Chairman Sprague called the hearing to order at 10:00 a.m.

There were present:

Pete Sprague, Presiding
Betty Glick
Grace Merkes

Chris Moss
Gary Superman

comprising a quorum of the board.

Absent:

John Davis (excused)
Paul Fischer (excused)
Ron Long (excused)
Milli Martin (excused)

Also in attendance were:

Kevin Koch, Attorney for the Board of Adjustment
Linda Murphy, Borough Clerk
Sherry Biggs, Deputy Borough Clerk

Appeal of the Planning Commission's Decision to Uphold the December 9, 2002 Plat Committee Approval of Ware Subdivision (Final Plat) (KPB File No. 2001-175)

Chairman Sprague reviewed the Board of Adjustment procedures.

(Tape 1, 75)

Planning Director Max Best provided an overview of the Planning Commission's decision to uphold the Plat Committee's approval of the Ware Subdivision.

B. APPELLANTS - Lance and Marsha Ware

(Tape 1, 140)

Marsha Ware, suggested the approval be remanded to the Planning Commission. Ms. Ware said she and her husband had never received notification of the plat committee public hearings. Ms.

Ware stated they had paid property taxes on a portion of the homestead parcel to the borough for over 20 years, yet had not been recognized as affected parties or parties of record. Ms. Ware expressed her concern regarding the proposed roadway which failed to connect to any public right of way. Ms. Ware said there were existing improvements within the proposed 60 foot right of way. Ms. Ware stated the survey stakes for the proposed right of way were in wetlands. Ms. Ware asked the recording of the final plat be postponed until all disputes were settled.

C. PERSONS FILING ENTRIES OF APPEARANCE SUPPORTING APPELLANT *(Tape 1, 450)*

Lance Ware of Mackinaw Ventures had filed an entry of appearance, but Appellant Marsha Ware stated he was out of town.

D. APPELLEE - None.

Appellee failed to file an opening argument and therefore did not participate in the hearing.

E. PERSONS FILING ENTRIES OF APPEARANCE SUPPORTING APPELLEE'S POSITION - None.

F. APPELLANT'S REBUTTAL - None.

MOTION:

Merkes moved to deliberate in executive session. *(Tape 1, 490)*

MOTION PASSED:

Without objection.

[Clerk's Note: The board began deliberations in executive session at 10:15 a.m. and reconvened at 11:50 a.m.]

I. DELIBERATIONS

MOTION:

Moss moved to deny the appeal of Lance and Marsha Ware of the final plat approval of the Ware Subdivision. Mr. Moss noted that written findings would be issued within 30 days if this motion passed. *(Tape 1, 500)*

VOTE ON MOTION TO DENY THE APPEAL:

Yes:

Glick, Merkes, Moss, Superman, Sprague

No:

None

Absent:

Davis, Fischer, Long, Martin

MOTION PASSED:

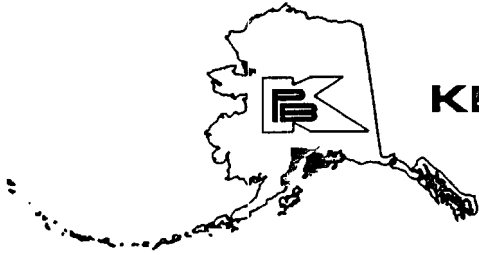
5 Yes, 0 No, 4 Absent *(Tape 1, 535)*

There being no further business, Chairman Sprague adjourned the Board of Adjustment at 11:55 a.m.

I certify the above represents an accurate summary of the Board of Adjustment hearing of June 4, 2003.

Linda S. Murphy, Borough Clerk

Approved: _____



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907)262-1892

DALE BAGLEY
MAYOR

MAYOR'S REPORT TO THE ASSEMBLY

TO: Pete Sprague, Assembly President
Kenai Peninsula Borough Assembly Members

FROM: *DLB* Dale L. Bagley, Borough Mayor

DATE: June 17, 2003

Agreements and Contracts

1. Spruce Bark Beetle Mitigation Program:
 - Contract with Paul's Services for removal of slash piles from Kasilof River State Campground.
2. Approval of contract with Hart Crowser, Inc. for Stormwater Management Study at Homer Landfill.
3. Approval of contract with Steve T. Goniotakis for Technical Laboratory Consulting Services at CES.
4. Approval of bid award to Russ Construction for Soldotna High School Gym Floor Renovation.
5. Approval of contract amendment for Extension of External Audit Contract with Mikunda Cottrell & Company.
6. Approval of Waste Disposal Agreements between KPB and V- Ships Leisure S.A.M and Royal Caribbean Cruise Lines for offloading solid waste to the Homer and Seward Baling Facilities.
7. Memorandum of Agreement between KPB, Nikiski Fire Service Area and North Peninsula Recreation Service Area for placement of two Automated External Defibrillators in the Nikiski pool area.
8. Memorandum of Agreement between KPB, Nikiski Fire Service Area and Nikiski Senior Citizens, Inc for placement of an Automated External Defibrillator at the Nikiski Senior Center.

Other

9. Budget Revisions – May 2003.
10. Revenue-Expenditure Report – May 2003.
11. Litigation Status Report.

DB/bd

Contractor's Printed Name:
Paul's Services
 Contractor's Federal Tax Identification Number:
92-0046718
 Kasilof River Campground Slash Removal Project.
 Job/Service Provided:



PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
 THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
 SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

PURCHASING DEPARTMENT
 144 North Binkley Street
 Soldotna, AK 99669
 907-262-4441

MAYOR'S REPORT

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S)

Contractor will provide all labor and equipment to perform SBB Mitigation work. This work involves the removal of approximately 20 piles of slash (woody debris) from the Kasilof River State Campground Kasilof, Alaska for the Sum Not To Exceed price of \$750.00 (Seven Hundred Fifty Dollars and No Cents). Material left on site to be minimal (slash depth less than 1 1/2 inches). The SBB Office bid this project informally and three quotes were received. Paul's Services was the successful low responsive bidder.

Account Distribution: 262.21320. *GOBTR.45011*

Routed From
 Mayor's Office to:

- Clerk *original*
- Assembly
- Legal
- Finance *W. H. H. H.*
- Assessing
- Planning
- Roads
- SBB
- Purchasing
- Other

Contractor's compensation will be: Not To Exceed Seven Hundred Fifty Dollars and No Cents

Date: 6-5-03

Not to exceed \$750.00

Insurance, if required: Auto \$ 1,000,000.00 CGL \$ 1,000,000.00 E & O \$ 0.00

Time schedule for performance will be: Project to be completed within five (5) days after execution of contract

The following attachments are incorporated herein by reference: Request For Quotes Slash Removal from Kasilof River State Campground; Bid Tally Request For Quotes Slash Removal from Kasilof River State Campground

MAYOR'S REPORT

BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT INCLUDING THE PROVISIONS CONTAINED ON THE REVERSE OF THIS FORM

CONTRACTOR SIGNATURE *X Paul Koolerich* DATE _____

CONTRACTOR ADDRESS & PHONE NUMBER:

Paul's Services .
 P.O. Box 836
 Homer, AK 99556
 907-235-8405 or 907- 399-4528

ACCEPTANCE BY KENAI PENINSULA BOROUGH:

RECOMMENDED BY:
Kalvin Wilgus 6/3/03
 DEPARTMENT DIRECTOR OR DESIGNEE DATE

APPROVED AS TO FORM:
[Signature] 6/5/03
 MARK FOWLER DATE
 PURCHASING & CONTRACTING

PURCHASE ORDER NO. PO16264
Dale L. Brady 6/5/03
 MAYOR OR DESIGNATED OFFICIAL DATE

Contractor's Printed Name:
Hart Crowser Inc.
Contractor's Federal Tax Identification Number:



PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

PURCHASING DEPARTMENT
144 North Binkley Street
Soldotna, AK 99669
907-262-4441

MAYOR'S REPORT

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S):

Professional Services for the Homer Landfill Stormwater Management Study, as set forth in Hart Crowser's proposal No. 03-4-1200-058 dated April 17, 2003, and the Borough's Request for Proposal dated April 4, 2003.

Professional Services 290.32310.43011

Routed From
Mayor's Office to
Clerk *Original*
Assembly
Legal
Finance *Wallace*
Assessing
Planning
Roads
SBB
Purchasing
Other *Cathy Meyer*
Date: 6-2-03

58

Contractor's compensation will be

Thirteen Thousand Six Hundred Three Dollars and 40/100 Cents

Not to exceed \$ **13,603.40**

Insurance, if required: Auto \$ 1,000,000 CGL \$ 1,000,000 E & O \$ NA

Time schedule for performance will be estimated project completion date June 30, 2003

The following attachments are incorporated herein by reference: Hart Crowser proposal No. 03-4-1200-058, and Borough's RFP dated April 4, 2003.

MAYOR'S REPORT

BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT INCLUDING THE PROVISIONS CONTAINED ON THE REVERSE OF THIS FORM

CONTRACTOR ADDRESS & PHONE NUMBER:

Hart Crowser Inc.
2550 Denali St., Suite 705
Anchorage, AK 99503-2737

CONTRACTOR SIGNATURE

X James O. [Signature]

DATE 5/23/03

RECOMMENDED BY:

Catherine Meyer 5/28/03
DEPARTMENT DIRECTOR OR DESIGNEE DATE

APPROVED AS TO FORM:

MA
BOROUGH ATTORNEY DATE
(If hiring attorney or if unusual circumstances)

ACCEPTANCE BY KENAI PENINSULA BOROUGH:

PURCHASE ORDER NO. P 016201
Wale L Bayley 6/2/02
MAYOR OR DESIGNATED OFFICIAL DATE

Contractor's Printed Name:
Steve T. Goniotakis
 Contractor's Federal Tax Identification Number:
529-21-0050
 Job/Service Provided:
Technical Laboratory Consulting Services



PROPOSAL TO CONTRACT FOR SERVICES
KENAI PENINSULA BOROUGH
 THIS PROPOSAL BECOMES A CONTRACT WHEN ACCEPTED AND
 SIGNED BY THE MAYOR OR HIS DESIGNATED OFFICIAL

PURCHASING DEPARTMENT
 144 North Binkley Street
 Soldotna, AK 99669
 907-262-4441

MAYOR'S REPORT

CONTRACTOR WILL PROVIDE THE KENAI PENINSULA BOROUGH THE FOLLOWING SERVICE(S)
 Technical consulting services to implement Federal CLIA Laboratory license.

NOTE: Section 8 of the General Conditions is deleted per Risk Manager and Purchasing Officer.

Routed From
 Mayor's Office to:
 Clerk original
 Assembly _____
 Legal _____
 Finance ✓ Wallace
 Assessing _____
 Planning _____
 Roads _____
 SBB _____
 Purchasing ✓
 Other ✓ CES-dup original
 Date: 5/27/03

ACCOUNT DISTRIBUTION: 211.51610.43011

DEPARTMENT/SERVICE AREA: Central Emergency Services

Contractor's compensation will be:
 A flat fee of Five thousand dollars. Method of payment; Seventy-five percent to be paid after the initial CLIA Lab inspection and the remaining twenty-five percent to be paid at the time of final CLIA acceptance. \$5,000.00

Insurance, if required: Auto \$ N/A CGL \$ N/A E & O \$ N/A

Time schedule for performance will be Completion by December 31, 2003

The following attachments are incorporated herein by reference: Scope of work proposal labeled "Attachment A"

MAYOR'S REPORT

BY SIGNING BELOW, THE CONTRACTOR HEREBY AFFIRMS THAT HE OR SHE HAS READ AND ACCEPTS ALL TERMS AND CONDITIONS OF THIS CONTRACT INCLUDING THE PROVISIONS CONTAINED ON THE REVERSE OF THIS FORM

CONTRACTOR SIGNATURE X [Signature] DATE 5-20-03

CONTRACTOR ADDRESS & PHONE NUMBER:

P.O. Box 461 Kenai, AK 99611
 (907) 223-5886

RECOMMENDED BY: [Signature] DATE 05/20/03
 DEPARTMENT DIRECTOR OR DESIGNEE DATE

APPROVED AS TO FORM: [Signature] DATE _____
 MARK FOWLER PURCHASING & CONTRACTING DATE

ACCEPTANCE BY KENAI PENINSULA BOROUGH:
 PURCHASE ORDER NO. 0016078
Dale L Bagby 5/27/03
 MAYOR OR DESIGNATED OFFICIAL DATE

PROPOSAL FOR LABORATORY CONSULTING SERVICES

I-STAT instrumentation and Clinical implementation

FOR

CENTRAL EMERGENCY SERVICES

Proposed Services as follows:

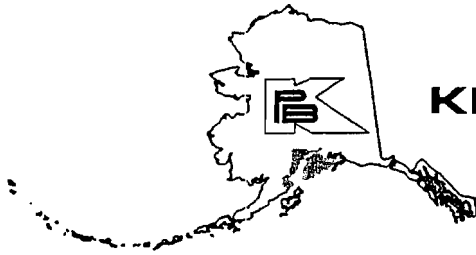
- Write and implement proper procedure for use of the i-Stat instrument.
- Provide liaison services between the CPGH laboratory and CES regarding the I-STAT instrument to ensure quality control and quality assurance standards are met.
- Ensure that all CLIA standards as approved by the CES Medical Director, are met regarding the clinical use of the I-STAT Instrument to include:
- Proper training of all CES personnel to operate the I-STAT instrument correctly with regard to the following:

- Sample collection
- Sample handling
- Quality control
- Cartridge care and handling
- Test procedures
- Interfering substances
- Critical values recognition and reporting

- Documentation of personnel training records and evaluations
- Quality control records
- Proficiency testing reports
- Oversight of Weekly, quarterly, and annual proficiency testing
- Instrument maintenance records, function checks and temperature logs when applicable
- Quality assurance plan and documentation
- Safety protocol

\$5,000.00 for technical services rendered under this scope of work

Steve T. Goniotakis, PA-C, MT(ASCP)
PO BOX 461
Kenai, AK 99611
907-223-5886 mobile
907-262-2355 home
907-335-2100 office



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907) 262-1892

DALE BAGLEY
MAYOR

MEMORANDUM

TO: Mayor Dale Bagley
THRU: Mark Fowler, Purchasing and Contracting Officer
THRU: Dave Tressler, Maintenance Director
FROM: Pat Malone, Project Manager
DATE: May 23, 2003
Subject: Soldotna High School Gym Floor Renovation

Routed From
Mayor's Office to:
Clerk original
Assembly _____
Legal _____
Finance Wallace
Assessing _____
Planning _____
Roads _____
SBB _____
Purchasing
Other Pat Malone
Date: 5-27-03

The Kenai Peninsula Borough Maintenance Department has publicly advertised, received and opened bids for the Soldotna High School Gym Floor Renovation project. The purpose of this project is to make minor repairs and perform a complete refinish of the Gymnasium Floor at Soldotna High School.

Please find the Bid Tabulation Sheet attached.

The low, responsive bid for this project was submitted by **Russ Construction**, in the amount of **\$16,300.00**.

The bid is fair and reasonable. Sufficient budget funds are available to award this bid (account number 400.76020.03748.43011).

Your approval for the award of the above mentioned bid is hereby requested.

APPROVED: Dale Bagley **DATE:** 5/27/03

DENIED: _____ **DATE:** _____

Attachment: Bid Tabulation Sheet
Copies: File

MAYOR'S REPORT

933

FINANCE DEPARTMENT FUNDS VERIFIED \$16,300.00 ACT # 400-76020.03748.43011 BY: <u>CS</u> MAYOR'S REPORT DATE: <u>5/27/03</u>

**KENAI PENINSULA BOROUGH
MAINTENANCE DEPARTMENT**

BID TABULATION FOR: Soldotna High School Gym Floor Renovations 2003

Bidder's Name	Addn. Ackn.	Tax Compl.	AK Bus. License	Contract. License	Bid Signed	Bid Amount
Alaskan Industries	X	X	X	X	X	\$34,000.00
Russ Construction Co.	X	X	X	X	X	\$16,300.00

BID OPENING: May 15, 2003

TIME: 2:00 p.m.

KPB OFFICIAL:



Mark Fowler, Purchasing & Contracting Officer

**MEMORANDUM
KENAI PENINSULA BOROUGH
FINANCE DEPARTMENT**



To: Dale Bagley, Mayor
From: *JS* Jeffrey Sinz, Finance Director
Date: May 20, 2003
Subject: Extension of External Audit Contract with Mikunda Cottrell & Company

The current contract with Mikunda Cottrell provides for a three-year base contract period with an option to extend for up to two additional years subject to agreement of terms and assembly appropriation. With completion of the FY2002 audit this past fall, the three-year base period was complete. The attached contract amendment extends the contract for an additional one-year period.

I believe that the staff at Mikunda Cottrell has done an excellent job during the past three years. Bill Coghill is the partner in charge of the audit. Bill is a long-time resident of Soldotna. The Mikunda Cottrell staff assigned to the borough audit have historically worked out of their Kenai office, a practice I believe has contributed to a relatively smooth and efficient audit process. Mikunda Cottrell has been the borough auditors for the past seven years.

I recently requested that Mikunda Cottrell submit a proposal for contract extension. They responded on May 19, 2003 with a proposal for a two-year extension under all current terms, except for their annual fee, which they propose increase by \$3,500, or 3.7% per year. Although I think the proposed increase is reasonable, I am none-the-less recommending that the contract be extended for only a one-year period and that we plan on requesting competitive proposals after completion of the FY2003 audit. I believe it appropriate to see what is available in the market place given the borough's evolving needs and continued consolidation within the public accounting industry.

I recommend approval of the attached contract amendment extending the current contract with Mikunda Cottrell for one additional year at the fees indicated.

Attachment

Amendment to Agreement for External Audit Services

On the 15th day of June, 2000 the Kenai Peninsula Borough, an Alaska municipal corporation, 144 N. Binkley Street, Soldotna, Alaska 99669 and Mikunda Cottrell & Co. entered into an Agreement for External Audit Services, which allowed for an extension for up to two years upon agreement to terms. This amendment extends the agreement for a one-year period and revises the "not to exceed" fees. Mikunda Cottrell & Co. agrees to provide audits of the Kenai Peninsula Borough, Kenai Peninsula Borough School District, the Central Peninsula General Hospital and the South Peninsula Hospital through the 2003 audit.

The fee for the audit services are fixed and include all contractor costs, including out-of-pocket cost. The fees are "not to exceed" amounts for each major segment as follows:

Borough audit	\$33,000.00
KBP School District	\$26,500.00
Central Peninsula Hospital	\$19,000.00
South Peninsula Hospital	\$19,000.00
Total	<u>\$97,500.00</u>

All remaining terms and conditions of the original agreement shall remain in full force. The Agreement may be extended by mutual agreement for up to one additional year at the conclusion of this one-year extension.

Kenai Peninsula Borough

By: Dale A. Bagley

Its: Mayor

Dated: 5/29/03

Mikunda Cottrell & Co.

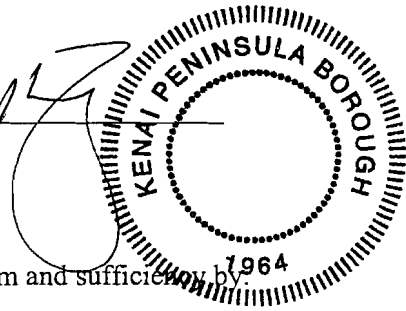
By: William Coghill

William Coghill, Partner

Dated: 5/27/03

ATTEST:

[Signature]
Borough Clerk



Approved as to legal form and sufficiency by

[Signature]
Colette G. Thompson, Borough Attorney

WASTE DISPOSAL AGREEMENT

THIS AGREEMENT is made and entered into this 24 day of MAY, 2003 by and between the KENAI PENINSULA BOROUGH (the Borough), an Alaska municipal corporation, and V-SHIPS LEISURE S.A.M. (the Contractor").

IN CONSIDERATION of the covenants and Agreements hereinafter contained and of the payment of monies as hereinafter set forth, the parties hereto mutually agree as follows:

1. **Purpose:** This agreement provides terms and conditions for acceptance of solid waste generated on cruise ships of the V-SHIPS LEISURE S.A.M. Line which call on the Port of Seward and/or Port of Homer, which are located within the Kenai Peninsula Borough. The Borough Code provides that solid wastes which are not generated on lands subject to Borough property taxes shall not be accepted for disposal into Borough landfill facilities unless the Mayor first finds that such acceptance is in the best interests of the Borough and negotiates and executes an agreement providing terms for such acceptance. Such finding is hereby expressly made by the Mayor's signature below.

2. **Disposal:** Solid waste which is generated from the cruise ship operations of the Contractor and that meets all local, state, and federal requirements for the disposal of solid waste and is offloaded in Seward will be accepted for disposal by the Borough during normal hours of operation upon delivery at the Central Peninsula Baling Facility (CPBF), mile 98.5 Sterling Highway, Soldotna, Alaska. Waste offloaded in Homer will be accepted for disposal by the Borough upon delivery during normal hours of operation at the Homer Baling Facility (HBF), mile 169.3 Sterling Highway, Homer, Alaska. Prior to first delivery, Contractor shall provide the Borough with a copy of their waste hauling contract(s). Contractor shall be identified by hauler upon delivery of each shipment and the hauler shall be authorized to sign in acceptance of invoice stating tonnage and/or cubic yards of waste delivered. The Borough will not be required to accept waste when conditions beyond the Borough's control make it inappropriate to do so.

3. **Time of Performance:** This contract shall be effective upon the date of signature until December 31, 2003.

4. **Local, State and Federal Regulations:** Contractor shall be responsible for insuring that all waste delivered for disposal by the Borough falls within all local, state, and federal requirements for disposal of solid waste to the facility to which it is delivered. The Borough may reject waste which it discovers does not meet the local, state or federal requirements for disposal at the facility to which it is delivered. If, after delivery of the waste, the Borough discovers that such waste does not meet all local, state, and federal requirements for disposal of said waste at the facility to which it was delivered, the Borough may take whatever action it deems appropriate concerning disposition of said waste. Such action may include, but is not limited to, requiring the Contractor to accept the waste back or taking any other action the Borough deems appropriate to dispose of said waste. Contractor agrees to pay all costs, fees and expenses incurred by the Borough because of delivery of said waste, including but not limited to costs and expenses for disposing of or causing the return of said waste to Contractor.

5. **Fee:** A fee of \$20 per ton shall be paid for waste deposited at the CPBF. Waste deposited at the HBF shall be paid as follows: 5-10 cubic yards - \$40; 10-20 cubic yards - \$75; over 20 cubic yards \$125. Fees at the Homer Landfill are based on the vehicles carrying capacity not the size of the load. All fees shall be due and payable to the Borough within thirty (30) days of the date of each delivery. The payment shall be made out to the Kenai Peninsula Borough and mailed to the Director of Finance, Kenai Peninsula Borough, 144 North Binkley, Soldotna, Alaska 99669. The Borough reserves the right to request a deposit prior to disposal of waste at Borough facilities or to deny access to the solid waste disposal facility for any delinquent accounts.

REVISED AS TO FORM AND LEGAL SUFFICIENCY BY BOROUGH ATTORNEY

MAYOR'S REPORT

Routed From
Mayor's Office to:

Clerk	<input checked="" type="checkbox"/>	<i>Original</i>
Assembly	<input type="checkbox"/>	
Legal	<input type="checkbox"/>	
Finance	<input checked="" type="checkbox"/>	<i>Table</i>
Assessing	<input type="checkbox"/>	
Planning	<input type="checkbox"/>	
Roads	<input type="checkbox"/>	
SBB	<input type="checkbox"/>	
Purchasing	<input type="checkbox"/>	
Other	<input checked="" type="checkbox"/>	<i>H.H.</i>
Date:	<input type="checkbox"/>	<i>6-4-03 dup</i>

CRUISE1.AGR - April 1, 2000

MAYOR'S REPORT

6. **Indemnification:** To the maximum extent allowed by law, Contractor agrees to fully indemnify, defend and hold harmless the Borough and their assemblies, boards, officers, employees, and independent contractors who are directly responsible to the Borough for all damages of any kind or nature, all costs or fees of any kind, and all attorneys' fees arising from all claims, suits, or actions of any nature that are connected with the delivery of waste under this contract for disposal by the Borough that does not meet all local, state, and federal requirements for disposal of solid waste in the facility to which it is delivered.

To the maximum extent allowed by law, Contractor further agrees to fully indemnify, defend and hold harmless the Borough and their assemblies, boards, officers, employees, and independent contractors who are directly responsible to the Borough for all damages of any kind or nature, all costs or fees of any kind, and all attorneys' fees arising from all claims, suits, or actions of any nature caused by the actions or omissions of Contractor's hauler in connection with the delivery of waste of any kind under this contract for disposal by the Borough. The above requirements for indemnification are in addition to the requirements set out in paragraph 4, above.

7. **Severability:** In the event a provision of this contract is found to be unenforceable or void for any reason, it shall be considered as severed from this contract, and the remaining portions of this contract shall stand as if that provision had never been included in the contract. In the event the unenforceable or void provision is essential to the continuing existence of the contract, the parties shall substitute a reasonable replacement provision.

8. **Assignment:** This contract is not assignable without the written consent of all parties. Any attempt by Contractor to assign this contract without prior written approval of the Borough is void and shall give the Borough the right to immediately terminate this contract.

9. **Termination:** This contract may be terminated without cause by either party upon 30 days written notice to the other party.

10. **Notice:** All legal notices relating to this contract, including change of address, shall be mailed to the Borough and the Contractor at the addresses listed below.

11. **Jurisdiction: Choice of Law:** This contract shall be governed by the laws of the State of Alaska, and any lawsuit brought thereon shall be filed and prosecuted in the Third Judicial District at Kenai, Alaska.

12. **Entire agreement:** This agreement represents the entire and integrated agreement between the Contractor and the Borough, and superseded all prior, inconsistent negotiations, representation, or agreements, either written or oral. This agreement may be amended only by written instrument signed by both the Borough and the Contractor.

DATED: 5/28/03

BY: LUKE HASENBANK / CLAA

Its: AS AGENTS FOR V-SHIPS LEISURE S.A.U.

Address: 4341 B. STREET, SUITE 101
ANCHORAGE, AK 99503

DATED: 6/4/03

BY: Dale L Bagley

Dale Bagley, Mayor
Kenai Peninsula Borough
144 North Binkley
Soldotna, Alaska 99669
(907) 262-9667

LIST ALL SHIPS DISCHARGING WASTE DURING THE 2003 SEASON:

SEVEN SEAS MARINER

WASTE DISPOSAL AGREEMENT

THIS AGREEMENT is made and entered into this 28 day of May, 2003 by and between the KENAI PENINSULA BOROUGH (the Borough), an Alaska municipal corporation, and Royal Caribbean Cruise Line (the Contractor").

IN CONSIDERATION of the covenants and Agreements hereinafter contained and of the payment of monies as hereinafter set forth, the parties hereto mutually agree as follows:

1. **Purpose:** This agreement provides terms and conditions for acceptance of solid waste generated on cruise ships of the Royal Caribbean Cruise Line which call on the Port of Seward and/or Port of Homer, which are located within the Kenai Peninsula Borough. The Borough Code provides that solid wastes which are not generated on lands subject to Borough property taxes shall not be accepted for disposal into Borough landfill facilities unless the Mayor first finds that such acceptance is in the best interests of the Borough and negotiates and executes an agreement providing terms for such acceptance. Such finding is hereby expressly made by the Mayor's signature below.

2. **Disposal:** Solid waste which is generated from the cruise ship operations of the Contractor and that meets all local, state, and federal requirements for the disposal of solid waste and is offloaded in Seward will be accepted for disposal by the Borough during normal hours of operation upon delivery at the Central Peninsula Baling Facility (CPBF), mile 98.5 Sterling Highway, Soldotna, Alaska. Waste offloaded in Homer will be accepted for disposal by the Borough upon delivery during normal hours of operation at the Homer Baling Facility (HBF), mile 169.3 Sterling Highway, Homer, Alaska. Prior to first delivery, Contractor shall provide the Borough with a copy of their waste hauling contract(s). Contractor shall be identified by hauler upon delivery of each shipment and the hauler shall be authorized to sign in acceptance of invoice stating tonnage and/or cubic yards of waste delivered. The Borough will not be required to accept waste when conditions beyond the Borough's control make it inappropriate to do so.

3. **Time of Performance:** This contract shall be effective upon the date of signature until December 31, 2003.

4. **Local, State and Federal Regulations:** Contractor shall be responsible for insuring that all waste delivered for disposal by the Borough falls within all local, state, and federal requirements for disposal of solid waste at the facility to which it is delivered. The Borough may reject waste which it discovers does not meet the local, state or federal requirements for disposal at the facility to which it is delivered. If, after delivery of the waste, the Borough discovers that such waste does not meet all local, state, and federal requirements for disposal of said waste at the facility to which it was delivered, the Borough may take whatever action it deems appropriate concerning disposition of said waste. Such action may include, but is not limited to, requiring the Contractor to accept the waste back or taking any other action the Borough deems appropriate to dispose of said waste. Contractor agrees to pay all costs, fees and expenses incurred by the Borough because of delivery of said waste, including but not limited to costs and expenses for disposing of or causing the return of said waste to Contractor.

5. **Fee:** A fee of \$20 per ton shall be paid for waste deposited at the CPBF. Waste deposited at the HBF shall be paid as follows: 5-10 cubic yards - \$40; 10-20 cubic yards - \$75; over 20 cubic yards \$125. Fees at the Homer Landfill are based on the vehicles carrying capacity not the size of the load. All fees shall be due and payable to the Borough within thirty (30) days of the date of each delivery. The payment shall be made out to the Kenai Peninsula Borough and mailed to the Director of Finance, Kenai Peninsula Borough, 144 North Binkley, Soldotna, Alaska 99669. The Borough reserves the right to request a deposit prior to disposal of waste at Borough facilities or to deny access to the solid waste disposal facility for any delinquent accounts.

REVISED AS TO FORM AND LEGAL SUFFICIENCY BY BOROUGH ATTORNEY

MAYOR'S REPORT

Routed From Mayor's Office to:

Clerk	<input checked="" type="checkbox"/>	<i>Original</i>
Assembly	<input type="checkbox"/>	
Legal	<input type="checkbox"/>	
Finance	<input checked="" type="checkbox"/>	<i>Initials</i>
Assessing	<input type="checkbox"/>	
Planning	<input type="checkbox"/>	
Roads	<input type="checkbox"/>	
SBB	<input type="checkbox"/>	
Purchasing	<input type="checkbox"/>	
Other	<input checked="" type="checkbox"/>	<i>H.H.</i>

Date: 6-4-03 *dup*

CRUISE1.AGR - April 1, 2000

MAYOR'S REPORT

6. **Indemnification:** To the maximum extent allowed by law, Contractor agrees to fully indemnify, defend and hold harmless the Borough and their assemblies, boards, officers, employees, and independent contractors who are directly responsible to the Borough for all damages of any kind or nature, all costs or fees of any kind, and all attorneys' fees arising from all claims, suits, or actions of any nature that are connected with the delivery of waste under this contract for disposal by the Borough that does not meet all local, state, and federal requirements for disposal of solid waste in the facility to which it is delivered.

To the maximum extent allowed by law, Contractor further agrees to fully indemnify, defend and hold harmless the Borough and their assemblies, boards, officers, employees, and independent contractors who are directly responsible to the Borough for all damages of any kind or nature, all costs or fees of any kind, and all attorneys' fees arising from all claims, suits, or actions of any nature caused by the actions or omissions of Contractor's hauler in connection with the delivery of waste of any kind under this contract for disposal by the Borough. The above requirements for indemnification are in addition to the requirements set out in paragraph 4, above.

7. **Severability:** In the event a provision of this contract is found to be unenforceable or void for any reason, it shall be considered as severed from this contract, and the remaining portions of this contract shall stand as if that provision had never been included in the contract. In the event the unenforceable or void provision is essential to the continuing existence of the contract, the parties shall substitute a reasonable replacement provision.

8. **Assignment:** This contract is not assignable without the written consent of all parties. Any attempt by Contractor to assign this contract without prior written approval of the Borough is void and shall give the Borough the right to immediately terminate this contract.

9. **Termination:** This contract may be terminated without cause by either party upon 30 days written notice to the other party.

10. **Notice:** All legal notices relating to this contract, including change of address, shall be mailed to the Borough and the Contractor at the addresses listed below.

11. **Jurisdiction: Choice of Law:** This contract shall be governed by the laws of the State of Alaska, and any lawsuit brought thereon shall be filed and prosecuted in the Third Judicial District at Kenai, Alaska.

12. **Entire agreement:** This agreement represents the entire and integrated agreement between the Contractor and the Borough, and superseded all prior, inconsistent negotiations, representation, or agreements, either written or oral. This agreement may be amended only by written instrument signed by both the Borough and the Contractor.

DATED: 5/28/03
BY: LUKE HASENBANK / CLAA
Its: AS AGENTS FOR ROYAL CARIBBEAN
Address: CRUISE LINE AGENCIES
4341 B STREET, SUITE 101
ANCHORAGE, AK 99503

DATED: 6/4/03
BY: Dale Bagley
Dale Bagley, Mayor
Kenai Peninsula Borough
144 North Binkley
Soldotna, Alaska 99669
(907) 262-9667

LIST ALL SHIPS DISCHARGING WASTE DURING THE 2003 SEASON: SUMMIT, LEGEND
OF THE SEAS

MEMORANDUM OF AGREEMENT

Between

North Peninsula Recreation Service Area

P.O. Box 7116
Nikiski, AK 99635

and,

Nikiski Fire Service Area

P.O. Box 8508
Nikiski, AK 99635

and,

Kenai Peninsula Borough

144 N. Binkley
Soldotna, AK 99669

This continuing agreement is made between the Kenai Peninsula Borough (hereinafter KPB) on behalf of the Nikiski Fire Service Area (hereinafter NFSA), and North Peninsula Recreation Service Area (hereinafter NPRSA) and supersedes any previous agreement between the parties regarding the programs(s) described herein.

The parties hereby agree as follows:

Purpose: KPB, NFSA and NPRSA share the common goal of desiring to provide for the most efficient emergency medical services possible at the time of a critical situation. This particular agreement involves Public Access Defibrillation.

To help meet this need NFSA will provide two Automated External Defibrillator (AED) units, subject to the terms and conditions of this Memorandum of Agreement. NFSA shall also provide training to NPRSA staff. NPRSA will allow for the placement of the units in the pool building and near the hockey rink located at Mile 23.4 Spur Highway, Nikiski, Alaska.

Therefore, for good and valuable consideration including the covenants and agreements herein, KPB, NFSA and NPRSA agree to the terms and conditions in this Memorandum of Agreement, which describes the mutual arrangement concerning the facilitation of this common goal.

I. The Nikiski Fire Service Area shall:

- A. purchase the AED units and all additional hardware needed for unit operation.

- B. install or provide for the installation of locked and secure AED units. The AEDs will be inaccessible to non-trained personnel.
- C. work with NPRSA to identify the location of the AED units.
- D. properly train or provide for the proper training of staff, as identified by NPRSA, for use of the AED units prior to the placement of the AEDs. The need for this instruction will be reviewed annually in September. In this agreement, “properly trained” and “proper training” mean that the individual has completed an AED training course from the American Heart Association, the American Red Cross, or another AED training course approved by the Department of Health and Social Services, and that the person will activate the emergency medical services system by notifying NFSA upon using the device.
- E. be responsible for regular maintenance and upkeep as required by the AED units.
- F. provide contact personnel as needed to troubleshoot mechanical issues and/or questions.
- G. retain ownership of the AED units, allowing for periodic removal as determined necessary by NFSA for maintenance and/or to provide AED coverage at other local public events.
- H. assume all expense for installation, upkeep, key issuance, and maintenance of these units.

II. North Peninsula Recreation Service Area shall:

- A. facilitate the work by NFSA to install and maintain the AED units.
- B. provide for the on-site personnel to be properly trained in the use of the AED units.
- C. supervise and log the issuance of NFSA provided keys to access the AED units to only properly trained on-site personnel.
- D. notify NFSA if the unit beeps, the glass display or cabinet is damaged, or other signs indicating the unit may be damaged or malfunctioning.

III. General Provisions

The Kenai Peninsula Borough on behalf of the Nikiski Fire Service Area and the North Peninsula Recreation Service Area jointly agree:

- A. This agreement is mutually beneficial to KPBP, NFSA and KPRSA in the interest of providing the best patient care/staff and public support possible. There will be no reimbursement from any party for benefits received.
- B. This Memorandum of Agreement may be terminated at the option of either KPBP on behalf of NFSA or NPRSA upon written notice given to the other party no less than ninety (90) days prior to the date of termination.
- C. This Memorandum of Agreement shall be effective on the date it is signed by duly authorized representatives of KPBP, NFSA and NPRSA.
- D. Representatives of both NFSA and NPRSA will review the Memorandum of Agreement annually. During the annual review the Memorandum of Agreement may be modified or terminated in writing.

- E. The annual review shall take place during the fourth quarter of each school district calendar year.
- F. This agreement shall be governed and construed according to the laws of the State of Alaska.

ACCEPTED:

David L. Gray
NFSA Fire Chief

5-14-03
Date

ACCEPTED:

Craig J. Rastler
NFSA Medical Coordinator

23-May-2003
Date

ACCEPTED:

[Signature]
NPRSA Representative

5/23/03
Date

ACCEPTED:

Dale L. Bagley
KPB Mayor

5/30/03
Date

MEMORANDUM OF AGREEMENT

Between

Nikiski Senior Citizens, Inc.

P.O. Box 6973
Nikiski, AK 99635
and,

Nikiski Fire Service Area

P.O. Box 8508
Nikiski, AK 99635
and,

Kenai Peninsula Borough

144 N. Binkley
Soldotna, AK 99669

This continuing agreement is made between the Kenai Peninsula Borough (hereinafter KPBB) on behalf of the Nikiski Fire Service Area (hereinafter NFSA), and Nikiski Senior Citizens, Inc. (hereinafter NSCI) and supersedes any previous agreement between the parties regarding the programs(s) described herein.

The parties hereby agree as follows:

Purpose: KPBB, NFSA and NSCI share the common goal of desiring to provide for the most efficient emergency medical services possible at the time of a critical situation. This particular agreement involves Public Access Defibrillation.

To help meet this need NFSA will provide an Automated External Defibrillator (AED) unit to NSCI, subject to the terms and conditions of this Memorandum of Agreement. NFSA shall also provide training to Nikiski Senior Citizens, Inc. staff and other senior citizens who are interested in attending the AED classes. NSCI will allow for the placement of this unit in the Nikiski Senior Center located at 50810 Island Lake Road, Nikiski, Alaska.

Therefore, for good and valuable consideration including the covenants and agreements herein, KPBB, NFSA and NSCI agree to the terms and conditions in this Memorandum of Agreement, which describes the mutual arrangement concerning the facilitation of this common goal.

I. The Nikiski Fire Service Area shall:

- A. purchase the AED and all additional hardware needed for unit operation.

- B. install or provide for the installation of a locked and secure AED in the Senior Center. The AED will be inaccessible to non-trained personnel.
- C. work with NSCI to identify the location of the AED.
- D. properly train or provide for the proper training of staff, as identified by NSCI, for use of the AED prior to the placement of the AED in the Senior Center. The need for this instruction will be reviewed annually. In this agreement, “properly trained” and “proper training” mean that the individual has completed an AED training course from the American Heart Association, the American Red Cross, or another AED training course approved by the Department of Health and Social Services, and that the person will activate the emergency medical services system by notifying NFSA upon using the device.
- E. be responsible for regular maintenance and upkeep as required by the AED unit.
- F. provide contact personnel as needed to troubleshoot mechanical issues and/or questions.
- G. retain ownership of the AED units, allowing for periodic removal as determined necessary by NFSA for maintenance and/or to provide AED coverage at other local public events.
- H. assume all expense for installation, upkeep, key issuance, and maintenance of these units.

II. Nikiski Senior Citizens, Inc. shall:

- A. facilitate the work by NFSA to install and maintain the AED unit.
- B. provide for the on-site personnel to be properly trained in the use of the AED unit.
- C. supervise and log the issuance of NFSA provided keys to access the AED unit to only properly trained on-site personnel.
- D. notify NFSA if the unit beeps, the glass display or cabinet is damaged, or other signs indicating the unit may be damaged or malfunctioning.

III. General Provisions

The Kenai Peninsula Borough on behalf of the Nikiski Fire Service Area and the Nikiski Senior Citizens, Inc. jointly agree:

- A. This agreement is mutually beneficial to KPBP, NFSA and NSCI in the interest of providing the best patient care/staff and public support possible. There will be no reimbursement from any party for benefits received.
- B. This Memorandum of Agreement may be terminated at the option of either KPBP on behalf of NFSA or NSCI upon written notice given to the other party no less than ninety (90) days prior to the date of termination.
- C. This Memorandum of Agreement shall be effective on the date it is signed by duly authorized representatives of KPBP, NFSA and NSCI.
- D. Representatives of both NFSA and NSCI will review the Memorandum of Agreement annually. During the annual review the Memorandum of Agreement may be modified or terminated in writing.

- E. The annual review shall take place during the fourth quarter of each school district calendar year.
- F. This agreement shall be governed and construed according to the laws of the State of Alaska.

ACCEPTED:

David L. Haggerty
NFSA Fire Chief

5-14-03
Date

ACCEPTED:

Craig A. Ralston
NFSA Medical Coordinator

16-May 2003
Date

ACCEPTED:

Lugh Haggerty-Singer
NSCI Representative

16 may 03
Date

ACCEPTED:

Dale T. Bagley
KPB Mayor

5/30/03
Date



KENAI PENINSULA BOROUGH - FINANCE DEPARTMENT

To: Pete Sprague, Assembly President
Members of the Kenai Peninsula Borough Assembly

Thru: *DLB* Dale Bagley, Borough Mayor

From: *[Signature]* Jeff Sinz, Finance Director

Date: June 5, 2003

Subject: Budget Revisions –May 2003

The attached report reflects budget revisions made during May 2003. The list will only contain budget revisions between major expenditure categories (i.e., maintenance & operations and capital outlay) and transfers of budget between completed capital projects and those previously authorized by the borough assembly. In addition to those appearing on the attached, other minor transfers were processed between sub-object within major expenditure categories.

DECREASE

INCREASE

Assessing: Using excess wages from position vacancies to cover unexpected expense to defend refinery plant valuations before board of equalization.

100.11520.40110 (Regular Wages)	20,000.00	
100.11520.43011 (Contract Services)		20,000.00

Mayor: Transfer of funds to cover expenditures associated with unbudgeted temporary legislative information office.

100.11210.49999 (Contingency)	5,000.00	
100.11210.43011 (Contract Services)	1,500.00	
100.11210.40120 (Temporary Wages)		6,500.00

Central Emergency Services: Additional funds needed to cover contract services for Clinical Laboratory Improvement Amendments consultant, and unexpected cost in office supplies and motor vehicle supplies.

211.51610.48750 (Minor Medical Equipment)	5,000.00	
211.51610.43011 (Contract Services)		4,450.00
211.51610.42360 (Motor Vehicle Repair/Supply)		300.00
211.51610.42110 (Office Supplies)		250.00

Maintenance: Transfer funds to cover 1) repair materials & supplies 2)purchase of minor machinery & equipment 3) office supplies and 4) maintenance/service contracts for office equipment

241.41010.43764 (Snow removal/sanding)	84,000.00	
241.41010.42110 (Office Supplies)		2,000.00
241.41010.42310 (Repair/maintenance supplies)		69,000.00
241.41010.43720 (Maint office equipment)		1,000.00
241.41010.48740 (Minor Machinery/equipment)		12,000.00

North Peninsula Recreation: Unexpected replacement of lawn mower and unbudgeted purchase of generator for use in summer trails projects.

225.61110.42310 (Repair & Maintenance Supplies)	2,419.00	
225.61110.48740 (Minor Machinery & Equipment)		2,419.00

Finance: Transfer monies to purchase department color laser printer.

100.11440.48740 (Minor Machinery & Equipment)		3,400.00
100.11440.43011 (Contract Services)	3,400.00	

Nikiski Fire Service Area: Additional funds needed to cover unexpected fuel costs, repair and maintenance supplies, and the unbudgeted purchase of a laptop computer to allow in-field programming of radio frequencies.

206.51110.42222 (Fire Prevention Supplies)	8,600.00	
206.51110.42230 (Fuel, Oils & Lubricants)		2,000.00
206.51110.42310 (Repair/Maintenance Supplies)		3,000.00
206.51110.48740 (Minor Machinery & Equipment)		3,600.00

	<u>DECREASE</u>	<u>INCREASE</u>
<u>Roads:</u> Unbudgeted upgrade of road inspector office furniture. Current furniture consists of leftovers from other borough departments and does not fit together well creating a inefficient and cluttered work area.		
236.33950.46910 (Road Service Area Maintenance)	3,600.00	
236.33950.48720 (Office Furniture)		3,600.00
<u>General Services:</u> Printer in Homer assessing office needs to be replaced.		
100.11230.43260 (Training)	3,100.00	
100.11230.48710 (Minor Office Equip)		3,100.00
<u>Solid Waste Services:</u> Transfer funds to cover cost of office equipment for new project manager.		
290.32122.48710 (Minor Office Equipment)		500.00
290.32122.42310 (Repair/Maintenance supplies)	500.00	
<u>Planning:</u> Transfer funds from the automation fund to purchase two tables for the public counter for a printer and two computers for public use.		
100.21110.43011 (Contract Services)	885.00	
100.21110.48720 (Minor Furniture)		885.00
<u>Planning:</u> Purchase printer, scanner and computer for Dan Bevington. Planning contract services will be reimbursed when CZM grant funds are received.		
100.21110.43011 (Contract Services)	4,200.00	
100.21110.48710 (Equipment)		4,200.00
<u>Office of Emergency Management:</u> Purchase laptops, projector and computer for OEM office and training.		
100.11250.48710 (Minor Office Equipment)		11,150.00
100.11250.43011 (Contract Services)	2,150.00	
100.11250.42310 (Repair/Maint Supplies)	9,000.00	



KENAI PENINSULA BOROUGH - FINANCE DEPARTMENT

To: Pete Sprague, Assembly President
Members of the Kenai Peninsula Borough Assembly

Thru: *DLB* Dale Bagley, Borough Mayor

From: *JS* Jeff Sinz, Finance Director

Date: June 5, 2003

Subject: Revenue -Expenditure Report – May 2003

Attached is the Revenue-Expenditure Report of the General Fund for the month of May 2003. Please note that although only 91.67% of the year elapsed, 94.41% of the budgeted expenditures have been made. This is the result of the timing of the transfers to other funds. All budgeted transfers are recorded at the beginning of the fiscal year. Without the non-departmental division (where all in the transfers are budgeted) the percent of budget used for the general fund is 76.96%.

KENAI PENINSULA BOROUGH
REVENUE REPORT
FOR THE PERIOD MAY 1, 2003 THROUGH MAY 31, 2003

ACCOUNT NUMBER	DESCRIPTION	ESTIMATED REVENUE	YTD RECEIPTS	PID RECEIPTS	VARIANCE	% COLLECTED
31002	TOTAL BOAT FLAT TAX	\$ 409,548	\$ 415,446	\$ 0	\$ 5,898	101.44%
31102	TOTAL REAL TAX	20,213,921	20,113,333	63,194	(100,588)	99.50%
31210	MOTOR VEHICLE TAX	1,044,366	648,163	68,374	(396,203)	62.06%
31202	TOTAL PERS TAX	1,253,616	1,427,047	9,143	173,431	113.83%
31302	TOTAL OIL TAX	4,212,500	4,359,821	0	147,321	103.50%
31510	PROPERTY TAX PENALTY & INTEREST	513,601	367,919	23,261	(145,682)	71.64%
31610	SALES TAX	14,050,617	10,651,073	1,233,982	(3,399,544)	75.81%
33110	IN LIEU PPROPERTY TAX	1,500,000	1,579,494	0	79,494	105.30%
33117	OTHER FEDERAL REVENUE	169,864	93,650	9,625	(76,214)	55.13%
34110	SCHOOL DEBT REIMBURSEMENT	1,854,055	1,835,514	0	(18,541)	99.00%
34210	REVENUE SHARING	225,000	210,053	0	(14,947)	93.36%
34215	SAFE COMMUNITIES - MUNICIPAL ASSISTANCE	700,000	749,160	0	49,160	107.02%
34221	ELECTRICITY AND TELEPHONE REVENUE	150,000	0	0	(150,000)	0.00%
34222	FISH TAX REVENUE SHARING	475,000	55,196	0	(419,804)	11.62%
34111	OTHER STATE FUNDING	0	10,000	10,000	10,000	-
36541	E911 SERVICE FEES	435,000	505,404	38,422	70,404	116.18%
37350	INTEREST ON INVESTMENTS	2,700,000	1,518,248	13,551	(1,181,752)	56.23%
38000	TRANSFER FROM OTHER FUNDS	398,676	278,676	0	(120,000)	69.90%
39000	OTHER LOCAL REVENUE	360,000	210,286	23,620	(149,714)	58.41%
TOTAL REVENUES		\$ 50,665,764	\$ 45,028,483	\$ 1,493,172	\$ (5,637,281)	88.87%

MAYOR'S REPORT

MAYOR'S REPORT

KENAI PENINSULA BOROUGH
EXPENDITURE REPORT
FOR THE PERIOD MAY 1, 2003 THROUGH MAY 31, 2003

DESCRIPTION	REVISED BUDGET	YTD EXPENDED	PTD EXPENDED	AMOUNT ENCUMBERED	AVAILABLE BALANCE	% EXPENDED
ASSEMBLY ADMINISTRATION	\$ 378,475	\$ 245,213	\$ 21,020	\$ 15,730	\$ 117,532	64.79%
ASSEMBLY CLERK	386,769	331,945	34,706	7,912	46,912	85.83%
ASSEMBLY ELECTIONS	128,584	97,123	6,548	11,385	20,076	75.53%
ASSEMBLY RECORDS MANAGEMENT	261,883	145,511	14,937	22,000	94,372	55.56%
MAYOR ADMINISTRATION	296,285	256,590	25,910	116	39,578	86.60%
COMMUNITY & ECONOMIC DEVELOPMENT DIVISION	405,642	338,959	67,457	26,287	40,396	83.56%
PURCHASING AND CONTRACTING	140,435	113,556	18,601	374	26,505	80.86%
GENERAL SERVICES	2,387,706	1,954,776	164,826	81,569	351,361	81.87%
GENERAL SERVICES - PRINT/MAIL	251,136	189,110	12,562	10,487	51,539	75.30%
GENERAL SERVICES - CUSTODIAL MAINTENA	68,749	63,466	5,389	1,505	3,778	92.31%
EMERGENCY MANAGEMENT	526,805	427,391	29,809	6,448	92,965	81.13%
911 COMMUNICATIONS	706,050	489,432	61,123	105,087	111,531	69.32%
LEGAL ADMINISTRATION	670,859	505,151	42,187	85,118	80,590	75.30%
FINANCE - ADMINISTRATION	365,637	298,296	23,741	23,581	43,760	81.58%
FINANCIAL SERVICES	558,055	479,905	42,964	2,315	75,835	86.00%
FINANCE - PROPERTY TAX AND COLLECTION	763,272	477,489	53,284	49,626	236,157	62.56%
FINANCE - SALES TAX	281,824	240,644	22,738	7,454	33,726	85.39%
ASSESSING ADMINISTRATION	588,131	497,764	46,169	3,852	86,515	84.63%
ASSESSING APPRAISAL	1,034,292	862,891	75,119	49,231	122,171	83.43%
RESOURCE PLANNING ADMINISTRATION	1,246,131	706,876	67,686	30,524	508,731	56.73%
COASTAL ZONE MANAGEMENT	20,900	16,554	1,694	400	3,946	79.21%
MAJOR PROJECTS - ADMINISTRATION	97,074	95,080	12,722	1,662	332	97.95%
SENIOR CITIZENS GRANT PROGRAM	365,022	347,166	17,362	0	17,856	95.11%
NON-DEPARTMENTAL	41,827,841	41,572,015	32,329	53,608	202,218	99.39%
TOTAL GENERAL FUND	\$ 53,757,556	\$ 50,752,906	\$ 900,883	\$ 596,270	\$ 2,408,381	94.41%


**MEMORANDUM
KENAI PENINSULA BOROUGH
LEGAL DEPARTMENT**

**144 N. Binkley Street
Soldotna, Alaska 99669**

**Tel. (907) 262-8609
Fax (907) 262-8686**

TO: Pete Sprague, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Dale Bagley, Borough Mayor

FROM:  Colette Thompson, Borough Attorney

DATE: June 5, 2003

SUBJECT: Litigation Status Report

Following is a summary of the major lawsuits in which the borough and school district are involved. This list does not include the real property tax foreclosures and numerous tax collection cases pursued by the borough.

1. **Friends of Cooper Landing v. KPB.** Case No. 3KN-00-277 CI. On March 15, 2000, the KPB Board of Adjustment issued a final decision upholding the preliminary plat of Sunrise Subdivision, a borough subdivision. Bob Baldwin appealed to superior court on behalf of Friends of Cooper landing alleging "defective platting procedures" and a "flawed land reclassification process." The borough was successful in dismissing the appeal. FOCL appealed this to the Alaska Supreme Court. Briefing is complete, and oral argument is scheduled for June 17, 2003.
2. **Hogg v. Raven Contractors, Inc.,** Case No. 3KN-03-361 CI. Donald W. Hogg sued Raven Contractors, Inc. and the Kenai Peninsula Borough for injuries he sustained from a fall at the Kenai transfer station. The borough has tendered defense to the insurance company for Raven Contractors, Inc. and we are awaiting a response.
3. **Huske v. KPB,** Case No. 3KN-03-___ CI. Marvin W. Huske appealed to superior court from a taxability decision of the assessing department regarding the denial of a community purpose exemption for a parcel in Alderwood Estates Subdivision. This appeal was recently filed, and no action has been taken as yet.
4. **Isaacs v. Boys and Girls Club,** Case No. 3KN-03-157 CI. Denise and Ronald Isaacs sued the Kenai Peninsula Borough and school district for personal injuries to Mrs. Isaacs resulting from a fall in front of the Boys and Girls Club in Kenai. The borough has tendered defense to the insurance company for Boys and Girls Club, and Markel Insurance Company has undertaken the defense and indemnity of the borough.
5. **KPB v. Edward Martin and Kathleen Martin,** Case No. 3KN-95-759 CI. This was an action to eject mining claimants from living on, and keeping unauthorized structures on their

State mining claims, which are on borough-selected land. In June 1996 the Superior Court ruled in the borough's favor, and the claimants have since moved off borough land. Final judgment regarding damages has not been entered.

6. **KPB v. State Department of Natural Resources**, Case No. 3KN-00-30 CI. (Quartz Creek Appeal). The State Department of Natural Resources (DNR) issued an administrative decision that an RS 2477 trail exists in the Sunrise area. The borough challenges the existence of the trail and its location which DNR has not surveyed. The trail may impact municipal entitlement lands, including lands that may have already been conveyed. The parties have negotiated a tentative settlement and are in the process of creating a legal description for the trail.
7. **KPB v. State Department of Natural Resources**, Case No. 3KN-02-685 CI (land selection appeal). The borough appealed the State's decision to postpone approval of two land selections: Juneau Creek and Gray Cliff. Settlement negotiations are under way.
8. **McIntyre v. KPB**, Case No. 3KN-02-928 CI. This case arises from a slip and fall in the parking lot of Kenai Central High School. Mr. McIntyre also named as defendants the contractors for plowing and sanding. The borough has tendered defense to the insurance companies for the contractor, and the case is in its preliminary stages.
9. **Rogers v. Fairbanks**. Case No. 3HO-00-171 CI. The parent of a Homer High School student sued the school district and another student for injuries sustained while engaged in "horseplay" with the defendant student. This case was referred to outside counsel and was settled in April 2003.
10. **Serrano v. Dotson and KPBSD**. Case No. 3KN-02-615 CI. A former student of the school district recently sued the school district for damages sustained when she was hit by a car, allegedly on the school parking lot. An answer was filed in November 2002, and discovery is in progress.
11. **Smith v. Brenckle**, Case No. 3KN-00-337 CI. Mr. Smith sued former assembly member Patrick O'Brien for alleged civil rights violations. The case was dismissed by the superior court and appealed to the state supreme court (S-10470). The supreme court granted Mr. Smith's motion to reconsider its decision to dismiss the late-filed appeal. Briefing is complete and we are awaiting a decision.
12. **Smith v. Gilman**, Case No. 3KN-00-333 CI. Mr. Smith sued numerous current and former borough officials and employees for alleged civil rights deprivations. This case was dismissed by the superior court and appealed by Mr. Smith to the state supreme court (S-10469). The supreme court denied the borough's motion to dismiss the appeal. Briefing is complete and we are awaiting a decision.
13. **Stanek v. KPB**, Case No. 3KN-00-690 CI. Mr. Stanek, an Anchorage resident who owns property in the borough, sued the borough alleging that the \$10,000 residential property tax exemption is unlawful. The Superior Court granted the borough's motion for summary judgment and Mr. Stanek appealed that decision to the Alaska Supreme Court. Briefing is complete; oral argument was held in April 2003, and we are awaiting a decision.

Introduced by: Mayor
Date: 05/20/03
Hearing: 06/17/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2003-20**

**AN ORDINANCE AUTHORIZING THE MARKET VALUE LEASE OF
AGRICULTURAL LAND BY SEALED BID**

WHEREAS, the Borough has received final decision approving the borough's selection from the State of Alaska of the land described in Section 1; and

WHEREAS, the land is classified agricultural and preservation by Resolution 2003-014; and

WHEREAS, the land has been deposited into the land bank pursuant to KPB 17.10.060(B); and

WHEREAS, the Planning Commission conducted a public hearing at its regularly scheduled meeting of May 27, 2003 and recommended _____.

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

SECTION 1. The following described land is authorized for lease at fair market value as established by the Assessing Department.

Township 5 North, Range 11 West, Seward Meridian, Alaska

Section 20: SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$

Section 21: SW $\frac{1}{4}$

Containing 400 acres more or less.

SECTION 2. The method of disposal shall be by sealed bid pursuant to KPB 17.10.100(F) with the bid opening date being June 30, 2003. The high bidder shall have the right to enter into an agricultural lease (Attachment A) for the land described in Section 1 upon terms and conditions stated in the lease and the applicable terms and provisions of KPB 17.10.120 and KPB 17.10.130 shall apply.

SECTION 3. The mayor is authorized to sign any documents necessary to effectuate the ordinance.

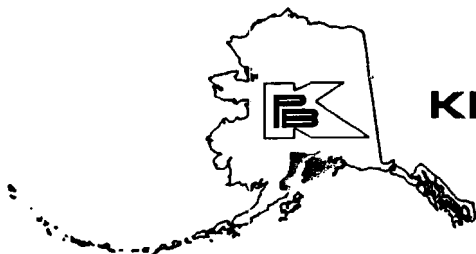
SECTION 4. The ordinance shall become effective immediately upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS *
DAY OF *, 2003.**

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907)262-1892

MEMORANDUM

DALE BAGLEY
MAYOR

TO: Pete Sprague, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: *DLB* Dale Bagley, Mayor
MB Max Best, Planning Director

FROM: *P.O.* Paul Ostrander, Land Management Officer

DATE: June 5, 2003

SUBJECT: Ordinance 2003-20 An Ordinance Authorizing the Lease of Agricultural Land by Sealed Bid

The administration respectfully requests that the above referenced ordinance be amended as follows:

- 1) The words "MARKET VALUE" be removed from the title.
- 2) The words "at fair market value as established by the Assessing Department." be removed from the first sentence of Section 1.

The Kenai Peninsula Borough Assessing Department does not have adequate data to establish a fair market rental rate for this property. The proposed lease limits the use of this land to the growing of crops, and with no parcels on the Peninsula being similarly restricted it is extremely difficult to establish a value. The alternative fee appraisal method would be time consuming, cost prohibitive, and without reasonable comparables in this area, highly subjective and prone to inaccuracy. Pursuant to KP.B 17.10.140(B), Leases—Types, Long term lease, the lease rate need not be set at fair market value if otherwise established by ordinance.

The formula that we have established, and are proposing to utilize during this lease is similar in form to the grazing lease formula currently used by the Assessing Department. The formula and an explanation of its component parts is as follows:

(Fair Market Value of Tillable Acres) * (Percent of fee simple to grow crops) * (.08)

Fair Market Value of Tillable Acres: This is the fee value of the land suitable for growing crops as established by the KP.B Assessing Department. We have estimated that approximately 160 of the total 400 acres will be suitable for cultivation. This value does not take into account any restrictions on the land and is based on the fee simple value of non-restricted land.

Percent of fee simple to grow crops: This is the value that is difficult to accurately establish through typical appraisal methods. It represents the percent of the fee simple value of non-restricted lands that land restricted to the growing of crops is worth. Through numerous interviews with local hay growers, Land Management is proposing to set this value at 40%.

.08: 8% of fee simple value is typically used to establish a fair market rental rate.

**KENAI PENINSULA BOROUGH
AGRICULTURE LEASE**

draft

For good and valuable consideration, and pursuant to Ordinance 2003-20, enacted _____, the KENAI PENINSULA BOROUGH, an Alaska municipal corporation whose address is 144 North Binkley Street, Soldotna, Alaska 99669, (hereinafter called "KPB"), grants to _____, whose address is _____ (hereinafter called "LESSEE"), use of the following described parcel of real property (hereinafter called "Property") situated in the Kenai Recording District, Third Judicial District, State of Alaska, and described as follows:

Township 5 North, Range 11 West, Seward Meridian, Alaska

Section 20: SE¼, S½NE¼

Section 21: SW¼

Containing 400 acres more or less.

TERMS AND CONDITIONS

1. Lease Term. This lease is for a term of 20 years commencing _____, 2003 and terminating _____, 2023. There shall also be one additional renewal option for a term of ten years. LESSEE shall notify KPB in writing of LESSEE'S desire to exercise the next available renewal option term at least 180 days prior to current lease term expiration.

2. Lease Rental.

a. Pursuant to KPB Ordinance 2003-20 the annual lease rental for the first five years of this lease is:

Year 1 (Fair Market Value of tillable acres)(.0)(.08)

Year 2 (Fair Market Value of tillable acres)(.0)(.08)

Year 3 (Fair Market Value of tillable acres)(.1332)(.08)

Year 4 (Fair Market Value of tillable acres)(.2664)(.08)

Year 5 (Fair Market Value of tillable acres)(.4000)(.08)

_____ Dollars (\$) _____ .00 per acre based on 160 acres, plus any applicable sales taxes as may otherwise be required by law, which shall be due with each annual lease payment. Rent will be prorated for any partial year.

- b. The rental is based on 160 acres that can be tilled for growing crops. The rental for the first five years of this lease may be increased or decreased by the KPB depending on the tillable acres that are available for growing crops after the Natural Resource Conservation Service wetland determination required by the Development Plan.
- c. The annual lease rental will be adjusted every five years to fair market rental value appraisal. KPB Assessing Department shall appraise the property for the purpose of establishing the rental rate utilizing the following formula:

(Fair Market Value of tillable acres)(Percent of fee simple to grow crops)(.08)

- 3. Restrictive Covenant. This lease is subject to a restrictive covenant pursuant to KPB Code, Section 17.10.130(D), which requires that all lands or interests in land be conveyed by an instrument containing restrictions that restrict the use of the land to that classification and prohibit the use of the land for any other purpose. The real property described in this conveyance instrument is classified "Agricultural and Preservation."

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.

Preservation means lands needed for stabilization or maintenance of natural features, historic value, known nesting areas of migratory birds or required to maintain the integrity of certain types of easements or as buffers, green belts, watersheds or other reservations to preserve natural resources and aesthetic qualities. Soils may be of such a nature as to not be usable for construction of buildings.

The preservation portion of the lease is the land designated as wetland by the Natural Resource Conservation Service (NRCS); the remainder of the lease is considered Agriculture.

THE USE OF THE LAND FOR ANY OTHER PURPOSE, INCOMPATIBLE WITH AGRICULTURE OR PRESERVATION USE, IS PROHIBITED. THE BOROUGH IN WRITING MUST APPROVE ANY REVISIONS TO THE DEVELOPMENT PLAN OR LEASE TERMS. THE PROPERTY SHALL BE USED FOR PURPOSES IN CONFORMITY WITH THE DEVELOPMENT PLAN AND THE TERMS AND CONDITIONS OF THE LEASE. USE OR DEVELOPMENT FOR OTHER THAN ALLOWED PURPOSES SHALL SUBJECT THE LEASE TO TERMINATION.

4. Purpose. The purpose of this lease is to authorize lessee to grow crops. This lease does not authorize:
 - a. Human habitation
 - b. Buildings or structures
 - c. Feeding, breeding and management of livestock
 - d. Dairying
 - e. Other farm use or combination of these.
 - f. Lessee may not restrict public access or use of lease area not in crop production.

5. Development Plan. The LESSEE is authorized to grow crops pursuant to the Development Plan made a part of this lease by reference and attached hereto as Attachment A.
 - a. Commencement of Activities. The Development Plan shall be implemented according to its schedule; however, the property shall not be tilled for agriculture production until:
 1. Wetland determination/delineation is completed by NRCS.
 2. Insurance acceptable to the KPB is established.

 - b. Wetland Boundary. LESSEE, at its sole cost, shall delineate the wetland boundary established by NRCS by a method approved by the KPB. The LESSEE, at its sole cost, shall provide the KPB a metes and bounds description of the line of delineation as established by the NRCS. Said description shall be based on at least two survey monuments of record and be stamped by a professional land surveyor licensed in the State of Alaska.

 - c. Fifty Foot Setback. Ground may not be tilled for crop production within 50 feet of subdivided lands on the northern and western boundaries of lease area.

6. Waste. LESSEE shall not commit waste or injury upon the lands leased herein.

7. Fire Protection. LESSEE shall take all reasonable precautions to prevent, and take all reasonable actions to suppress destructive and uncontrolled grass, brush, and forest fires on the land under lease, and comply with all laws, regulations and rules promulgated and enforced by the protection agency responsible for forest protection within the area wherein the demised premises are located.

8. Safety. LESSEE shall be solely responsible for maintaining the premises in a safe and fit condition, including but not limited to snow and ice removal from all improvements and areas on the land developed or used for pedestrian traffic.
9. Sanitation. LESSEE shall comply with all laws, regulations or ordinances promulgated for the promotion of sanitation. The subject property shall be kept in a clean and sanitary condition and every effort shall be made to prevent pollution of the waters and lands.
10. Hazardous Materials and Hazardous Waste. Storage, handling and disposal of hazardous waste shall not be allowed on lands under lease from KPBP per KPBP 17.10.240(H).

LESSEE shall comply with all applicable laws and regulations concerning hazardous chemicals and other hazardous materials, and shall properly store, transfer and use all hazardous chemicals and other hazardous materials and not create any environmental hazards on the lands leased herein. In no event may LESSEE utilize underground storage tanks for the storage or use of hazardous chemicals or other hazardous materials.

Should any hazardous chemicals or hazardous materials of any kind or nature whatsoever, or hazardous wastes be released upon the subject lands during the term of this lease, LESSEE shall IMMEDIATELY report such release to the KPBP Planning Director and to any other agency as may be required by law, and LESSEE shall, at its own cost, assess, contain and clean up such spilled materials in the most expedient manner allowable by law.

As used herein, "hazardous chemical" means a chemical that is a physical hazard or a health hazard.

As used herein, "hazardous material" means a material or substance, as defined in 49 C.F.R. 171.8, and any other substance determined by the federal government, the state of Alaska or KPBP, to pose a significant health and safety hazard.

As used herein, "hazardous waste" means a hazardous waste as identified by the Environmental Protection Agency under 40 C.F.R. 261.3, and any other hazardous waste as defined by the federal government, the state of Alaska or KPBP.

The covenants and obligations described in this article shall survive the termination of this lease.

11. Compliance With Laws. The LESSEE agrees to comply with all applicable federal, state, borough and local laws and regulations.

12. Easements and Rights-of-Way. This lease is subject to all easements, rights-of-way, covenants and restrictions of which LESSEE has actual or constructive notice. KPB reserves and retains the right to grant additional easements for utility and public access purposes across the property and nothing herein contained shall prevent KPB from specifically reserving or granting such additional easements and rights-of-way across the property as may be deemed reasonable and necessary. All trails or roads existing at the time this lease is executed shall be considered an easement for public use.

As the parties agree that this is a reserved right which is reflected in the annual lease rental, in the event that KPB grants future additional easements or rights-of-way across the property, it is agreed and understood that LESSEE shall receive no damages for such grant.

13. Inspections. LESSEE shall allow KPB, through its duly authorized representative, to enter and inspect the leased premises at any reasonable time, with or without advance notice to LESSEE, to ensure compliance with the terms and conditions of this lease. KPB's right to enter and inspect shall be exercised at KPB's sole discretion and the reservation or exercise of this right, and any related action or inaction by KPB, shall not in any way impose any obligation whatsoever upon KPB, and shall not be construed as a waiver of any rights of KPB under this lease.

14. Indemnification and Liability Insurance.

a. Indemnification and Hold Harmless. LESSEE covenants and agrees to indemnify, save, defend, keep and hold harmless KPB, its assembly members, officers, agents, and employees from all damages, costs and expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of or in the course of LESSEE'S use, occupancy and activities on the property, whether or not the activity is authorized. LESSEE also specifically covenants and agrees that it shall indemnify, defend and hold KPB harmless from any and all liability or claims, judgments, damages, costs, or losses, including, but not limited to reasonable attorney's fees, engineers' and consultants' fees, and contractors' fees which arise during or after the term of this lease to the extent such damages are a result of any contamination from hazardous materials, hazardous chemicals and hazardous waste. These covenants shall survive the term of this lease.

b. Liability Insurance. LESSEE shall purchase at its own expense and maintain in force at all times during the term of this lease Comprehensive General

Liability Insurance, which shall include bodily injury, personal injury, and property damage with respect to the property and the activities conducted by the LESSEE in which the coverage shall not be less than \$_____ per occurrence. The policy purchased shall name LESSEE as the insured and KPB as an additional insured, and shall also require the insurer to provide KPB with thirty (30) days or more advance written notice of any pending cancellation or change in coverage.

c. Proof of Insurance. At the time of executing this lease, and at the time of each renewal of insurance, LESSEE shall deliver to the KPB Planning Director certificates of insurance meeting the above criteria.

15. Property Taxes. LESSEE shall timely pay all real property taxes, assessments and other debts or obligations owed to KPB. Pursuant to KPB 17.10.120(F) this lease is subject to termination should LESSEE become delinquent in the payment of any such obligations.
16. Assignments. LESSEE may assign this lease only if approved in advance by KPB. Applications for assignment shall be made in writing on a form provided by the Land Management Division. The assignment will not be approved if all interests of KPB are not fully protected. The assignee shall be subject to and governed by the provisions of this lease and laws and regulations applicable thereto.
17. Subleasing. No LESSEE may sublease lands or any part thereof without written permission of the mayor when applicable. A sublease shall be in writing and subject to the terms and conditions of the original lease.
18. Cancellation. At any time that this lease is in good standing it may be canceled in whole or in part upon mutual written agreement by the LESSEE and either the KPB Mayor or Planning Director. This lease is subject to cancellation in whole or in part if improperly issued through error in procedure or with respect to material facts.
19. Termination. Upon termination of this lease, LESSEE covenants and agrees to return the property to KPB in a neat, clean and sanitary condition, and to immediately remove all items of personal property subject to the terms and conditions of paragraph 23 below. All terms and conditions set out herein are considered to be material and applicable to the use of the property under this lease. Subject to the following, in the event of LESSEE's default in the performance or observance of any of the lease terms, conditions, covenants and stipulations thereto, and such default continues thirty (30) calendar days after written notice of the default, KPB may cancel this lease, or take any legal action for damages or recovery of the property. No improvements may be removed during the time in which the lease is in default.

In the event LESSEE breaches any provisions prohibiting the release of hazardous chemicals, hazardous materials or hazardous waste upon the property, and fails to immediately terminate the operation causing such release upon notice from KPB, then KPB may immediately terminate this lease.

20. Violation. Violation of any of the terms of this lease may expose LESSEE to appropriate legal action including forfeiture of lease/purchase interest, termination, or cancellation of its interest in accordance with state law.
21. Notice of Default. Notice of the default, where required, will be in writing and as provided in the Notice provision of this lease.
22. Entry or Re-entry. In the event that the lease is terminated, canceled or forfeited, or in the event that the demised lands, or any part thereof, should be abandoned by the LESSEE during the lease term, KPB or its agents, servants or representative, may immediately or any time thereafter, enter or re-enter and resume possession of said lands or such part thereof, and remove all persons and property therefrom either without judicial action where appropriate, by summary proceedings or by a suitable action or proceeding at law or equity without being liable for any damages therefor. Entry or re-entry by KPB shall not be deemed an acceptance of surrender of the lease.
23. Removals or Reversion of Improvements Upon Termination of Lease.
 - a. Improvements on the property owned by LESSEE shall, within thirty calendar days after the termination of the lease, be removed by LESSEE; provided such removal will not cause injury or damage to the land; and further provided that the Mayor, or Planning Director when applicable, may extend the time for removing such improvements in cases where hardship is proven. The LESSEE may dispose of its improvements to a succeeding lessee with the consent of the KPB mayor.
 - b. If any improvements and/or chattels having an appraised value in excess of ten thousand dollars, as determined by a qualified appraiser, are not removed within the time allowed, such improvements and/or chattels shall, upon due notice to the LESSEE under the terminated or canceled lease, be sold at public sale under the direction of the mayor and in accordance with the provisions of KPB Code, Chapter 5. The proceeds of the sale shall inure to the LESSEE who placed such improvements and/or chattels on the lands, or its successors in interest, after paying to KPB all monies due and owing plus all costs, fees and expenses incurred in storing the goods and making such a sale. In case there are no other bidders at any such sale, the KPB

mayor is authorized to bid, in the name of KPB, on such improvements and/or chattels. The bid money shall be taken from the fund to which said lands belong, and the fund shall receive all moneys or other value subsequently derived from the sale or leasing of such improvements and/or chattels. KPB shall acquire all the rights, both legal and equitable, that any other purchaser could acquire by reason of the purchase.

c. If any improvements and/or chattels having an appraised value of ten thousand dollars or less, as determined by the KPB mayor, are not removed within the time allowed, such improvements and/or chattels shall revert and absolute title shall vest in KPB. Upon request, the purchaser, lessee, or permittee shall convey said improvements and/or chattels by appropriate instrument to KPB.

24. Rental for Improvements or Chattels not Removed. Any improvements and/or chattels belonging to the LESSEE or placed on the land during its tenure with or without its permission and remaining upon the premises after the termination of the lease shall entitle KPB to charge a reasonable rent therefor.

25. Resale. In the event that this lease should be terminated, canceled, forfeited or abandoned, KPB may offer said lands for sale, lease or other appropriate disposal pursuant to the provisions of KPB Code, Chapter 17.10 or other applicable regulations. If said land is not immediately disposed of, then said land shall return to the Land Bank.

26. Notice. Any notice or demand, which under the terms of this lease must be given or made by the parties hereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address shown in this section. However, either party may designate in writing such other address to which such notice of demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed received when deposited in a U.S. general or branch post office by the addressor.

All notices shall be sent to both parties as follows:

LESSOR
KENAI PENINSULA BOROUGH
Planning Director
144 N. Binkley
Soldotna, AK 99669-7599

LESSEE

27. Responsibility of Location. It shall be the responsibility of the LESSEE to properly locate itself and its improvements on the leased lands.
28. Non-Waiver Provision. The receipt of payment by KPB, regardless of KPB's knowledge of any breach by LESSEE, or of any default on the part of the LESSEE in observance or performance of any of the conditions or covenants of this lease shall not be deemed to be a waiver of any provision of the lease. Failure of KPB to enforce any covenant or provision herein contained shall not discharge or invalidate such covenant or provision or affect the right of KPB to enforce the same in the event of any subsequent breach or default. The receipt by KPB of any payment of any other sum of money after notice of termination or after the termination of the agreement for any reason, shall not reinstate, continue or extend the agreement, nor shall it destroy or in any manner impair the efficacy of any such notice of termination unless the sole reason for the notice was nonpayment of money due and the payment fully satisfies the breach.
29. Jurisdiction. Any suits filed in connection with the terms and conditions of this lease, and of the rights and duties of the parties, shall be filed at Kenai, Alaska and shall be governed by Alaska law.
30. Savings Clause. Should any provision of this lease fail or be declared null or void in any respect, or otherwise unenforceable, it shall not affect the validity of any other provision of this lease or constitute any cause of action in favor of either party as against the other.
31. Binding Effect. It is agreed that all covenants, terms and conditions of this lease shall be binding upon the successors, heirs and assigns of the original parties hereto.
32. Full and Final Agreement. This lease constitutes the full and final agreement of the parties hereto and supersedes any prior or contemporaneous agreements. This lease may not be modified orally, or in any manner other than by an agreement in writing and signed by both parties or their respective successors in interest. LESSEE avers and warrants that no representations not contained within this agreement have been made with the intention of inducing execution of this agreement.
33. LESSEE warrants that the person executing this lease is authorized to do so on behalf of _____.

LESSEE

KENAI PENINSULA BOROUGH

Dale L. Bagley, Mayor

Dated: _____

Dated: _____

ATTEST:

APPROVED AS TO LEGAL FORM
AND SUFFICIENCY:

Linda S. Murphy
Borough Clerk

Holly B. Montague
Assistant Borough Attorney

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2003, by Dale L. Bagley, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public in and for Alaska

Kenai Peninsula Borough, Alaska
Agricultural Lease – KPB/_____

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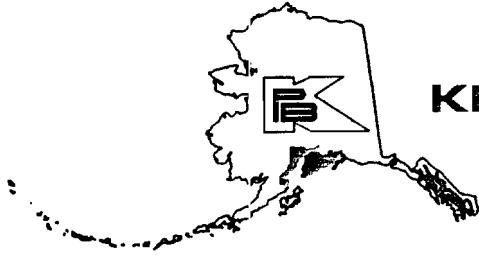
My commission expires: _____

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____,
2003, by _____.

Notary Public in and for Alaska
My commission expires: _____



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907)262-1892

DALE BAGLEY
MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: *DLB* Dale L. Bagley, Borough Mayor

FROM: *MB* Max J. Best, Planning Director

DATE: June 2, 2003

SUBJECT: Ordinance 2003-20, An Ordinance Authorizing the Market Value Lease of Agricultural Land by Sealed Bid

The Planning Commission conducted a public hearing for the subject ordinance during their regularly scheduled May 27, 2003 meeting, which was held in Anchor Point. No public testimony was given during the hearing.

A motion to recommend enactment of the ordinance passed by a majority vote.

Draft, unapproved minutes of the subject portion of the meeting are attached.

AGENDA ITEM F. PUBLIC HEARINGS

2. Ordinance 2003-20, An Ordinance Authorizing the Market Value Lease of Agricultural Land by Sealed Bid

Memorandum as read by Paul Ostrander.

PC Meeting: 5-27-03

The Kenai Peninsula Borough (KPB) has received a final decision from the State of Alaska for 400 acres of land located at Mile Post 15, Kalifornsky Beach Road. This 400 acres was classified agricultural and preservation by Resolution 2003-014. The preservation portion will be delineated by a Natural Resource Conservation Service (NRCS) wetland determination. It is estimated that approximately 160 acres will be suitable for crop production.

The subject ordinance authorizes an agricultural lease of the 400 acres by sealed bid. The KPB will offer the right to enter into the agricultural lease to the high bidder. The lease terms are fixed by the subject ordinance and cannot be negotiated.

The pertinent terms of the lease are:

- The lessee is required to submit to NRCS a Request for Certified Wetland Determination/Delineation (Form NRCS-CPA-38) at time of signing the lease.
- The initial term of the lease is 20 years.
- The lease provides one renewal option of 10 years.
- The minimum rental rate for the first five years shall be the fair market rental value as determined by a qualified appraiser. The rental rate will be adjusted every five years to the current market value. The rental rate is based on the market value of the portion of the lease that is not designated wetland by NRCS.
- The lessee is only authorized to grow crops.
- The lessee is required to submit a farm management plan approved by the NRCS prior to growing crops.
- Ground may not be tilled for crop production within 50 feet of subdivided lands on the northern and western boundaries of lease area.

The bid opening will be June 30, 2003. The sealed bid will be advertised four times in the 30 days prior to the bid opening in the Peninsula Clarion, Seward Phoenix Log, and Homer News.

END OF MEMORANDUM

ADDENDUM TO THE MEMORANDUM

Memorandum as reviewed by Paul Ostrander.

PC Meeting: 5-27-03

The rental rate of borough agricultural leases is to be established by the borough assessor pursuant to KPB 17.10.140(C)(2). Land Management has been researching rental rates for agricultural land in cooperation with the borough assessor. Interviews with local hay growers and hay retailers have revealed that:

1. There is not an established market rate for a bale of hay.
2. The rent that growers are willing to pay for hay land varies greatly.
3. All those interviewed emphasized that developing hay land is very time consuming and costly. It can take years to clear land and make it suitable for growing hay.

Land Management recommends not charging a rental for year one and two of the lease to account for the cost of clearing the land. Years three and four will have a reduced rental to account for the projected low yield. The full rental rate will be charged the fifth year. The rental formula will be applied as follows assuming a fair market value

of \$1000 per acre for 160 acres:

(Fair Market Value of tillable acres)(Percent of fee simple to grow crops)(.08)

Year	Formula	Rental
Year 1	(\$160,000)(.000)(.08)	\$0.00
Year 2	(\$160,000)(.000)(.08)	\$0.00
Year 3	(\$160,000)(.0825%)(.08)	\$1056.00
Year 4	(\$160,000)(.1650)(.08)	\$2,112.00
Year 5	(\$160,000)(.2500)(.08)	\$3,200.00

Staff distributed a copy of the first page of a draft agriculture lease to the Commission. Mr. Ostrander explained that staff had been working on the most equitable method to lease the land. The formula is what staff believes is the most appropriate method to calculate the lease. The Borough Assessor establishes the rental rate of Borough agricultural leases by Code. After talking with several hay growers in the area, staff realized an established market rate for hay did not exist. Rental rates growers are willing to pay for land varies greatly depending on the situation. The growers also emphasized that development of the land is very time consuming and costly, especially for the return on the investment. Based on information gathered, staff recommends a graduated rental rate.

The rental rate for the first five years as shown above will be offered to the bidders. Every five years following the initial lease, the Borough Assessor will assess the lease, and the rate will be adjusted according to the above formula.

END OF MEMORANDUM ADDENDUM

Chairman Bryson opened the meeting for public comment. Seeing and hearing no one wishing to speak, Chairman Bryson closed the public comment and opened discussion among the Commission.

MOTION: Vice Chairman Clark moved, seconded by Commissioner Tauriainen, to recommend enactment of Ordinance 2003-20.

Commissioner Martin noted that the lease was to grow crops and did not authorize human habitation, buildings or structures, feeding or management of livestock, dairying, or other combination of these uses. He commented that if the Borough really wanted to lease agricultural land that the lease would not be so restrictive. It appeared that only a hay farmer could use the land. He believed it should be at the discretion of the lessee to decide what kind of agriculture would be used. The bid did not appear to be competitive to anyone but a hay producer. Commission Martin did not support the motion.

Commissioner Hutchinson remembered the Commission's previous discussion of agricultural use of the land. His objection was its proximity to residential areas on the northern and western boundaries as well as the adjacent wetlands on the southern and eastern boundaries. Based on the lease being restricted from human habitation; feeding, breeding and managing livestock; and dairying, Commissioner Hutchinson supported the motion.

Commissioner Johnson inquired about the rental rates proposed by staff. Mr. Ostrander replied the formula was somewhat arbitrary because the \$160,000 figure was an assumption because staff had not yet received a fair market value from the Assessing Department. Once the fair market value is established the figures will be in the lease. Potential bidders will be provided the figures, and they will bid on the opportunity to lease the Borough's land. The Borough will receive a premium up-front amount.

Chairman Bryson generally supported the proposal. He noted the \$20 per acre figure. He has purchased bales of hay occasionally, which cost \$3.50 per bale. The lease rate represented approximately six bales of hay per acre.

Commissioner Johnson commented that his father-in-law and mother-in-law put up a lot of hay, and he helped them several times. He supported the motion. The figures in the lease are the minimum. He hoped bidders would compete for the lease (realizing the property would yield more than six bales per acre) and propose a lease rate that is fair to the bidder and the Borough.

Commissioner Johnson asked when the Commission would review the lease. Mr. Ostrander replied five years. Commissioner Johnson noted that the lease was valid for 20 years. He inquired what would happen if the Commission was not satisfied with the lease in five years. Mr. Best replied that the value of the land would be reappraised in five years. The term of the lease is 20 years.

Vice Chairman Clark asked if the successful bidder was responsible for clearing the land. Mr. Ostrander indicated yes.

Vice Chairman Clark observed that in five years the property would be cleared. He recalled that about 40 acres of the property was forested. He estimated that it would cost \$4000 an acre to clear and remove the stumps from the property. He noted the substantial investment required. He inquired about the reassessment in five years. Mr. Ostrander said he was not an assessor. He understood the property would be assessed on the same basis when the property was originally assessed.

Vice Chairman Clark supported the motion. He thought it was good that the Borough utilized its property in any fashion.

Commissioner Troeger did not support the motion. He commented that agriculture in the Borough needed to be supported. He concurred with Commissioner Martin. Commissioner Troeger thought the lease was too restrictive, and the lease rate was unrealistically high for agricultural purposes. He understood it was difficult to determine lease prices for agriculture. He was unsure the lease helped agriculture in the Borough.

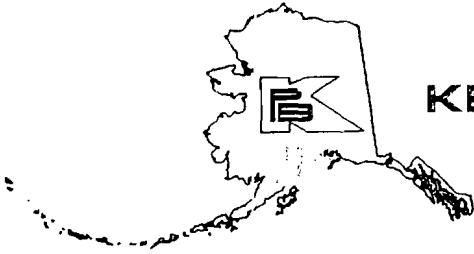
Chairman Bryson acknowledged that it was necessary to construct access so roads would be an issue to some degree. Debris would presumably be buried. He understood that sand could not be utilized for road construction. Strict reading of the lease appeared to preclude use of material to develop the property.

If the property is used to grow hay, Commissioner Martin commented that it would be helpful to have a shed on-site to store hay and some form of dwelling. The lease is too restrictive and implied the Borough did not really support agriculture.

Commissioner Hohl referred to the section of the lease that addressed easements and rights-of-way (*All trails or road existing at the time this lease is executed shall be considered an easement for public use.*) She asked if any trails or roads were on the property. Mr. Ostrander replied the only easement or right-of-way that affected the property of which he was aware was the section line easement between Sections 20 and 21. Commissioner Hohl thought it would be good to include this information in the document so the bidders would know.

VOTE: The motion passed by a majority vote.

BRYSON NO	BOSCACCI ABSENT	CLARK YES	GROSS ABSENT	HOHL YES	HUTCHINSON YES	ISHAM YES
JOHNSON YES	MARTIN NO	PETERSEN NO	TAURIAINEN YES	TROEGER NO	VACANT SEAT HOMER CITY	6 YES 4 NO 2 ABSENT 1 VACANT SEAT



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BUSINESS (907) 262-4441 FAX (907)262-1892

MEMORANDUM

DALE BAGLEY
MAYOR

TO: Pete Sprague, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: *D.L.B.* Dale L. Bagley, Mayor

THRU: *W.C.* Max J. Best, Planning Director
P.O. Paul Ostrander, Land Management Officer

FROM: *R.E.D.* Roy E. Dudley, Land Management Agent

DATE: May 8, 2003

SUBJECT: Ordinance 2003-*20* An Ordinance Authorizing the Market Value Lease of Agricultural Land by Sealed Bid

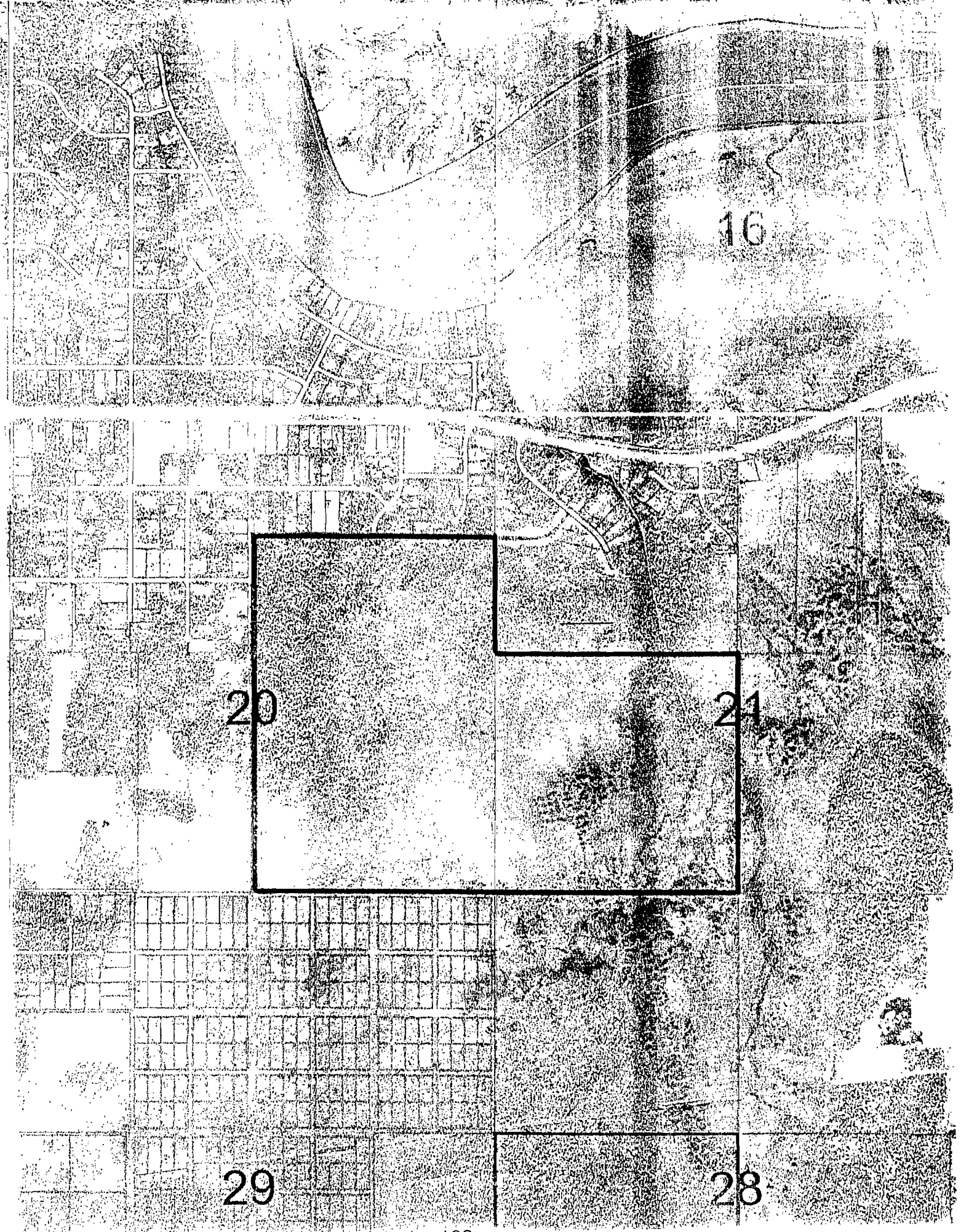
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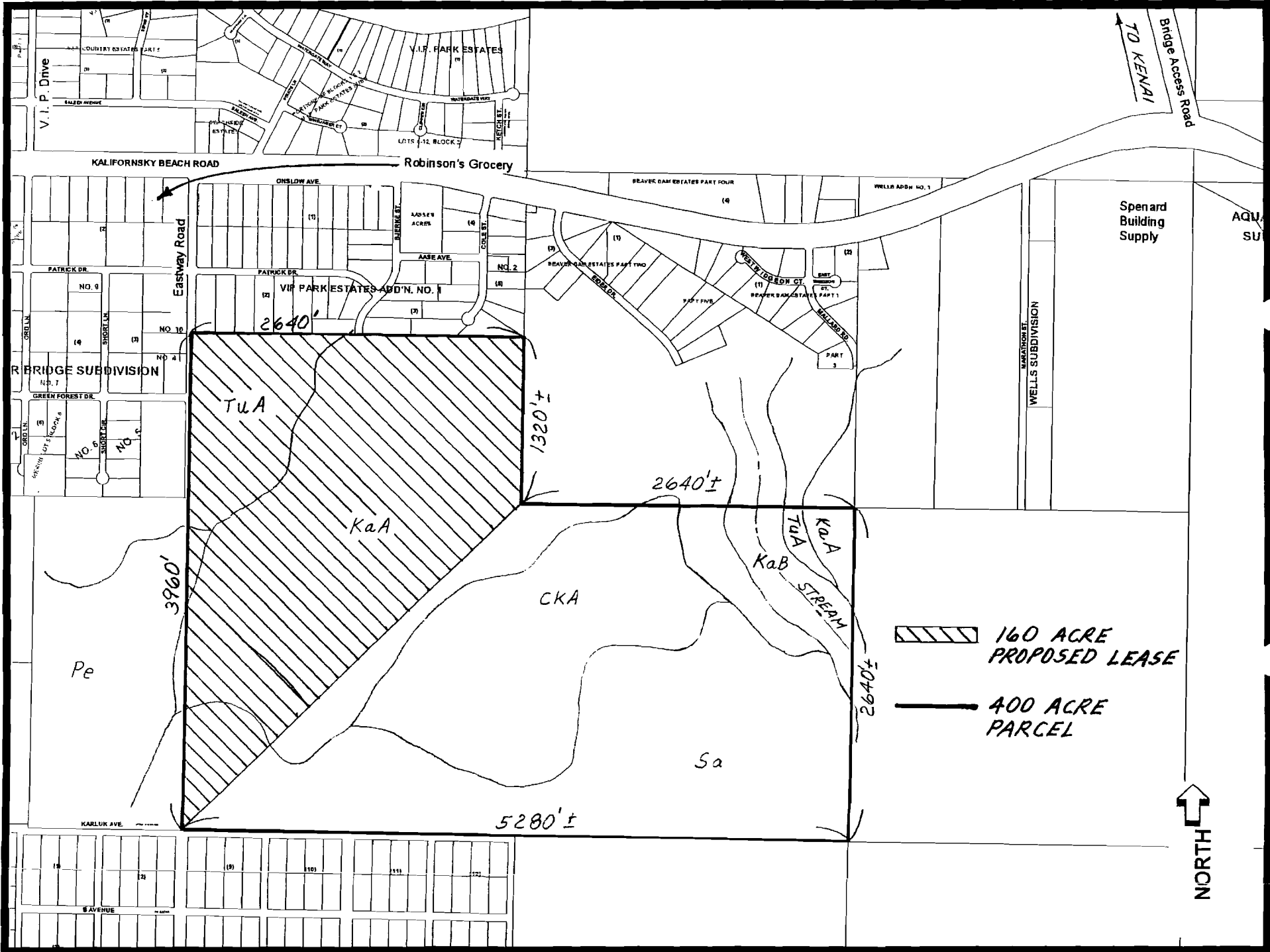
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Attachment B-Revised

Scale: 1" = 1,000'

**KENAI PENINSULA BOROUGH
AGRICULTURE LEASE**

draft

For good and valuable consideration, and pursuant to Ordinance 2003-____, enacted _____, the KENAI PENINSULA BOROUGH, an Alaska municipal corporation whose address is 144 North Binkley Street, Soldotna, Alaska 99669, (hereinafter called "KPB"), grants to _____, whose address is _____ (hereinafter called "LESSEE"), use of the following described parcel of real property (hereinafter called "Property") situated in the Kenai Recording District, Third Judicial District, State of Alaska, and described as follows:

Township 5 North, Range 11 West, Seward Meridian, Alaska

Section 20: SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$

Section 21: SW $\frac{1}{4}$

Containing 400 acres more or less.

TERMS AND CONDITIONS

1. Lease Term. This lease is for a term of 20 years commencing _____, 2003 and terminating _____, 2023. There shall also be one additional renewal option for a term of ten years. LESSEE shall notify KPB in writing of his *desire* desire to exercise the next available renewal option term at least 180 days prior to current lease term expiration.

2. Lease Rental.
 - a. Pursuant to KPB Ordinance 2003-____ the annual ~~Lease~~ rental for the first five years of this lease is _____ Dollars (\$_____.00) or _____ Dollars (\$_____.00) per acre based on 160 acres, plus any applicable sales taxes as may otherwise be required by law, which shall be due with each annual lease payment. Rent will be prorated for any partial year.

 - b. The rental is based on 160 acres that can be tilled for growing crops. The rental for the first five years of this lease may be increased or decreased by the KPB depending on the tillable acres that are available for growing crops after the Natural Resource Conservation Service wetland determination required by the Development Plan.

- c. The annual lease rental will be adjusted every five years to fair market rental value appraisal. KPB Assessing Department shall appraise the property for the purpose of establishing the rental rate utilizing the following formula:

(Fair Market Value of tillable acres)(Percent of fee simple to grow crops)(.08)

3. Restrictive Covenant. This lease is subject to a restrictive covenant pursuant to KPB Code, Section 17.10.130(D), which requires that all lands or interests in land be conveyed by an instrument containing restrictions that restrict the use of the land to that classification and prohibit the use of the land for any other purpose. The real property described in this conveyance instrument is classified "Agricultural and Preservation."

Agriculture means lands suited for raising and harvesting crops; feeding, breeding and management of livestock; dairying; or, other farm use or any combination of these. Lands subclassified as "agriculture" shall be rated based on the same or similar criteria as used for the "Land Evaluation and Site Assessment" prepared by the Homer and Kenai-Kasilof Soil and Water Conservation Districts. Parcels of land qualifying for this subclassification may ~~varied~~ vary in size.

Preservation means lands needed for stabilization or maintenance of natural features, historic value, known nesting areas of migratory birds or required to maintain the integrity of certain types of easements or as buffers, green belts, water sheds or other reservations to preserve natural resources and aesthetic qualities. Soils may be of such a nature as to not be usable for construction of buildings.

The preservation portion of the lease is the land designated as wetland by the Natural Resource Conservation Service (NRCS); the remainder of the lease is considered Agriculture.

THE USE OF THE LAND FOR ANY OTHER PURPOSE, INCOMPATIBLE WITH AGRICULTURE OR PRESERVATION USE, IS PROHIBITED. THE BOROUGH IN WRITING MUST APPROVE ANY REVISIONS TO THE DEVELOPMENT PLAN OR LEASE TERMS. THE PROPERTY SHALL BE USED FOR PURPOSES IN CONFORMITY WITH THE DEVELOPMENT PLAN AND THE TERMS AND CONDITIONS OF THE LEASE. USE OR DEVELOPMENT FOR OTHER THAN ALLOWED PURPOSES SHALL SUBJECT THE LEASE TO TERMINATION.

4. Purpose. The purpose of this lease is to authorize lessee to grow crops. This lease does not authorize:
- Human habitation
 - Buildings or structures

- c. Feeding, breeding and management of livestock
 - d. Dairying
 - e. Other farm use or combination of these.
 - f. Lessee may not restrict public access or use of lease area not in crop production.
5. Development Plan. The LESSEE is authorized to grow crops pursuant to the Development Plan made a part of this lease by reference and attached hereto as Attachment A.
- a. Commencement of Activities. The Development Plan shall be implemented according to its schedule; however, the property shall not be tilled for agriculture production until:
 - 1. Wetland determination/delineation is completed by NRCS.
 - 2. Insurance acceptable to the KPB is established.
 - b. Wetland Boundary. LESSEE, at its sole cost, shall delineate the wetland boundary established by NRCS by a method approved by the KPB. The LESSEE, at its sole cost, shall provide the KPB a metes and bounds description of the line of delineation as established by the NRCS. Said description shall be based on at least two survey monuments of record and be stamped by a professional land surveyor licensed in the State of Alaska.
 - c. Fifty Foot Setback. Ground may not be tilled for crop production within 50 feet of subdivided lands on the northern and western boundaries of lease area.
6. Waste. LESSEE shall not commit waste or injury upon the lands leased herein.
7. Fire Protection. LESSEE shall take all reasonable precautions to prevent, and take all reasonable actions to suppress destructive and uncontrolled grass, brush, and forest fires on the land under agreement, and comply with all laws, regulations and rules promulgated and enforced by the protection agency responsible for forest protection within the area wherein the demised premises are located.
8. Safety. LESSEE shall be solely responsible for maintaining the premises in a safe and fit condition, including but not limited to snow and ice removal from all improvements and areas on the land developed or used for pedestrian traffic.
9. Sanitation. LESSEE shall comply with all laws, regulations or ordinances promulgated for the promotion of sanitation. The subject property shall be kept in a

clean and sanitary condition and every effort shall be made to prevent pollution of the waters and lands.

10. Hazardous Materials and Hazardous Waste. Storage, handling and disposal of hazardous waste shall not be allowed on lands under lease from KPB per KPB 17.10.240(H).

LESSEE shall comply with all applicable laws and regulations concerning hazardous chemicals and other hazardous materials, and shall properly store, transfer and use all hazardous chemicals and other hazardous materials and not create any environmental hazards on the lands leased herein. In no event may LESSEE utilize underground storage tanks for the storage or use of hazardous chemicals or other hazardous materials.

Should any hazardous chemicals or hazardous materials of any kind or nature whatsoever, or hazardous wastes be released upon the subject lands during the term of this lease, LESSEE shall IMMEDIATELY report such release to the KPB Planning Director or other appropriate KPB official and to any other agency as may be required by law, and LESSEE shall, at its own cost, assess, contain and clean up such spilled materials in the most expedient manner allowable by law.

As used herein, "hazardous chemical" means a chemical that is a physical hazard or a health hazard.

As used herein, "hazardous material" means a material or substance, as defined in 49 C.F.R. 171.8, and any other substance determined by the federal government, the state of Alaska or KPB, to pose a significant health and safety hazard.

As used herein, "hazardous waste" means a hazardous waste as identified by the Environmental Protection Agency under 40 C.F.R. 261.3 and any other hazardous waste as defined by the federal government, the state of Alaska or KPB.

The covenants and obligations described in this article shall survive the termination of this lease.

11. Compliance With Laws. The LESSEE agrees to comply with all applicable federal, state, borough and local laws and regulations.
12. Easements and Rights-of-Way. This Lease is subject to all easements, rights-of-way, covenants and restrictions of which LESSEE has actual or constructive notice. KPB reserves and retains the right to grant additional easements for utility and public access purposes across the property and nothing herein contained shall prevent KPB from specifically reserving or granting such additional easements and

rights-of-way across the property as may be deemed reasonable and necessary. All trails or roads existing at the time this Lease is executed shall be considered an easement for public use.

As the parties agree that this is a reserved right which is reflected in the annual lease rental, in the event that KPB grants future additional easements or rights-of-way across the property, it is agreed and understood that LESSEE shall receive no damages for such grant.

13. Inspections. LESSEE shall allow KPB, through its duly authorized representative, to enter and inspect the leased premises at any reasonable time, with or without advance notice to LESSEE, to ensure compliance with the terms and conditions of this lease. KPB's right to enter and inspect shall be exercised at KPB's sole discretion and the reservation or exercise of this right, and any related action or inaction by KPB, shall not in any way impose any obligation whatsoever upon KPB, and shall not be construed as a waiver of any rights of KPB under this agreement.

14. Indemnification and Liability Insurance.

a. Indemnification and Hold Harmless. LESSEE covenants and agrees to indemnify, save, defend, keep and hold harmless KPB, its assembly members, officers, agents, and employees from all damages, costs and expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of or in the course of LESSEE'S use, occupancy and activities on the property, whether or not the activity is authorized. LESSEE also specifically covenants and agrees that it shall indemnify, defend and hold KPB harmless from any and all liability or claims, judgments, damages, costs, or losses, including, but not limited to reasonable attorney's fees, engineers' and consultants' fees, and contractors' fees which arise during or after the term of this lease to the extent such damages are a result of any contamination from hazardous materials, hazardous chemicals and hazardous waste. These covenants shall survive the term of this agreement.

b. Liability Insurance. LESSEE shall purchase at its own expense and maintain in force at all times during the term of this Lease Comprehensive General Liability Insurance, which shall include bodily injury, personal injury, and property damage with respect to the property and the activities conducted by the LESSEE in which the coverage shall not be less than [~~\$1,000,000~~/500,000/100,000?] per occurrence. The policy purchased shall name LESSEE as the insured and KPB as an additional insured, and shall

also require the insurer to provide KPB with thirty (30) days or more advance written notice of any pending cancellation or change in coverage.

- c. Proof of Insurance. At the time of executing this ^{lease} agreement, and at the time of each renewal of insurance, LESSEE shall deliver to the KPB Planning Director certificates of insurance meeting the above criteria.
15. Property Taxes. LESSEE shall timely pay all real property taxes, assessments and other debts or obligations owed to KPB. Pursuant to KPB 17.10.120(F) this agreement is subject to termination should LESSEE become delinquent in the payment of any such obligations.
16. Assignments. LESSEE may assign this Lease only if approved in advance by KPB. Applications for assignment shall be made in writing on a form provided by the Land Management Division. The assignment will not be approved if all interests of KPB are not fully protected. The assignee shall be subject to and governed by the provisions of this agreement and laws and regulations applicable thereto.
17. Subleasing. No LESSEE may sublease lands or any part thereof without written permission of the mayor when applicable. A sublease shall be in writing and subject to the terms and conditions of the original lease.
18. Cancellation. At any time that this Lease is in good standing it may be canceled in whole or in part upon mutual written agreement by the LESSEE and either the KPB Mayor or Planning Director [when applicable]. This Lease is subject to cancellation in whole or in part if improperly issued through error in procedure or with respect to material facts.
19. Termination. Upon termination of this Lease, LESSEE covenants and agrees to return the property to KPB in a neat, clean and sanitary condition, and to immediately remove all items of personal property subject to the terms and conditions of paragraph 26 below. All terms and conditions set out herein are considered to be material and applicable to the use of the property under this Lease. Subject to the following, in the event of LESSEE's default in the performance or observance of any of the ^{lease} agreement terms, conditions, covenants and stipulations thereto, and such default continues thirty (30) calendar days after written notice of the default, KPB may cancel this lease, or take any legal action for damages or recovery of the property. No improvements may be removed during the time in which the ~~contract~~ ^{lease} is in default.

In the event LESSEE breaches any provisions prohibiting the release of hazardous chemicals, hazardous materials or hazardous waste upon the property, and fails to

immediately terminate the operation causing such release upon notice from KPB, then KPB may immediately terminate this lease agreement. ✓

20. Violation. Violation of any of the terms of this lease may expose LESSEE to appropriate legal action including forfeiture of lease/purchase interest, termination, or cancellation of its interest in accordance with state law.
21. Notice of Default. Notice of the default, where required, will be in writing and as provided in the Notice provision of this agreement.
22. Entry or Re-entry. In the event that the Lease is terminated, canceled or forfeited, or in the event that the demised lands, or any part thereof, should be abandoned by the LESSEE during the lease term, KPB or its agents, servants or representative, may immediately or any time thereafter, enter or re-enter and resume possession of said lands or such part thereof, and remove all persons and property therefrom either without judicial action where appropriate, by summary proceedings or by a suitable action or proceeding at law or equity without being liable for any damages therefor. Entry or re-entry by KPB shall not be deemed an acceptance of surrender of the contract.
23. Removals or Reversion of Improvements Upon Termination of Lease.
 - a. Improvements on the property owned by LESSEE shall, within thirty calendar days after the termination of the ^{lease} agreement, be removed by LESSEE; provided such removal will not cause injury or damage to the land; and further provided that the Mayor, or Planning Director when applicable, may extend the time for removing such improvements in cases where hardship is proven. The LESSEE may dispose of its improvements to a succeeding lessee with the consent of the KPB mayor.
 - b. If any improvements and/or chattels having an appraised value in excess of ten thousand dollars, as determined by a qualified appraiser, are not removed within the time allowed, such improvements and/or chattels shall, upon due notice to the LESSEE under the terminated or canceled ^{lease} contract, be sold at public sale under the direction of the mayor and in accordance with the provisions of KPB Code, Chapter 5. The proceeds of the sale shall inure to the LESSEE who placed such improvements and/or chattels on the lands, or its successors in interest, after paying to KPB all monies due and owing plus all costs, fees and expenses incurred in storing the goods and making such a sale. In case there are no other bidders at any such sale, the KPB mayor is authorized to bid, in the name of KPB, on such improvements and/or chattels. The bid money shall be taken from the fund to which said lands belong, and the fund shall receive all moneys or other value

subsequently derived from the sale or leasing of such improvements and/or chattels. KPB shall acquire all the rights, both legal and equitable, that any other purchaser could acquire by reason of the purchase.

- c. If any improvements and/or chattels having an appraised value of ten thousand dollars or less, as determined by the KPB mayor, are not removed within the time allowed, such improvements and/or chattels shall revert and absolute title shall vest in KPB. Upon request, the purchaser, lessee, or permittee shall convey said improvements and/or chattels by appropriate instrument to KPB.

24. Rental for Improvements or Chattels not Removed. Any improvements and/or chattels belonging to the LESSEE or placed on the land during its tenure with or without its permission and remaining upon the premises after the termination of the ~~contract~~ ^{lease} shall entitle KPB to charge a reasonable rent therefor.

25. Resale. In the event that this Lease ~~agreement~~ should be terminated, canceled, forfeited or abandoned, KPB may offer said lands for sale, lease or other appropriate disposal pursuant to the provisions of KPB Code, Chapter 17.10, or other applicable regulations. If said land is not immediately disposed of, then said land shall return to the Land Bank.

In this section 26. Notice. Any notice or demand, which under the terms of this Lease must be given or made by the parties ~~to~~ thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address shown ~~on~~ ^{in this section} the contract. However, either party may designate in writing such other address to which such notice of demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed received when deposited in a U.S. general or branch post office by the addressor.

All notices shall be sent to both parties as follows:

LESSOR
KENAI PENINSULA BOROUGH
Planning Director
144 N. Binkley
Soldotna, AK 99669-7599

LESSEE

27. Responsibility of Location. It shall be the responsibility of the LESSEE to properly locate its self and its improvements on the leased lands.

28. Non-Waiver Provision. The receipt of payment by KPB, regardless of KPB's knowledge of any breach by LESSEE, or of any default on the part of the LESSEE in observance or performance of any of the conditions or covenants of this ~~agreement~~^{Lease}, shall not be deemed to be a waiver of any provision of the ~~agreement~~^{Lease}. Failure of KPB to enforce any covenant or provision herein contained shall not discharge or invalidate such covenant or provision or affect the right of KPB to enforce the same in the event of any subsequent breach or default. The receipt by KPB of any payment of any other sum of money after notice of termination or after the termination of the agreement for any reason, shall not reinstate, continue or extend the agreement, nor shall it destroy or in any manner impair the efficacy of any such notice of termination unless the sole reason for the notice was nonpayment of money due and the payment fully satisfies the breach.
29. Jurisdiction. Any suits filed in connection with the terms and conditions of this Lease, and of the rights and duties of the parties, shall be filed ~~and prosecuted~~[✓] at Kenai, Alaska and shall be governed by Alaska law.
30. Savings Clause. Should any provision of this Lease fail or be declared null or void in any respect, or otherwise unenforceable, it shall not affect the validity of any other provision of this Lease or constitute any cause of action in favor of either party as against the other.
31. Binding Effect. It is agreed that all covenants, terms and conditions of this ~~agreement~~^{Lease} shall be binding upon the successors, heirs and assigns of the original parties hereto.
32. Full and Final Agreement. This ~~agreement~~^{Lease} constitutes the full and final agreement of the parties hereto and supersedes any prior or contemporaneous agreements. This ~~agreement~~^{Lease} may not be modified orally, or in any manner other than by an agreement in writing and signed by both parties or their respective successors in interest. LESSEE avers and warrants that no representations not contained within this agreement have been made with the intention of inducing execution of this agreement.
33. Lessee warrants that the person executing this agreement is authorized to do so on behalf of _____.

LESSEE

KENAI PENINSULA BOROUGH

Dale L. Bagley, Mayor

Dated: _____

Dated: _____

ATTEST:

APPROVED AS TO LEGAL FORM
AND SUFFICIENCY:

Linda S. Murphy
Borough Clerk

Holly B. Montague
Assistant Borough Attorney

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2003, by Dale L. Bagley, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, on behalf of the corporation.

for and

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 _____,
2003, by _____.

Notary Public in and for Alaska
My commission expires: _____

**KENAI PENINSULA BOROUGH
AGRICULTURE LEASE**

DEVELOPMENT PLAN

1. Subject Real Property

Township 5 North, Range 11 West, Seward Meridian, Alaska

Section 20: SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$

Section 21: SW $\frac{1}{4}$

Containing 400 acres more or less.

2. Wetland Determination

Lessee shall apply to the U.S. Department of Agriculture, Natural Resource Conservation Service (NRCS) on form NRCS-CPA-38 REQUEST FOR CERTIFIED WETLAND DETERMINATION/DELINEATION at time of executing lease.

3. Delineation of Wetland and Farmland

Lessee, at its sole cost, shall delineate the wetland boundary established by NRCS by a method approved by the KPB. The Lessee, at its sole cost, shall provide the KPB a metes and bounds description of the line of delineation as established by the NRCS. Said description shall be based on at least two survey monuments of record and be stamped by a professional land surveyor licensed in the State of Alaska.

4. Wetland Management

The wetland portion of the lease will be left in its undeveloped, undisturbed state in order for it to serve its many ecological functions.

5. Farmland Development

Lessee will submit a Farm Management Plan, approved by the NRCS, to the KPB prior to developing the land for crop production. If necessary, the Farm Management Plan will address practices deemed necessary by NRCS to protect of the wetland area.

The lessee is not required to grow crops by virtue^{of} entering into a market value lease and making the required lease payments.

Introduced by: Mayor
Date: 05/20/03
Hearing: 06/17/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2003-21**

**AN ORDINANCE EXTENDING THE TERMINATION DATE OF ORDINANCE 2000-50
AND ADDING PROPERTY TO BE INCLUDED IN THE EMERGENCY HARVEST OF
SPRUCE BARK BEETLE KILLED TIMBER**

WHEREAS, the assembly in Ordinance 2000-50 authorized emergency harvest of spruce bark beetle killed timber identified as representing a forest fire hazard; and

WHEREAS, since the enactment of Ordinance 2000-50 on December 12, 2000, approximately 500,000 additional acres throughout the borough, for a total of over 1,500,000 have been heavily infested with spruce bark beetles; and

WHEREAS, an additional 563 acres of borough land extending from the Kasilof River north to Captain Cook State Park and East to Sterling is not in an existing management unit but has been identified as being either at high hazard or moderate hazard of forest fire from dead spruce; and

WHEREAS, an additional 1,788 acres of borough land in management units 1, 2, and 3 have had increased beetle activity and were identified as moderate or high hazard of forest fire from dead spruce; and

WHEREAS, Section 9 of Ordinance 2000-50 established a repeal date of July 1, 2003 for the timber harvest program; and

WHEREAS, it is in the borough's best interest to continue the harvest of spruce bark beetle killed timber of high or moderate forest fire hazard;

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

SECTION 1. The borough-owned or managed property described in the attached Exhibit X is added to the program established by Ordinance 2000-50 as new management unit 13 and additions to units 1, 2, and 3. Only the portions of the properties described in Exhibit X identified as moderate or high forest fire hazard on Exhibits A-W, copies of which are attached hereto and incorporated herein by reference, shall be approved under this ordinance for timber disposal.

SECTION 2. That the repeal date of July 1, 2003 of Ordinance 2000-50, as amended by this ordinance, is hereby extended to July 1, 2006.

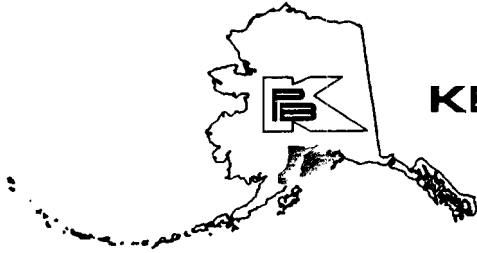
SECTION 3. That this ordinance takes effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS *
DAY OF * 2003.**

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907)262-1892

DALE BAGLEY
MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Dale Bagley, Mayor *DLB*

FROM: Roberta Wilfong, Program Manager *RW*
Spruce Bark Beetle Mitigation Program

DATE: June 5, 2003

SUBJECT: Amendment to Ordinance 2003-21 adding property to be included in the spruce bark beetle program

Ordinance 2003-21 extends the termination date of Ordinance 2000-50 and adds KPB property to be included in the emergency harvest of spruce bark beetle killed timber (as identified in Exhibit X). Since the development of Exhibit X, nine parcels have been transferred from the borough to private ownership, which changes the total acreage of the parcels. The following amendments to Ordinance 2003-21 are requested:

- Change the acreage in the third whereas clause from 563 to 540.6 acres.
- Change the acreage in the fourth whereas clause from 1788.0 to 905.4 acres.
- Substitute the attached Exhibits A through W and Exhibit X.

Ordinance 2003-21
Amending Ordinance 2000-50 Exhibit X - Parcel Information

PARCEL ID	HAZARD RATING	UNIT	EXHIBIT	LOT ACREAGE	ESTIMATED ACRES OF DEAD SPRUCE	LEGAL DESCRIPTION
13303129	Moderate	1	A	459.7	61.8	KN T03N R11W S08 GOV'T LOTS 3 & 4 & S1/2 NW1/4 & E1/2 SW1/4 SEC 5 & NW1/4 & NW1/4 SW1/4 & E1/2 SW1/4 SW1/4 SEC 8
13303203	Moderate	1	A	136.7	62.4	KN T03N R11W S09 E1/2 SE1/4 IN SEC 8 & GOV'T LOTS 1 & 2 LYING WEST OF THE STERLING HWY IN SEC 9
13307208	Moderate	1	B	53.5	4.7	KN T03N R12W S24 GOV'T LOT 13
13312061	Moderate	1	C	5.0	1.7	KN T03N R11W S31 GOV'T LOT 14
13312102	Moderate	1	C	20.5	14.9	KN0740103 T03N R11W S31 TRACT A TUSTUMENA SCHOOL SITE
13312201	Moderate	1	C	14.8	14.8	KN0900032 T03N R11W S31 TRACT A ALASKA STATE CADASTRAL SURVEY 89-142
13312202	Moderate	1	C	3.3	3.3	KN0900032 T03N R11W S31 TRACT B ALASKA STATE CADASTRAL SURVEY 89-142
13312203	Moderate	1	C	8.5	8.5	KN0900032 T03N R11W S31 TRACT C ALASKA STATE CADASTRAL SURVEY 89-142
13337009	Moderate	1	C	3.0	1.8	KN0770070 T03N R11W S31 TRACT 1 KASILOF RIVER HEIGHTS SUB
13357035	Moderate	1	C	15.1	13.3	KN T03N R11W S31 GOV'T LOT 7
13703074	High/Moderate	1	C	40.0	39.4	KN T02N R11W S05 SW1/4 SW1/4
13305016	Moderate	1	E	110.9	62.6	KN T03N R12W S21 SE1/4 NW1/4 & E1/2 SW1/4 EXCLUDING COHOE ROAD ROW
13701019	Moderate	1	F	4.8	4.8	KN T02N R12W S09 PORTION THEREOF
13705024	Moderate	2	G	119.9	117.4	KN T02N R12W S13 S1/2 NW1/4 & NW1/4 SW1/4
13705087	Moderate	2	G	159.9	159.1	KN T02N R12W S23 SE1/4
13706012	High	2	G	24.7	24.6	KN T02N R11W S17 PORTION S1/2 SW1/4 LYING NORTH OF TUSTUMENA ROAD
13706013	High/Moderate	2	G	49.3	49.1	KN T02N R11W S17 PORTION S1/2 SW1/4 LYING S OF TUSTUMENA RD
13706019	Moderate	2	G	78.0	76.6	KN T02N R11W S18 E1/2 SE1/4 EXCLUDING CASSIDY DRIVE AND TUSTUMENA LAKE RD
13706020	Moderate	2	G	76.1	76.0	KN T02N R11W S18 E1/2 NE1/4 EXCLUDING CASSIDY AND TUSTUMENA LAKE ROAD
13716008	Moderate	2	G	1.4	1.4	KN T02N R12W S14 PORTION GOV'T LOT 5 E OF LAKEVIEW COURT EXCLUDING SELF SUB
15701113	Moderate	2	I	22.1	13.3	HM0960013 T01S R13W S07 TRACT A AURORA VISTA
15904314	Moderate	3	J	40.0	38.7	HM T02S R14W S12 SE1/4 NE1/4
15904315	Moderate	3	J	40.0	38.3	HM T02S R14W S12 NW1/4 SE1/4
15909019	Moderate	3	K	5.0	4.8	HM T02S R14W S29 GOV'T LOT 11

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Ordinance 2003-21
Amending Ordinance 2000-50 Exhibit X - Parcel Information

PARCEL ID	HAZARD RATING	UNIT	EXHIBIT	LOT ACREAGE	ESTIMATED ACRES OF DEAD SPRUCE	LEGAL DESCRIPTION
15919011	Moderate	3	L	9.2	8.2	HM T03S R15W S25 GOVT LOTS 11 & 12
15924035	Moderate	3	M	5.0	3.7	HM0620629 T03S R14W S21 TRACT 110 HAPPY VALLEY 5 ACRE HOMESITES
13107011	Moderate	13	N	39.3	39.3	KN T04N R12W S24 THAT PORTION OF THE NW1/4 SE1/4 LYING EAST OF KALIFORNKY BEACH ROAD
13107048	Moderate	13	N	4.5	4.5	KN 2002072 T04N R12W S24 TRACT B KALIFORNKY VILLIAGE SUB
13107049	Moderate	13	N	16.8	16.8	KN T04N R12W S24 GOVT LOTS 16 17 18 & 19 LYING EITHER SIDE OF KALIFORNKY BEACH ROAD
13111033	Moderate	13	N	1.8	1.5	KN T04N R12W S25 GOVT LOT 5
13111034	Moderate	13	N	2.0	1.5	KN T04N R12W S25 GOVT LOT 6
13111044	Moderate	13	N	3.0	1.7	KN T04N R12W S25 GOVT LOT 19
13111045	Moderate	13	N	3.6	1.8	KN T04N R12W S25 GOVT LOT 20
13111046	Moderate	13	N	3.9	1.8	KN T04N R12W S25 GOVT LOT 21
13111055	Moderate	13	N	6.7	6.7	KN T04N R12W S25 THAT PORTION OF THE N1/2 NE1/4 NW1/4 LYING WEST OF KALIFORNKY BEACH ROAD
13106001	Moderate	13	O	1.4	1.4	KN T04N R12W S13 GOVT LOT 21
13106007	Moderate	13	O	3.0	2.5	KN T04N R12W S13 GOVT LOT 15
13106013	Moderate	13	O	22.8	18.5	KN T04N R12W S13 GOVT LOTS 5 THRU 12 & E1/2 W1/2 SW1/4 NE1/4
13107032	Moderate	13	O	8.0	2.9	KN T04N R12W S24 GOVT LOTS 6 & 7
13101016	Moderate	13	P	2.6	0.6	KN T04N R12W S01 S1/2 S1/2 GOVT LOT 2 LYING EITHER SIDE OF KALIFORNKY BEACH ROAD
13101017	Moderate	13	P	21.2	15.5	KN T04N R12W S01 GOVT LOT 4 LYING EITHER SIDE OF KALIFORNKY BEACH ROAD
05506097	Moderate	13	Q	159.9	140.0	KN T05N R11W S28 SW1/4
05538012	High	13	R	1.0	1.0	KN0780044 T05N R11W S19 MARINERS WATCH SUB PART 1 LOT 3 BLOCK 7
05554017	High	13	R	2.3	2.4	KN0850067 T05N R11W S19 TRACT E KARLUK REEF SUB ADDN NO 1
05554018	High	13	R	1.5	1.4	KN0850067 T05N R11W S19 TRACT F KARLUK REEF SUB ADDN NO 1
04301014	Moderate	13	S	19.2	9.8	KN T06N R11W S31 S1/2 SE1/4 NW1/4
04301035	Moderate	13	S	11.5	1.6	KN0920059 T06N R12W S36 TRACT A1 JETTISON JUNCTION SUB
04301037	Moderate	13	S	51.2	50.6	KN0920059 T06N R12W S36 TRACT A3 JETTISON JUNCTION SUB
01712006	High	13	T	5.5	5.3	KN T06N R12W S23 GOVT LOT 10
01713011	High	13	T	6.0	4.9	KN T06N R12W S23 GOVT LOTS 5 & 6 & 18 & W1/2 W1/2 NW1/4 SW1/4 SE1/4
01713014	High	13	T	6.1	5.7	KN T06N R12W S23 SE1/4 SW1/4 SE1/4 LYING EAST OF NORTH KENAI RD
01713025	High	13	T	4.7	3.6	KN T06N R12W S23 GOVT LOT 13
01719031	High	13	T	1.8	1.8	KN T06N R12W S23 GOVT LOT 82
03901044	High	13	T	30.0	30.0	KN T06N R12W S25 W1/2 NE1/4 NW1/4 & W1/2 E1/2 NE1/4 NW1/4
03901055	High	13	T	40.4	31.5	KN0990005 T06N R12W S26 TRACT A1-A SHORELINE HEIGHTS SUB NO 3
01714014	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 29
01714027	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 36
01714032	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 47

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Ordinance 2003-21
Amending Ordinance 2000-50 Exhibit X - Parcel Information

PARCEL ID	HAZARD RATING	UNIT	EXHIBIT	LOT ACREAGE	ESTIMATED ACRES OF DEAD SPRUCE	LEGAL DESCRIPTION
01714033	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 46
01715028	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 67
01715030	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 65
01715031	High	13	U	1.8	1.8	KN T06N R12W S14 GOVT LOT 80
01716010	High	13	U	1.8	1.8	KN T06N R12W S14 GOVT LOT 81
01716011	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 96
01716036	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 108
01717010	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 113
01717035	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 140
01718006	High	13	U	1.9	1.9	KN T06N R12W S23 GOVT LOT 23
01718007	High	13	U	1.9	1.9	KN T06N R12W S23 GOVT LOT 22
01718010	High	13	U	1.8	1.8	KN T06N R12W S23 GOVT LOT 19
01725216	High	13	V	4.1	2.3	KN T06N R12W S03 GOVT LOTS 11 & 12
01221003	High	13	W	39.6	27.4	KN0820130 T07N R12W S09 TRACT 1 NIKISKI PARK SUB
01221006	High	13	W	56.4	48.2	KN T07N R12W S10 GOVT LOT 6 & S1/2 SW1/4 LYING NORTH OF NORTH KENAI RD EXCLUDING A 1.5 ACRE PARCEL IN THE SOUTHWEST CORNER
01221032	High	13	W	5.9	3.8	KN0820130 T07N R12W S09 TRACT 2 NIKISKI PARK SUB
01221033	High	13	W	35.3	20.8	KN0820130 T07N R12W S09 TRACT 3 NIKISKI PARK SUB
01405001	Moderate	13	W	2.6	2.6	KN0001560 T07N R12W S16 BERNICE LAKE ALASKA INDUSTRIAL SUB LOT 16 EXCEPTING THEREFROM THAT PORTION AS PER STATE ROW PERMIT ADL 26473

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Amendment 2000-50

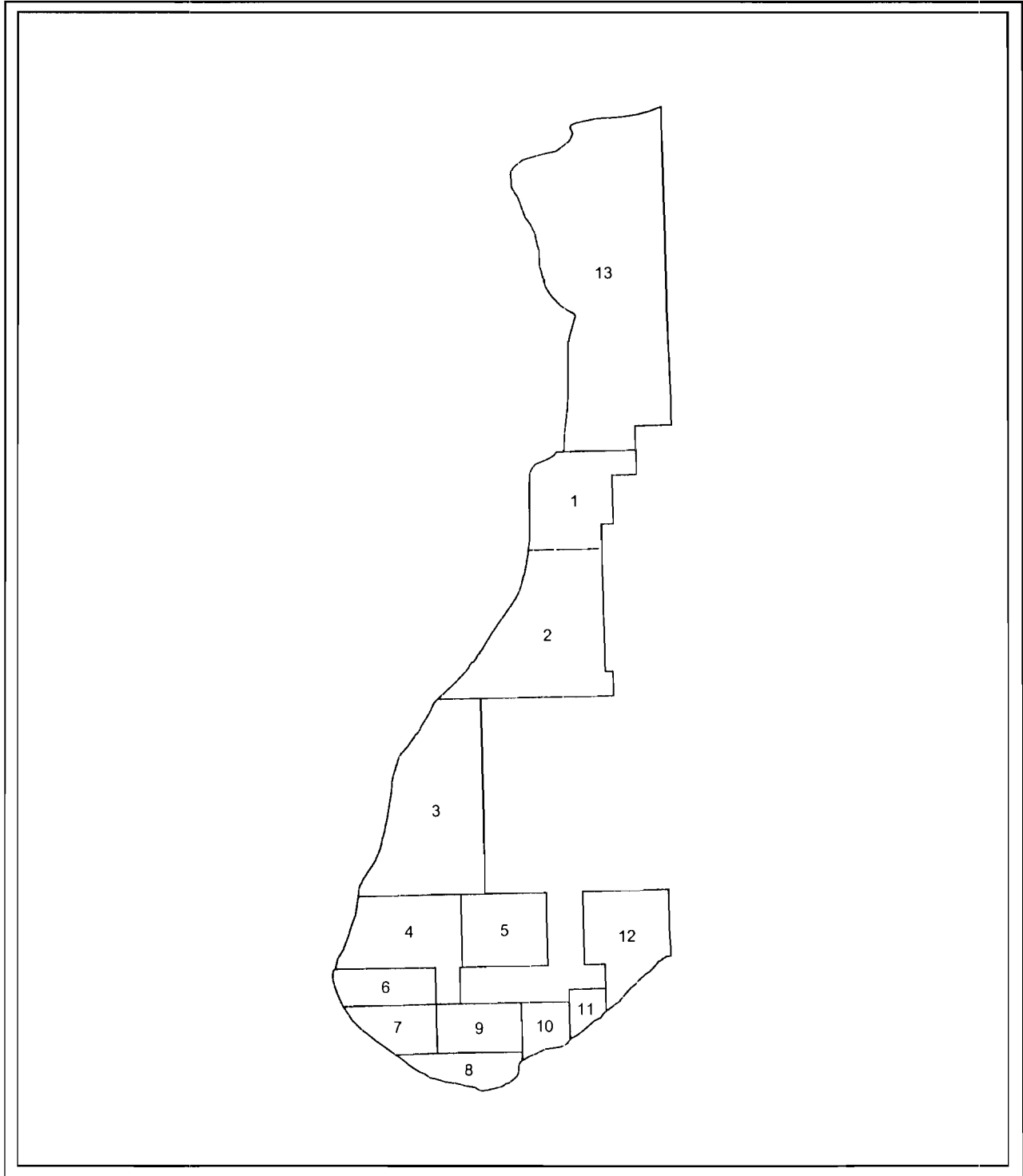
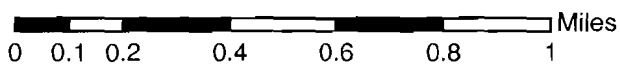
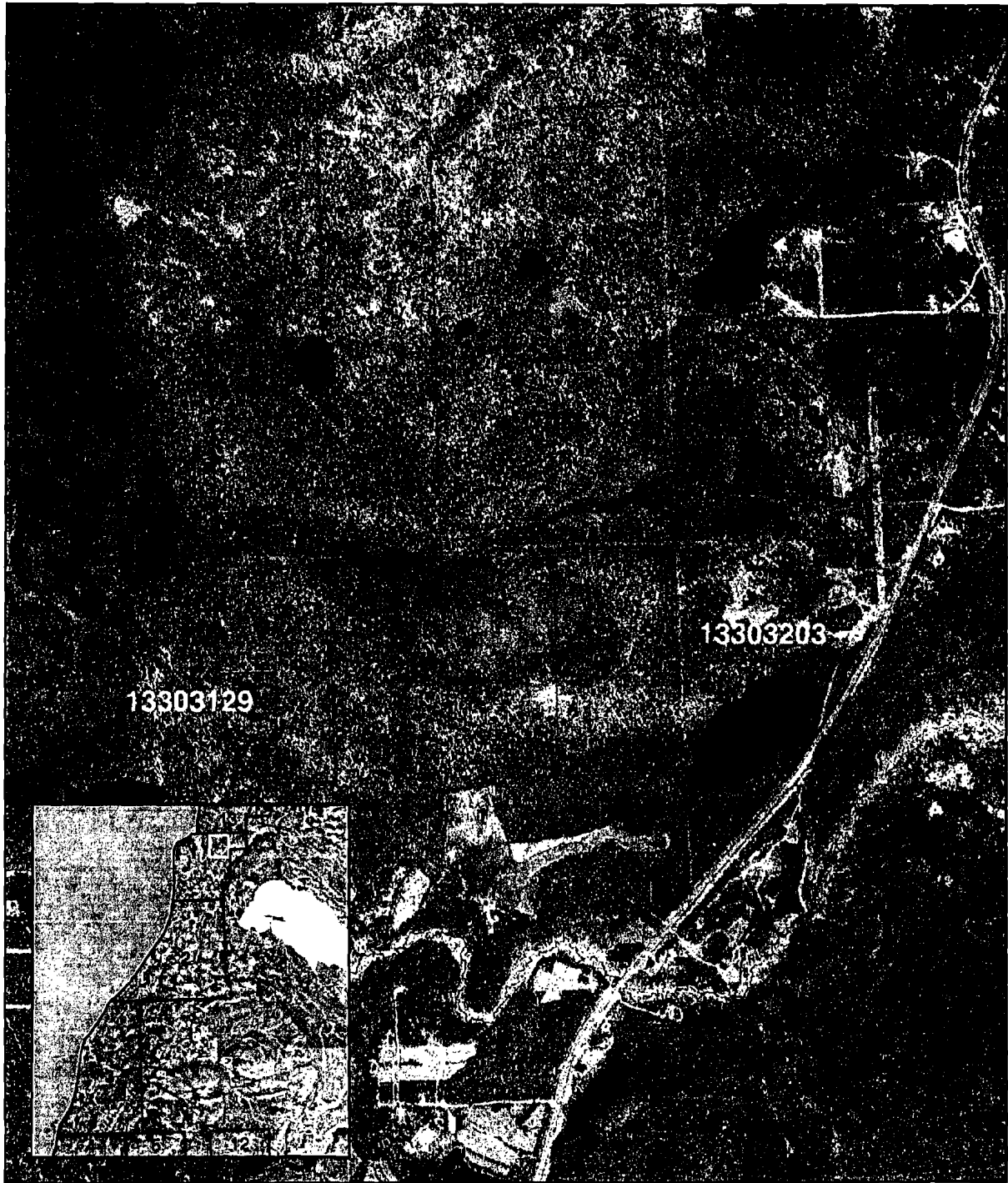





Exhibit A - Unit 1

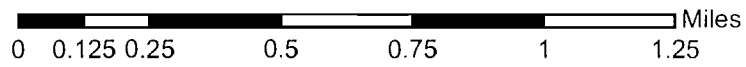
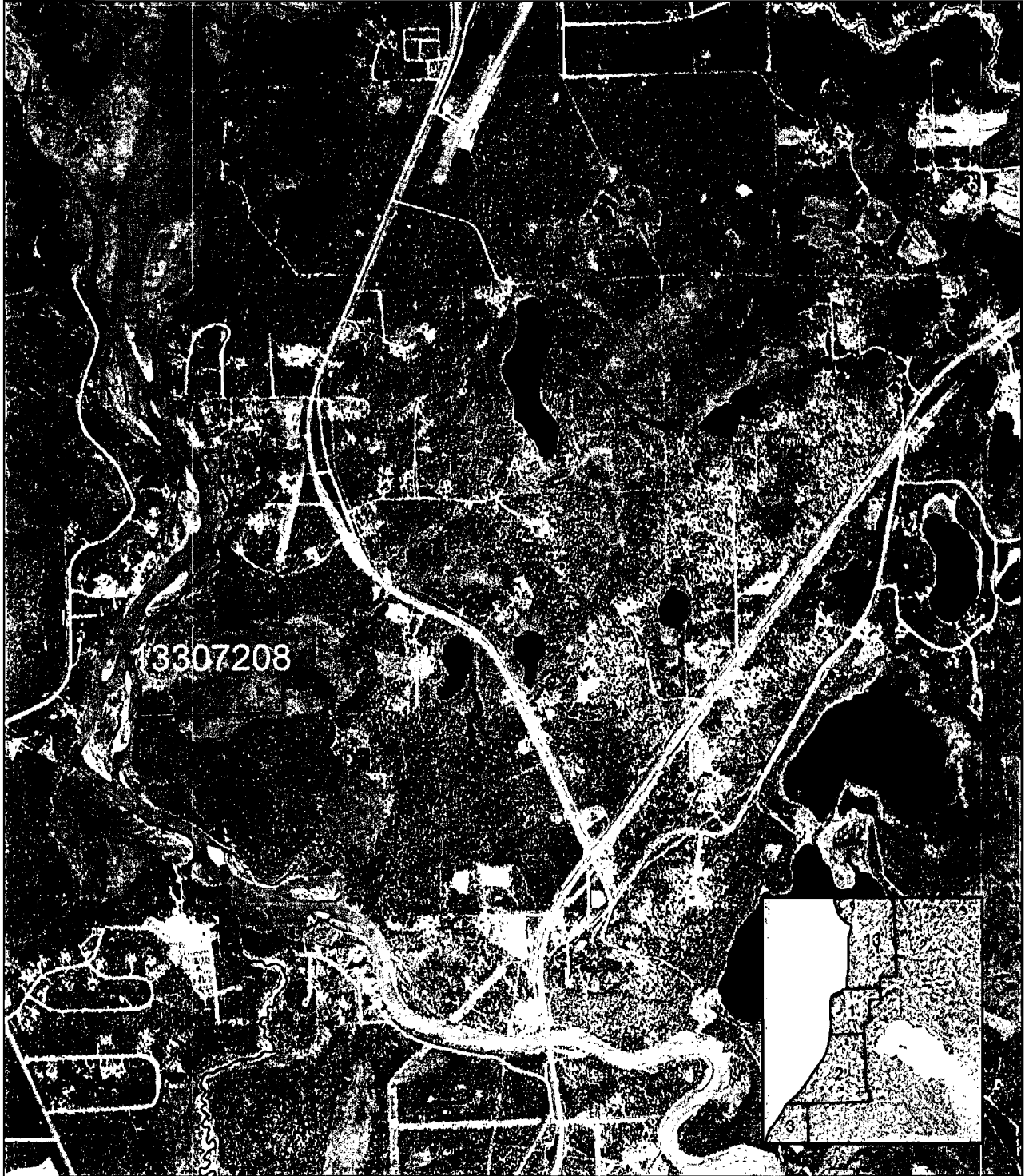





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kenai Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

KPB or SBBMP are not responsible for errors, omissions, or deletions on this map. Discrepancies in feature or boundary alignment are due to use of data from different sources. This map is not a legal representation, is produced for general informational purposes only and is not for sale.
7 January 2002 A.D. De Vokler

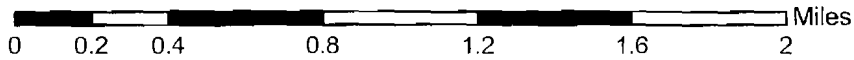
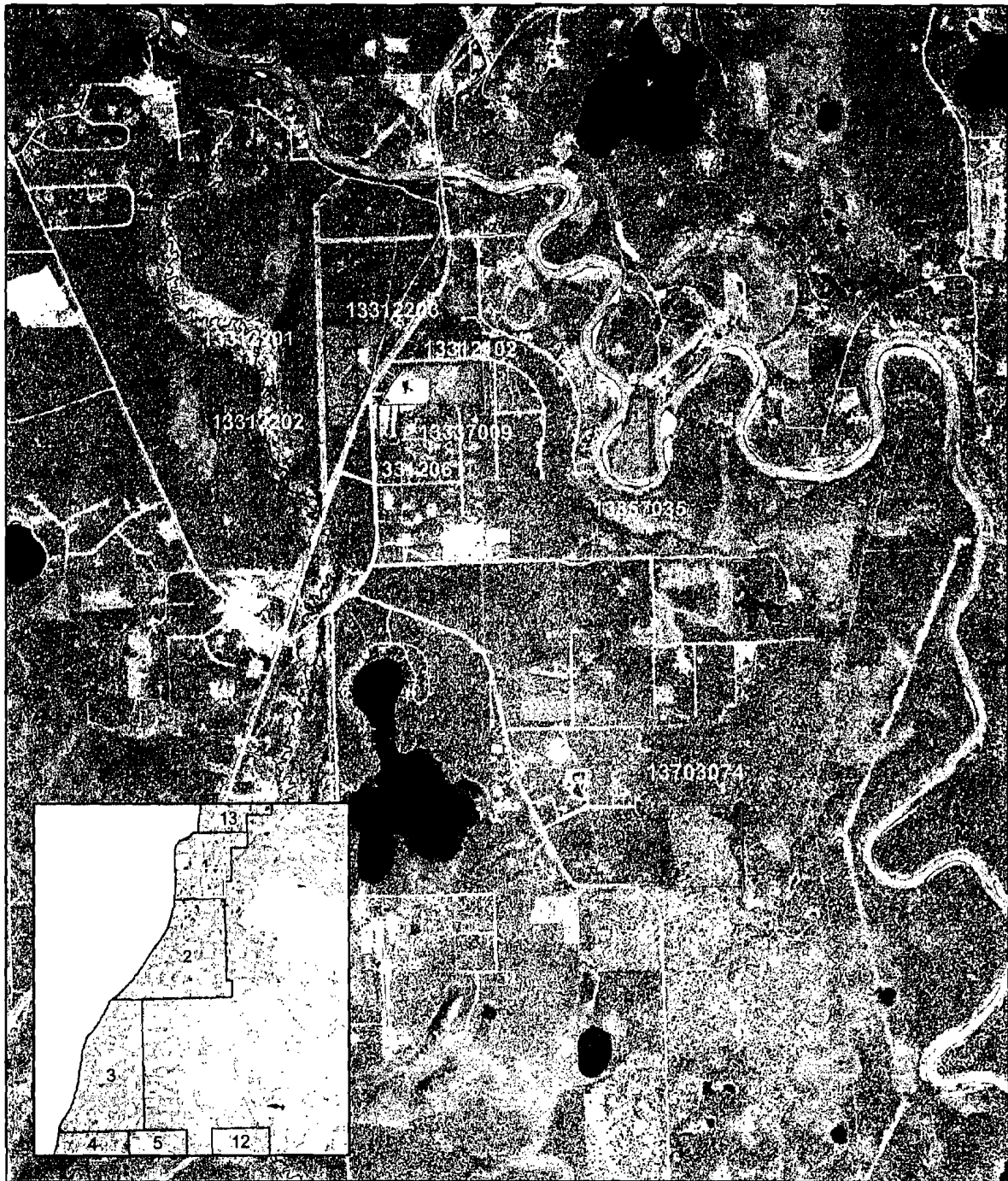
Exhibit B - Unit 1



 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

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Exhibit C - Unit 1

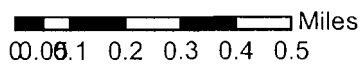
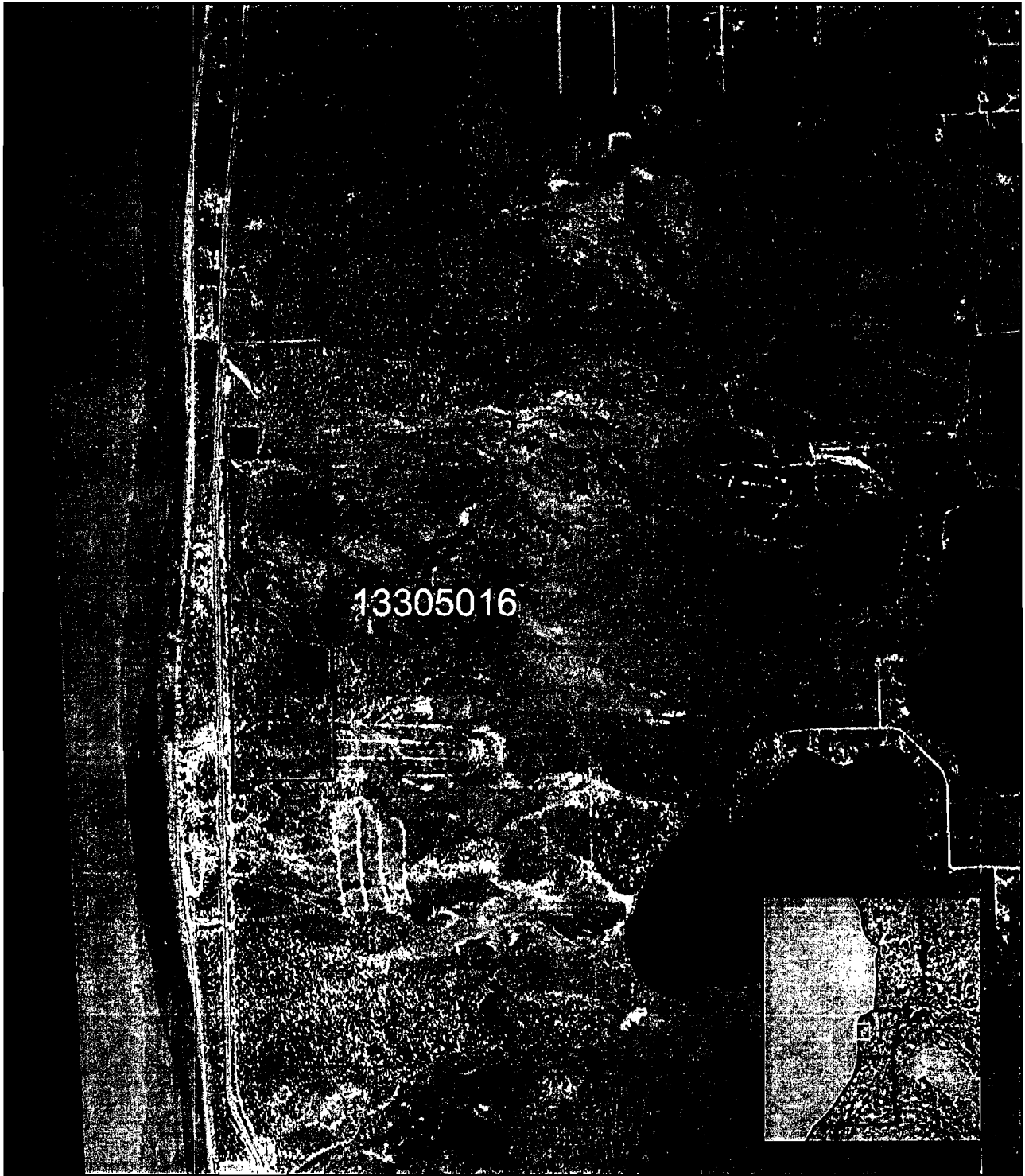





KPB owned high hazard
 KPB owned moderate hazard
 KPB parcels

Kansas Watershed Solutions (KWS)
 Spill Response and Mitigation Program (SRMP)

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 January 2022 A11, De Volder

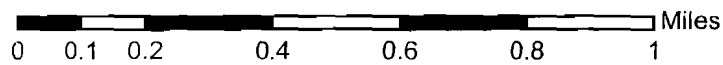
Exhibit E - Unit 1






 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kodiak Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)
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Exhibit F - Unit 1



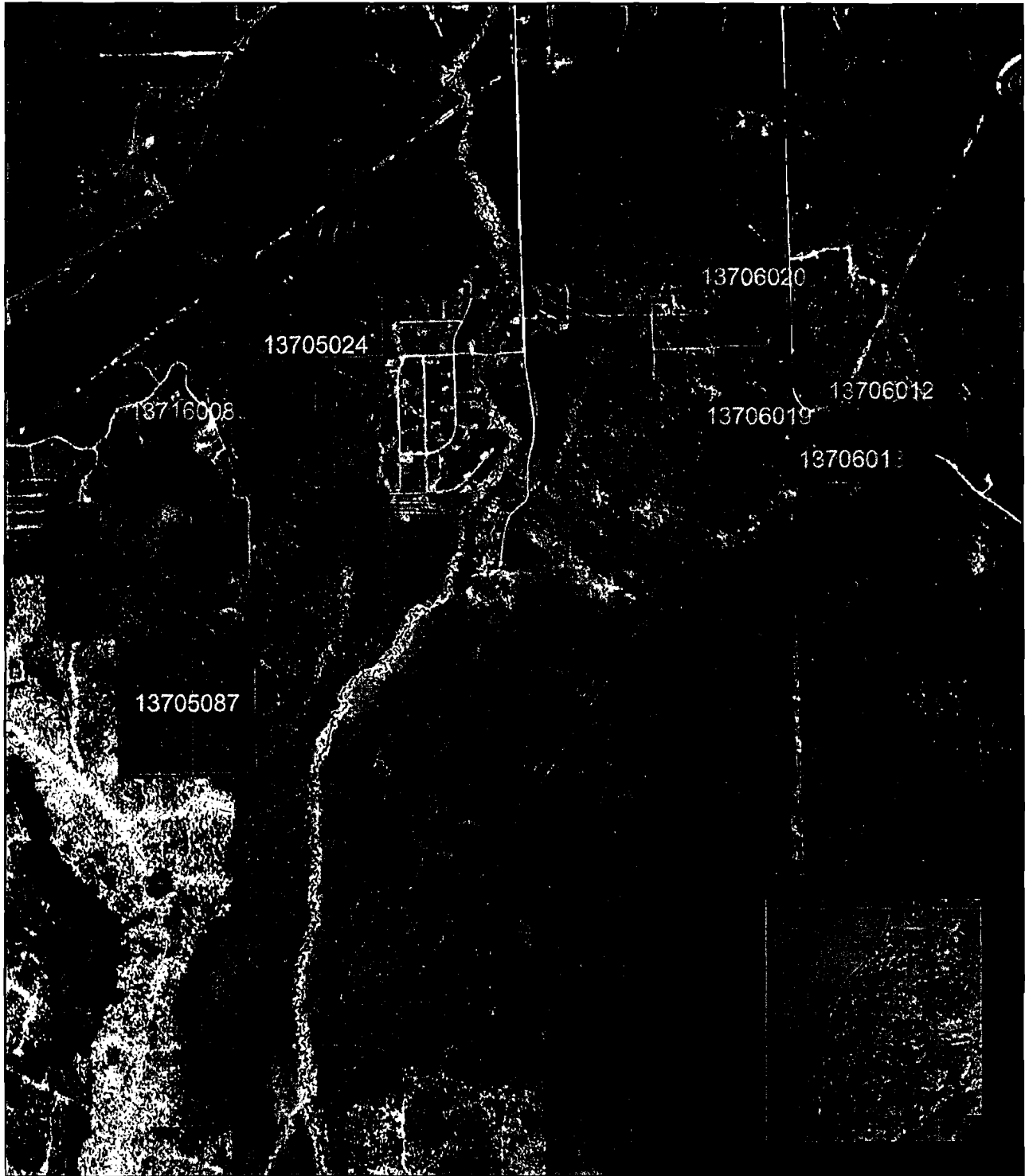
 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kenai Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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Created July 2002 A.D. De Volder
1 June 2003 GAG

Exhibit G - Unit 2



0 0.15 0.3 0.6 0.9 1.2 1.5 Miles

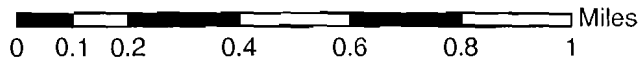
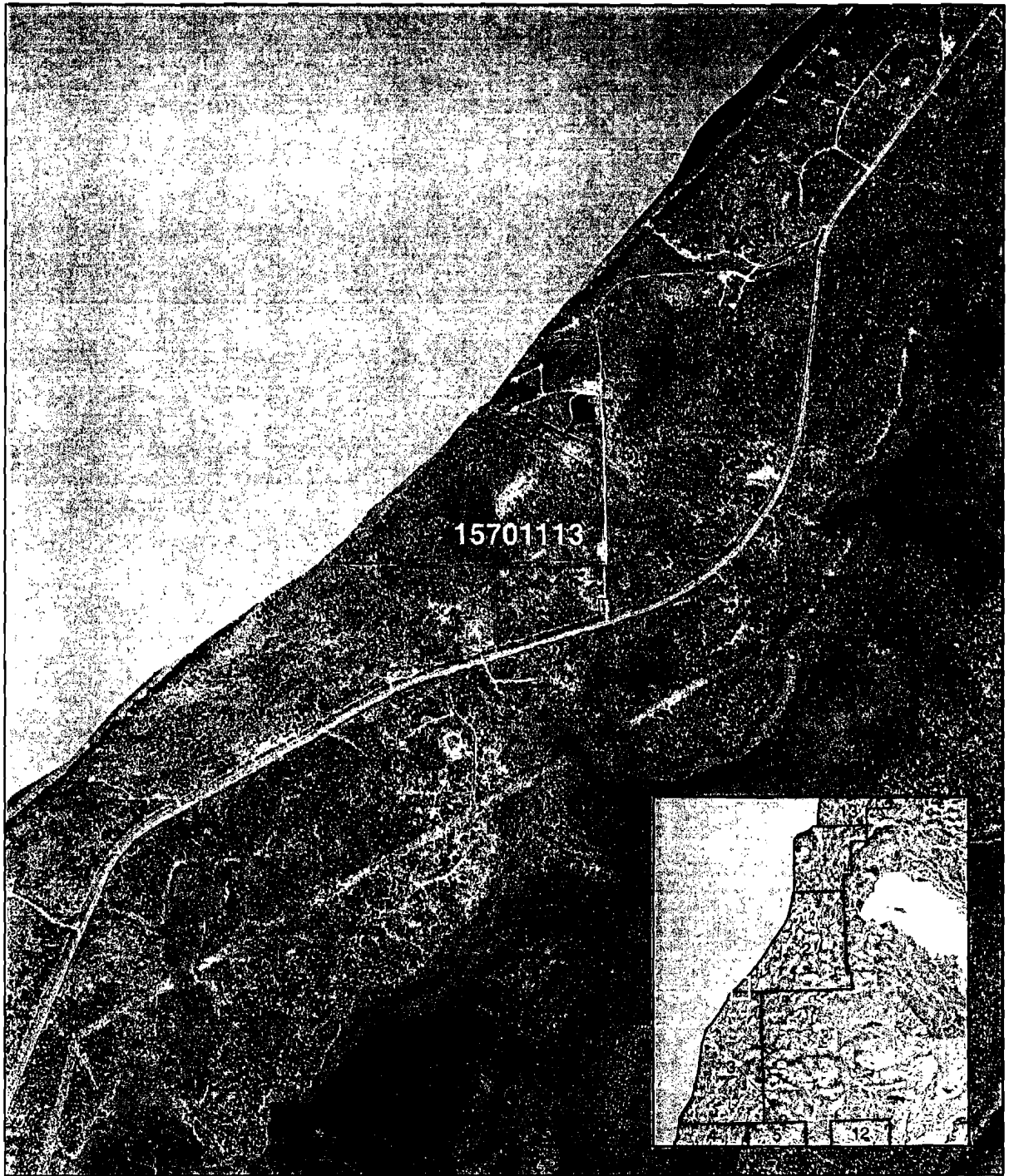
■ KPB owned high hazard ■ KPB owned moderate hazard □ KPB parcels




Kaneel Peninsula Borough (KPB)
Spruce Bark Beetles Mitigation Program (SBBMP)

KPB or SBBMP are not responsible for errors, omissions, or deletions on this map. Discrepancies in feature or boundary alignments are due to use of data from different sources. This map is not a legal representation, is produced for general informational purposes only and is not for sale.

Created 7 January 2002 A.D. De Volder
3 June 2003 GAG

Exhibit I - Unit 2

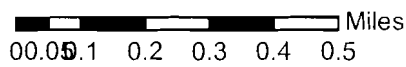
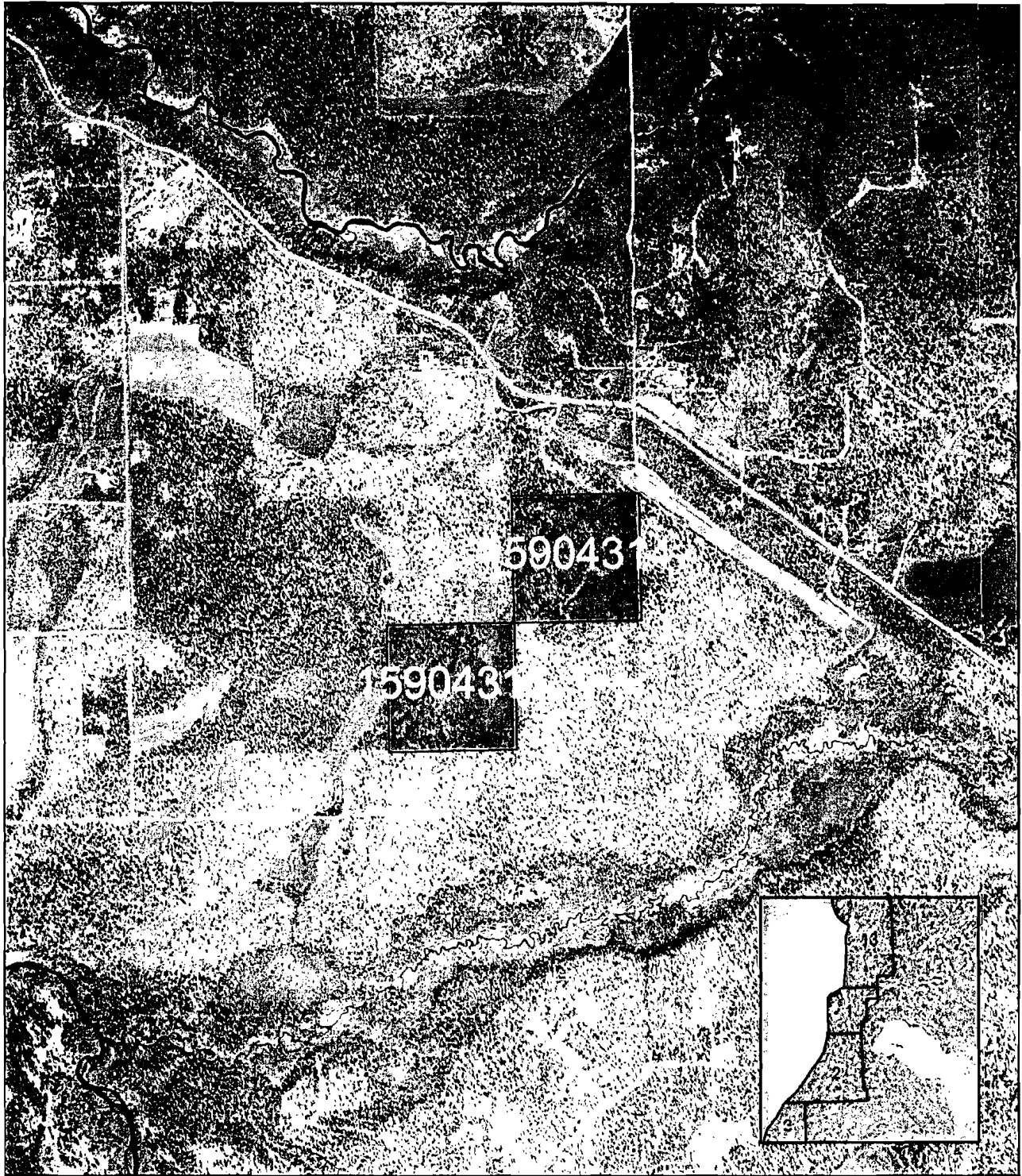





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Florida Peninsula Borough (KPB)
Spruce Creek Basin Mitigation Program (SRBMP)

KPB or SRBMP are not responsible for errors, omissions, or deletions on this map. Discrepancies in feature or boundary alignments are due to use of data from different sources. This map is not a legal representation, is produced for general informational purposes only and is not for sale.
7 January 2002 A.D. De Volder

Exhibit J - Unit 3



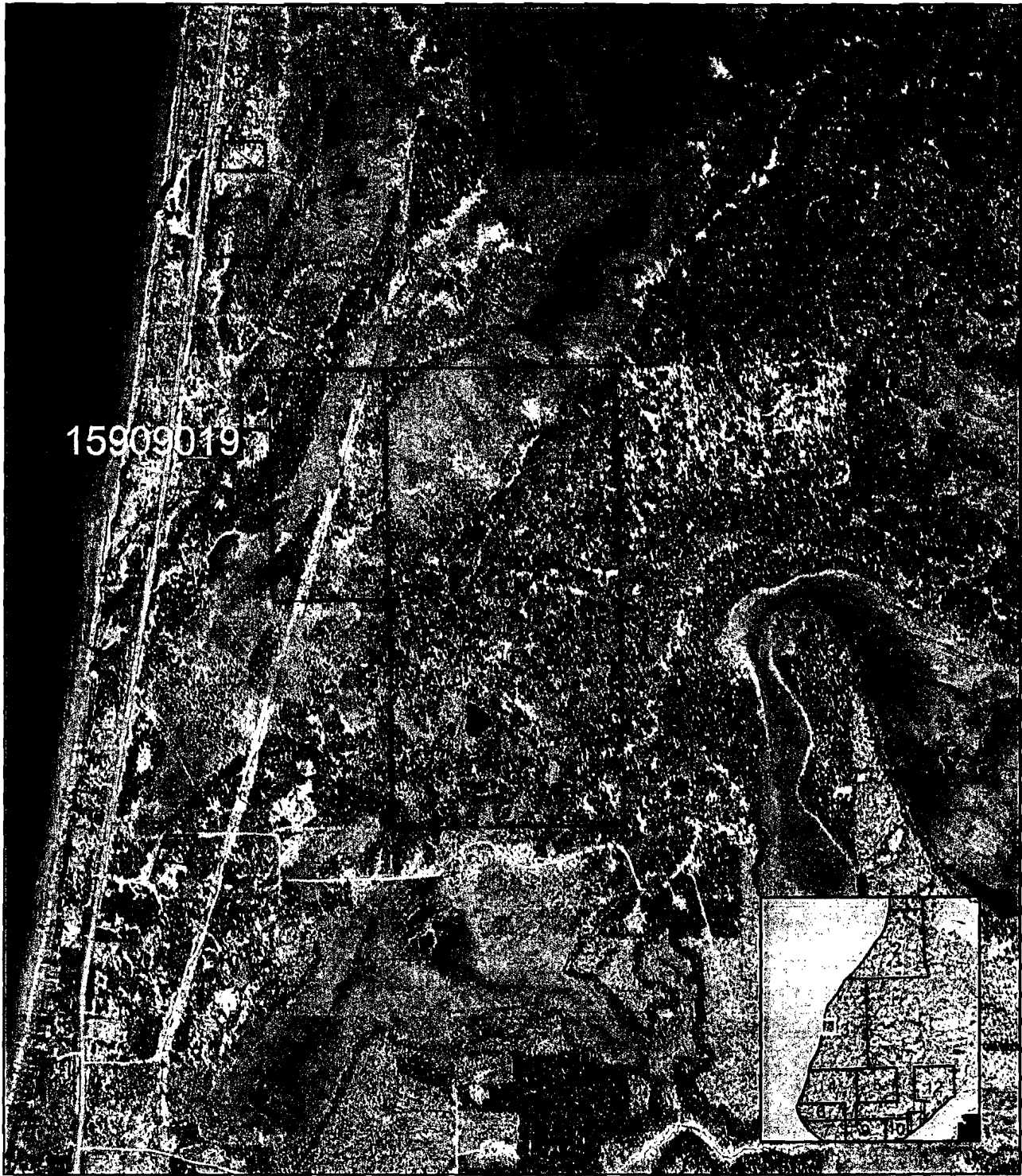
 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Seneca Forestland Borough (KPB)
Spruce Creek Wildlife Mitigation Program (SBWMP)

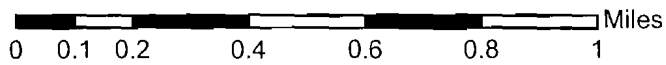
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Created: August, 2007 A.G. LeWilder
GAG

Exhibit K - Unit 3



15909019



 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

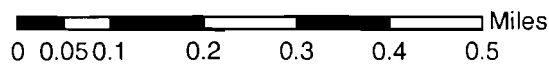
Katahdin Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)




KPB or SBBMP are not responsible for errors, omissions, or deletions on this map. Discrepancies in feature or boundary alignments are due to use of data from different sources. This map is not a legal representation, is produced for general informational purposes only and is not for sale.

Created 7 January 2002 A.D. - De Vinklor

Rev. 131 2003 GAG

Exhibit L - Unit 3

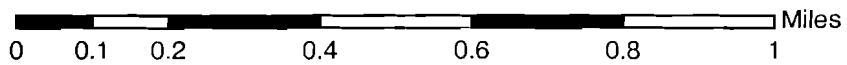
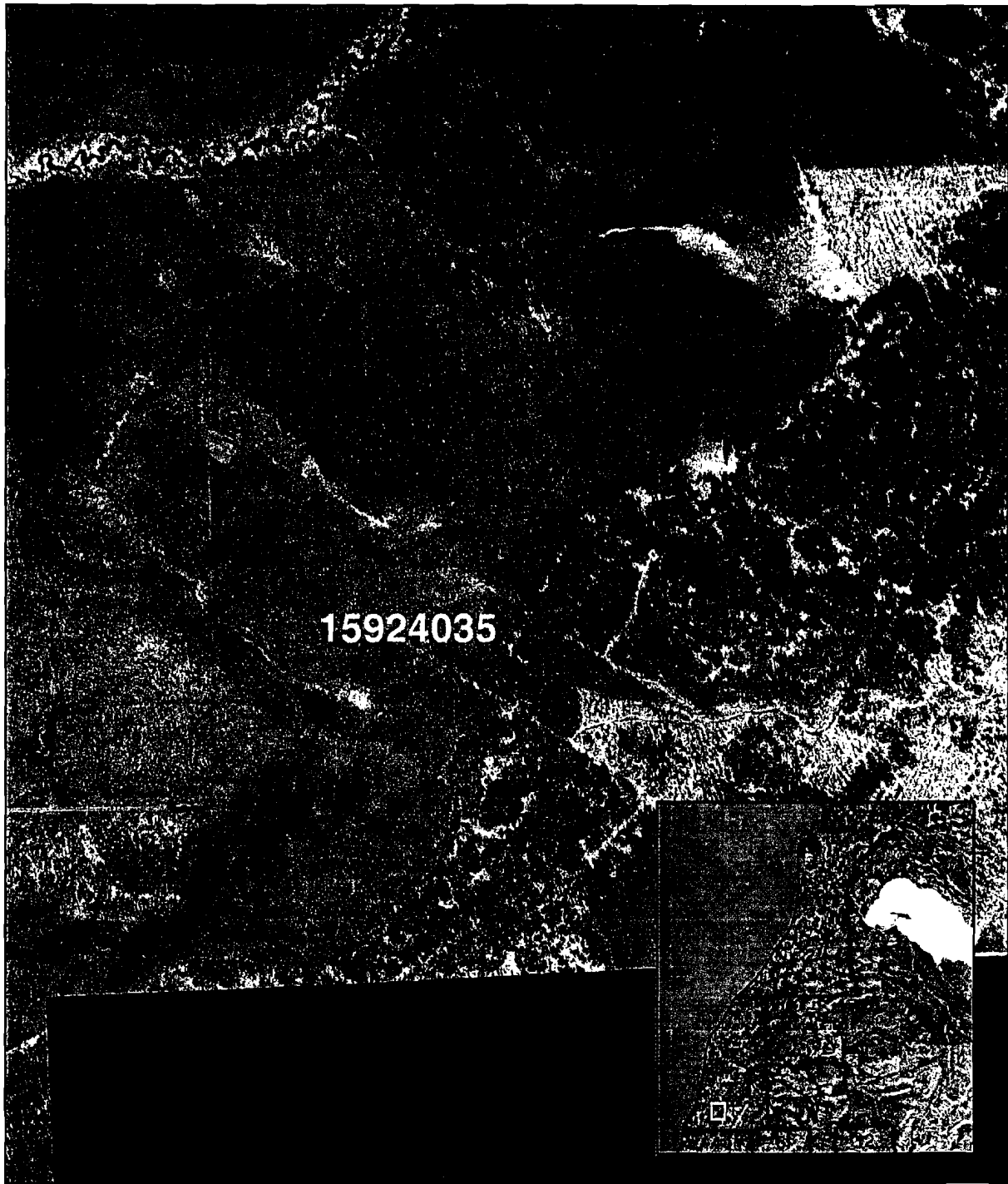





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kenai Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7 January 2002 A.D. De Volder

Exhibit M - Unit 3

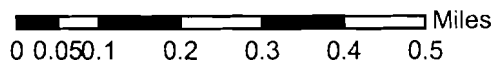
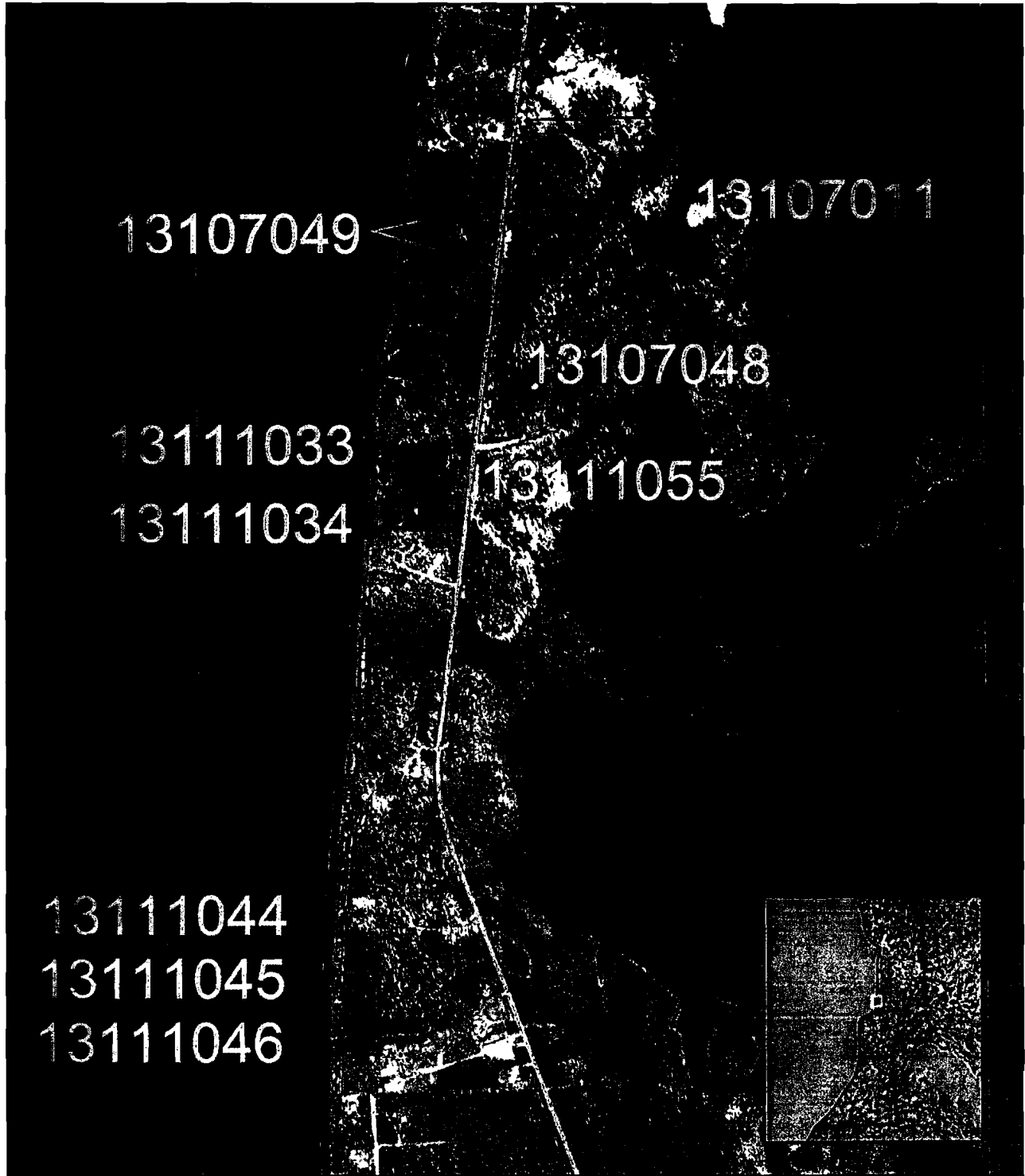





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kaneh Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7 January 2002 A.D. De Votter

Exhibit N - Unit 13



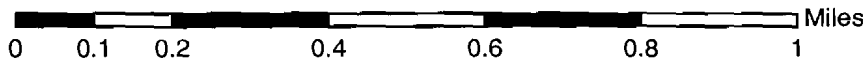
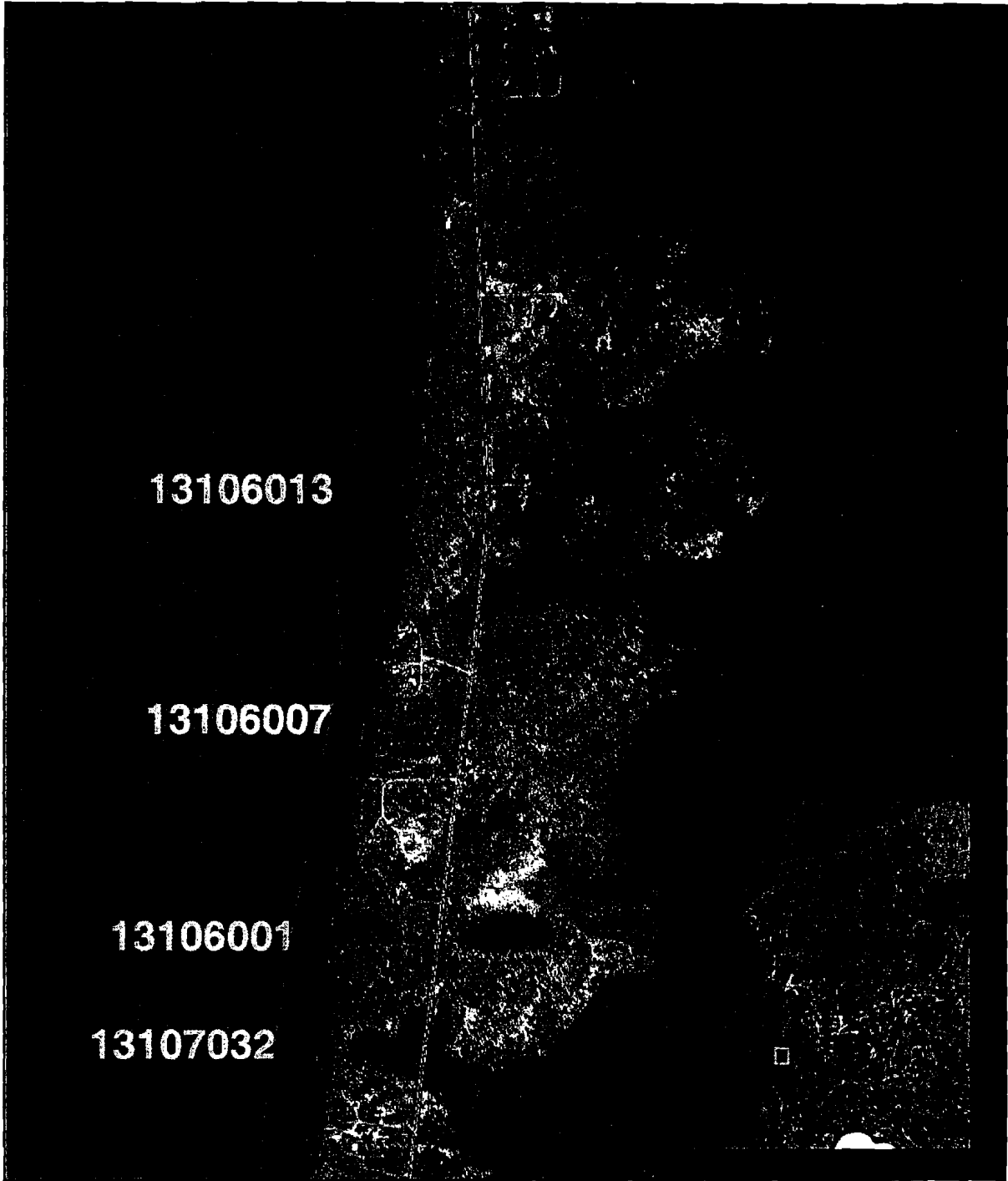
 KPB owned high hazard  KPB owned moderate hazard  KPB parcels




Kenebec Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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Created: 7 January 2002 A.D. De Volder
3 June 2003 GAG

Exhibit O - Unit 13

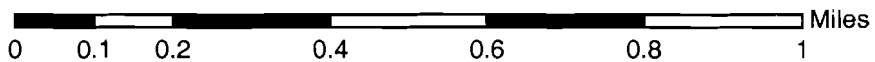
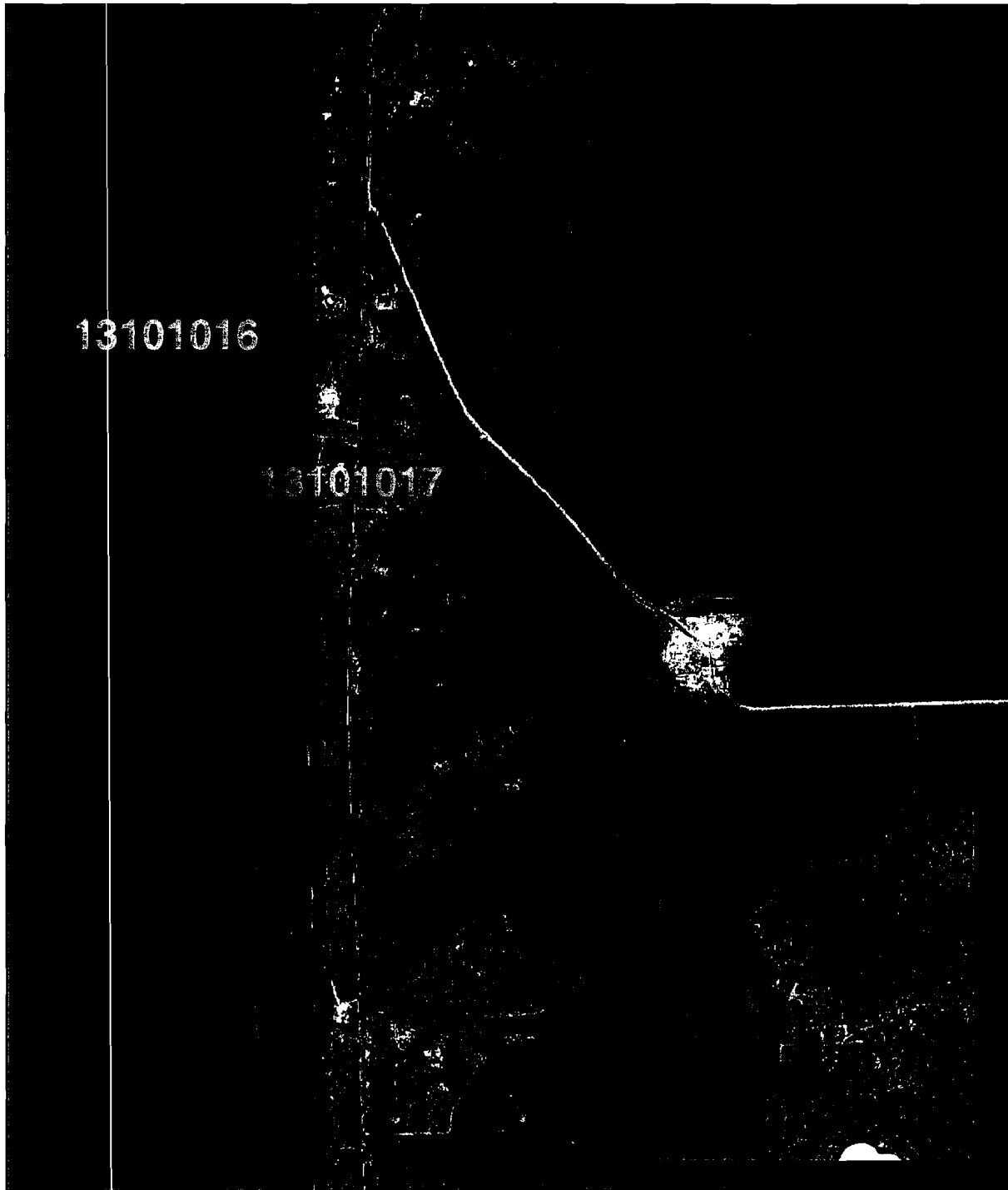





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kent Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7 January 2002 A.D. De Volder

Exhibit P - Unit 13

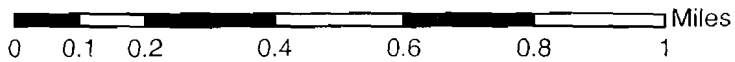
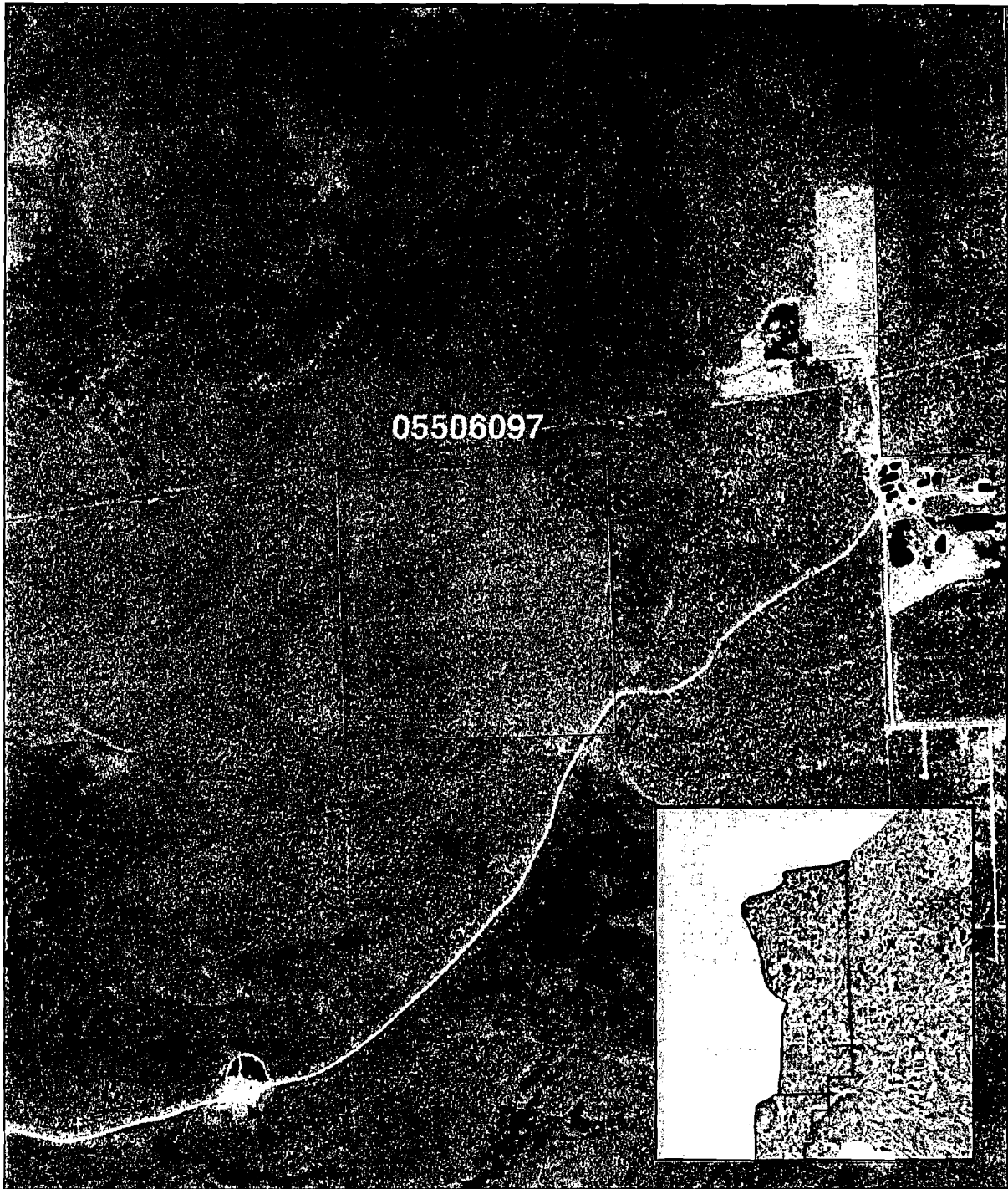


 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kenebec Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7 January 2002 A.D. De Volder

Exhibit Q - Unit 13

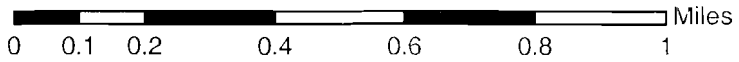
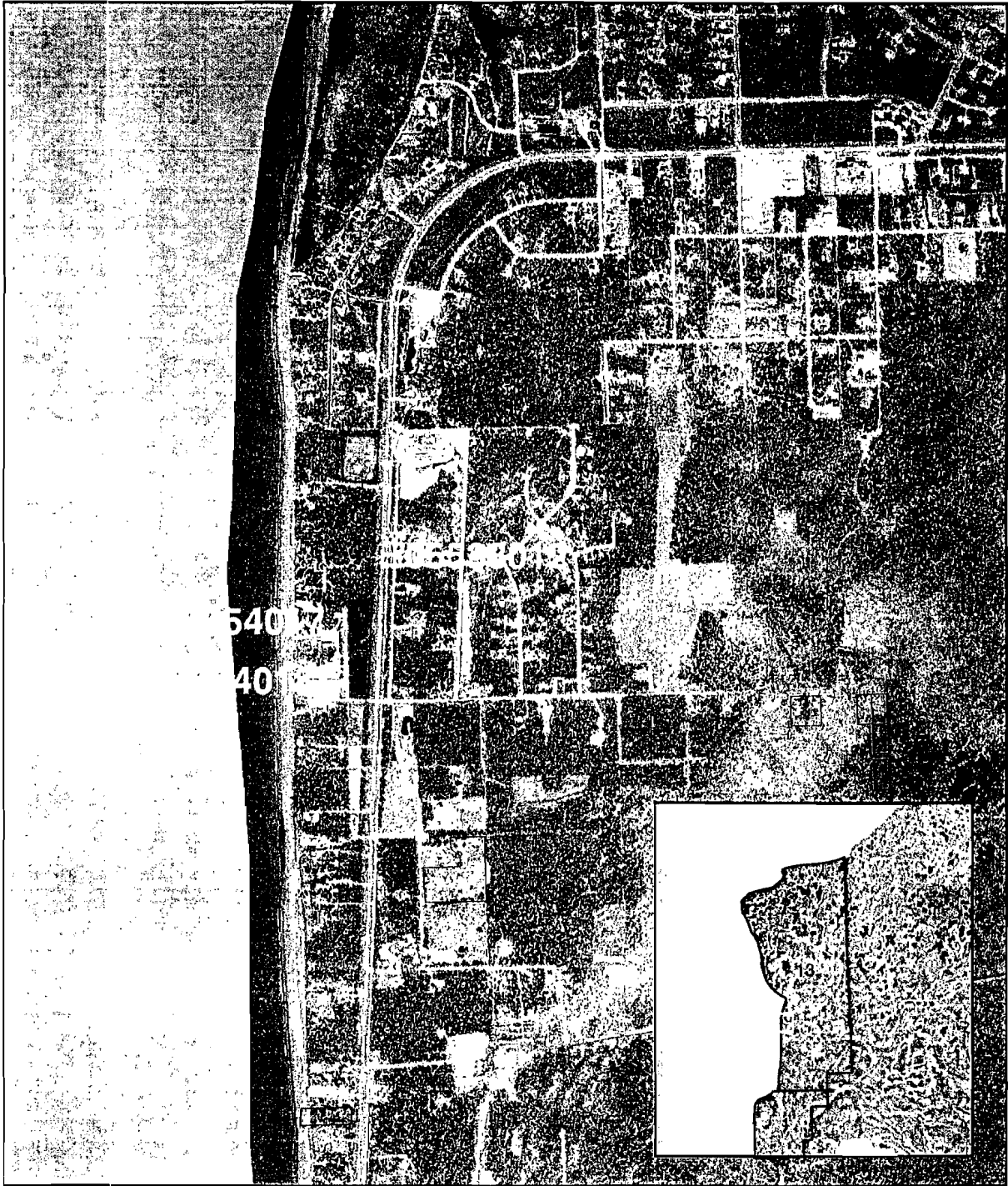


KPB owned high hazard
 KPB owned moderate hazard
 KPB parcels

Kaneh Pomisela (Sorghum) (KPB)
 Spruce Bark Beetle Mitigation Program (SBBMP)

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Exhibit R - Unit 13



KPB owned high hazard



KPB owned moderate hazard

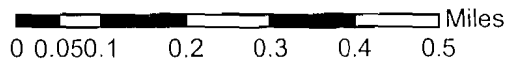
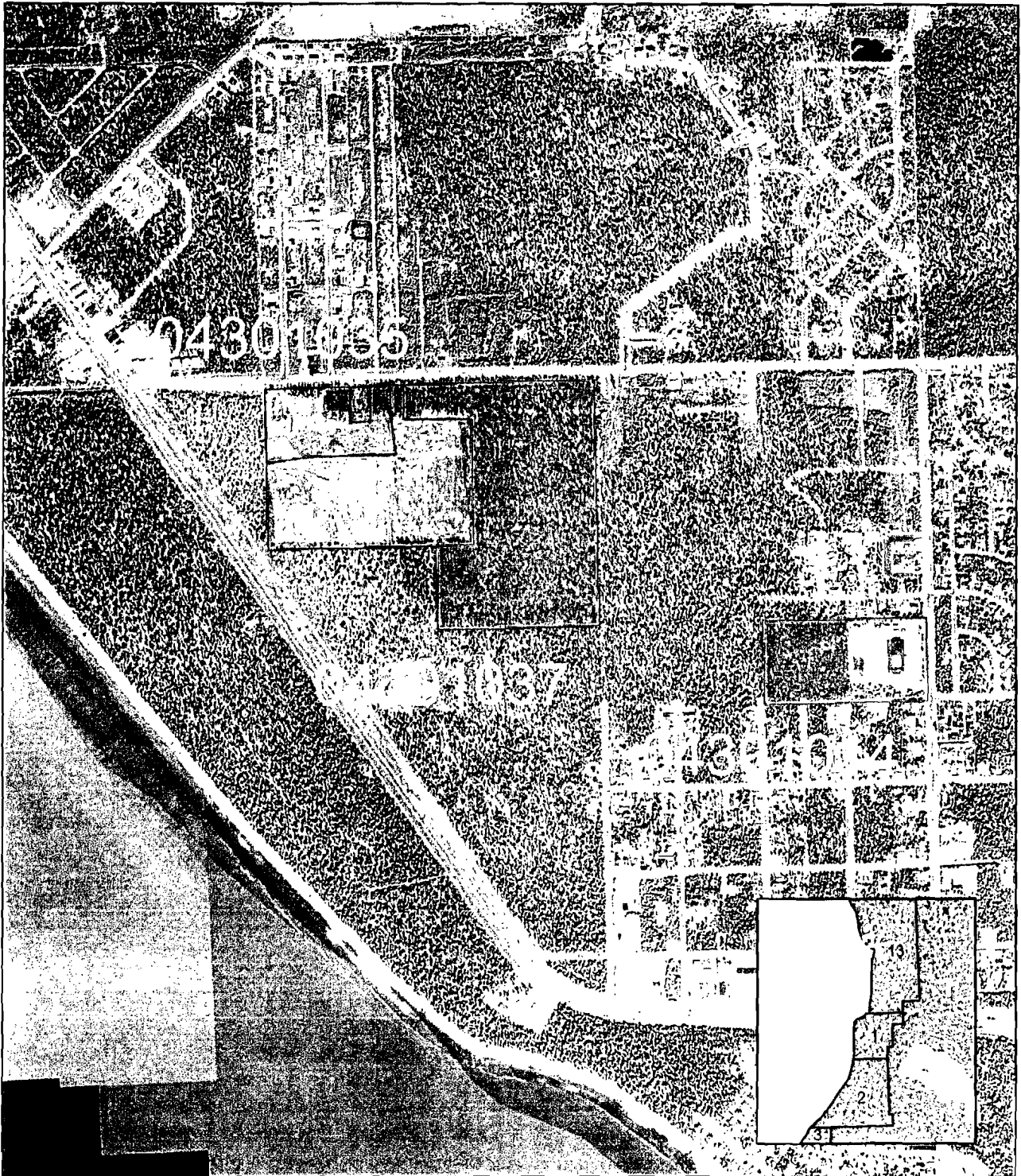


KPB parcels

Kentel Peninsula Borough (KPB)
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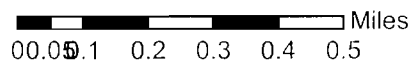
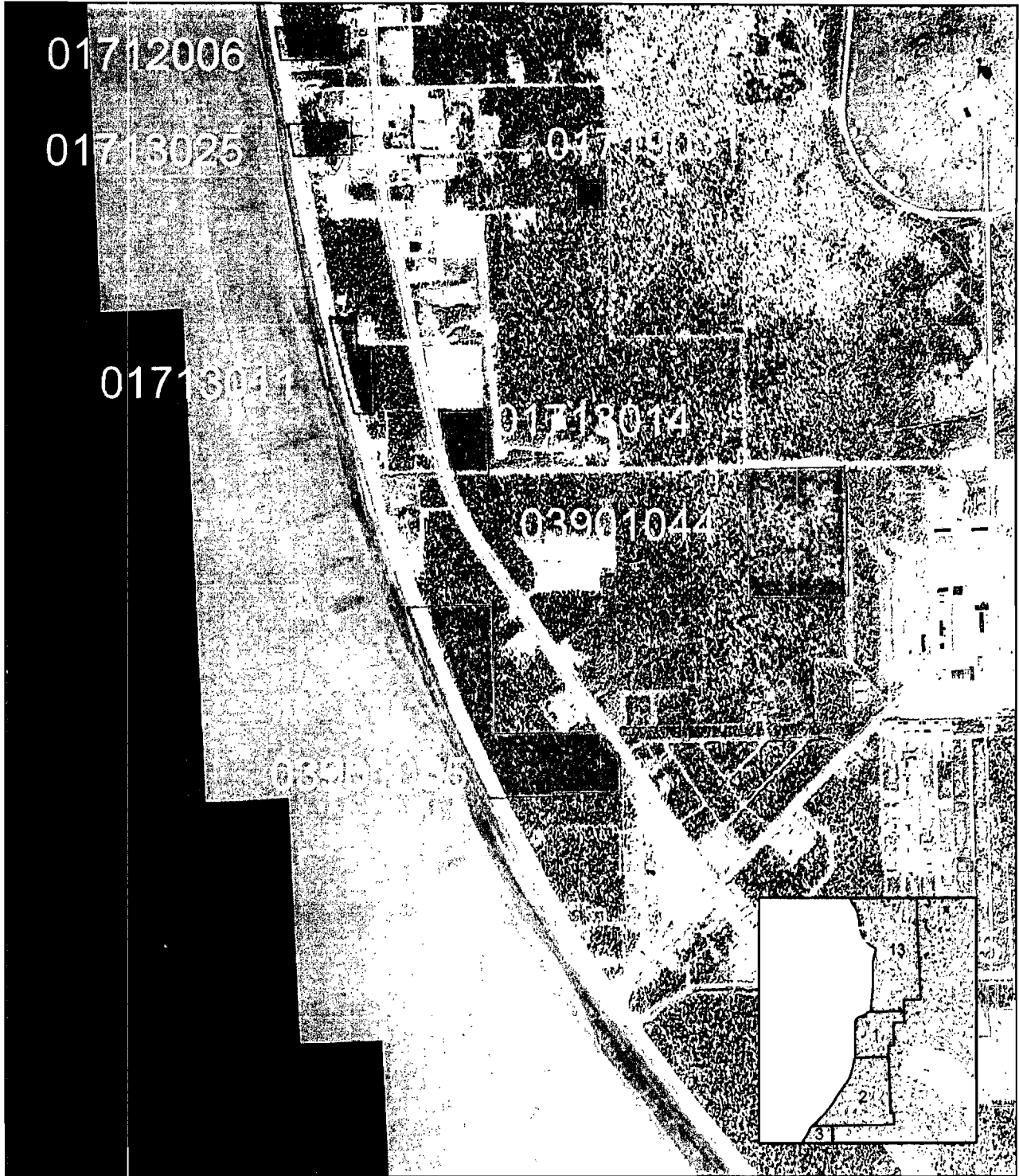
Exhibit S - Unit 13






- KPB owned high hazard
- KPB owned moderate hazard
- KPB parcels

Map prepared through a grant from the State of California Department of Pesticide Regulation (CDPR) under the Statewide Pesticide Mitigation Program (SBMP).
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 Created: 11/02/2002 A.D. by the author.
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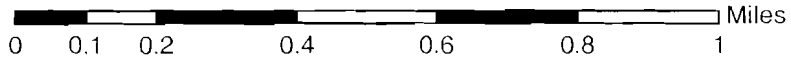
Exhibit T - Unit 13



 KP&B owned high hazard  KP&B owned moderate hazard  KP&B parcels

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Exhibit U - Unit 13



KPB owned high hazard

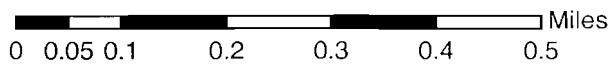
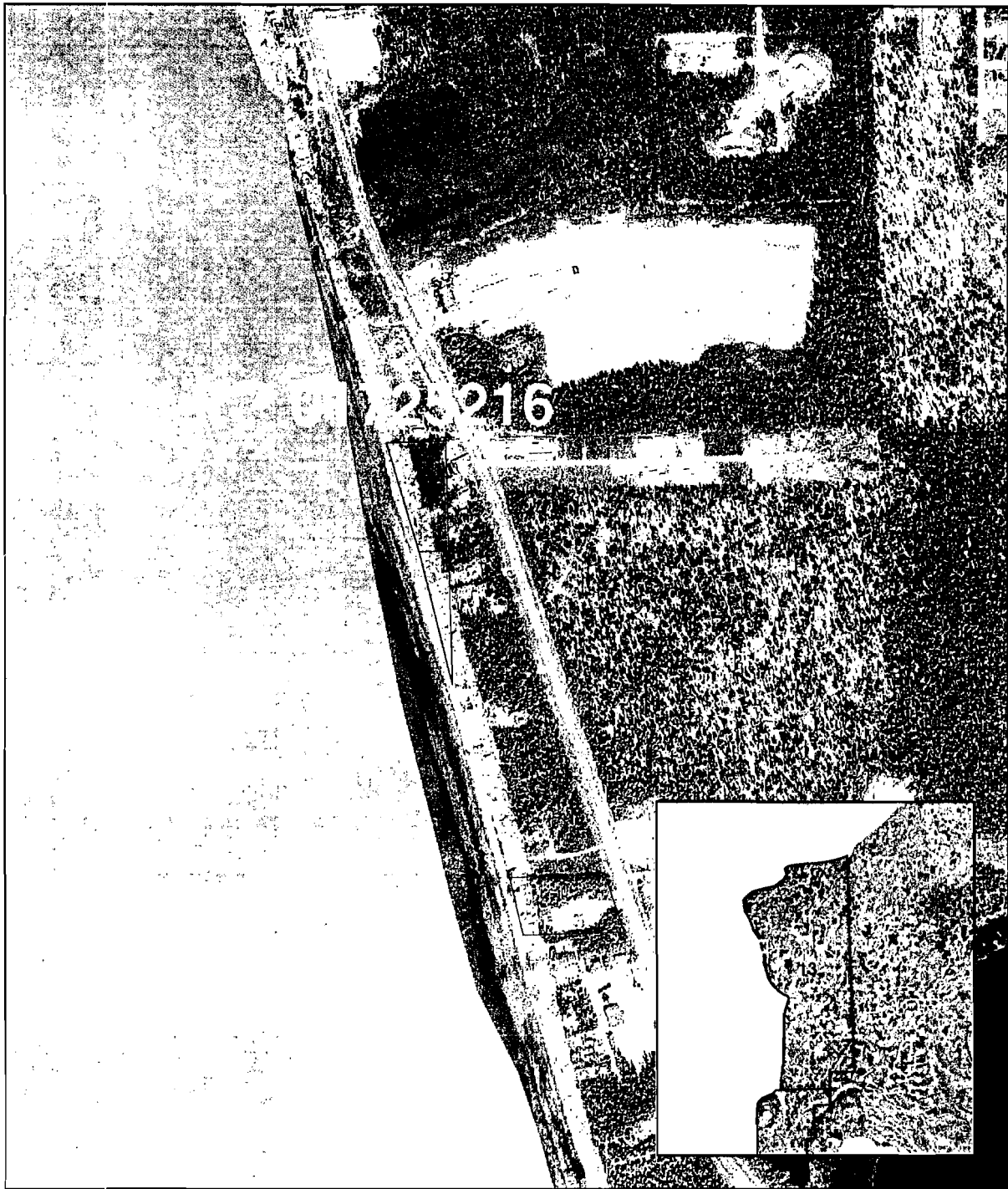





KPB owned moderate hazard

KPB parcels

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Exhibit V - Unit 13

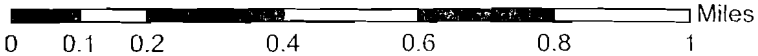
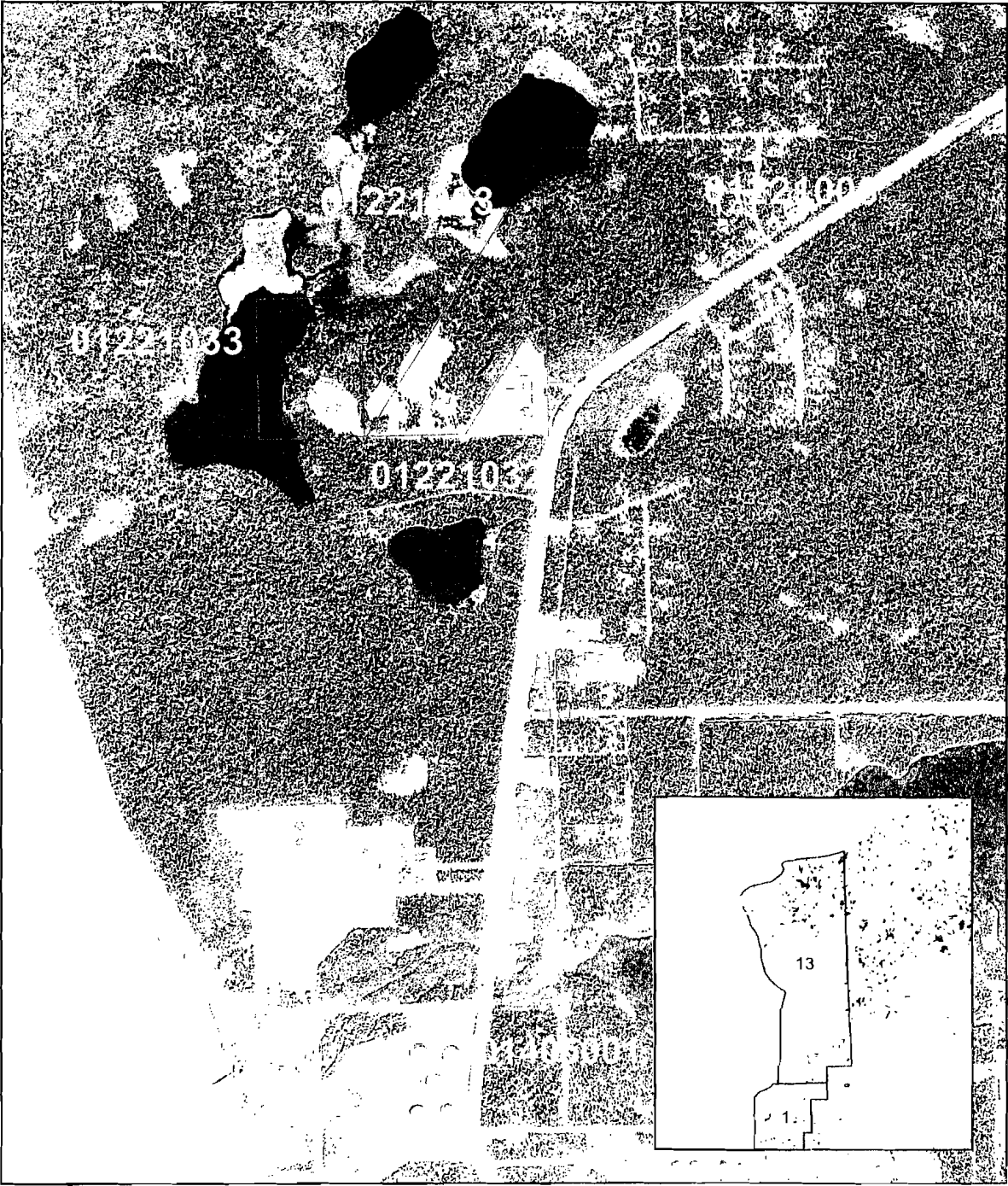


 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Keani Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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January 2002 A.D. De Vletter

Exhibit W - Unit 13



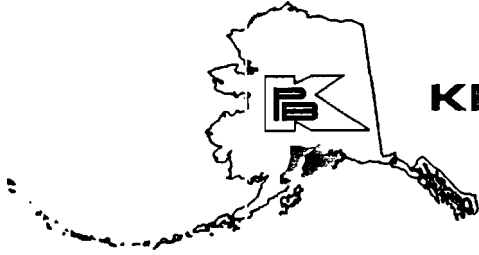
KPB owned high hazard

KPB owned moderate hazard

KPB parcels

Source: Aerial Imagery (2007-2008)
 Source: Black Hawk County Information System (2007-2008)

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KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907)262-1892

DALE BAGLEY
MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: *DLB* Dale L. Bagley, Borough Mayor

FROM: *MB* Max J. Best, Planning Director

DATE: June 2, 2003

SUBJECT: Ordinance 2003-21: Extending the Termination Date of Ordinance 2000-50 and Adding Property to be Included in the Emergency Harvest of Spruce Bark Beetle Killed Timber

The Planning Commission conducted a public hearing for the subject ordinance during their regularly scheduled May 27, 2003 meeting, which was held in Anchor Point. No public testimony was given during the hearing.

A motion to recommend enactment of the ordinance passed by unanimous consent.

Draft, unapproved minutes of the subject portion of the meeting are attached.

AGENDA ITEM F. PUBLIC HEARINGS

3. Ordinance 2003-21: Extending the Termination Date of Ordinance 2000-50 and Adding Property to be Included in the Emergency Harvest of Spruce Bark Beetle Killed Timber

Memorandum as reviewed by Roberta Wilfong.

PC MEETING: 5-27-03

This ordinance proposes to extend the term of Ordinance 2000-50 and add 2,351 acres to the existing classification of high and medium hazard dead spruce stands mapped and identified in Ordinance 2000-50 "Emergency Harvest of Spruce Bark Beetle Killed Timber."

Ordinance 2000-050 sunsets July 1, 2003, unless the Assembly alters that date. Due to the continuing spruce bark beetle infestation, this ordinance would extend the repeal date to July 1, 2006.

This ordinance adds a new Management Unit 13, which extends from the Kasilof River north to Captain Cook State Park and East to Sterling. It reflects additional hazard mapping completed since the adoption of Ordinance 2000-50. Unit 13 encompasses 563 acres.

This ordinance also updates KPB parcels in Management Units 1, 2, and 3 (Kasilof to Happy Valley). These additional parcels in Management Units 1 - 3 have been reclassified in 2002 as moderate or high hazard because they have experienced additional beetle activity since the original hazard mapping conducted in 2000. An additional 1,788 acres are included in units 1, 2, and 3.

The attached exhibit X includes detailed maps and legal descriptions of the individual borough parcels identified as moderate or high hazard in this amendment. The maps show only new acreages added to the original Ordinance 2000-50.

END OF MEMORANDUM

Staff distributed an area map showing the fuel reduction sales and vegetative mapping along the northern to southern coast of the Borough.

Chairman Bryson opened the meeting for public comment. Seeing and hearing no one wishing to speak, Chairman Bryson closed the public comment and opened discussion among the Commission.

MOTION: Vice Chairman Clark moved, seconded by Commissioner Johnson, to recommend enactment of Ordinance 2003-21.

Commissioner Johnson noticed that the property his family just purchased from the Borough was included as Borough-owned high hazard. Ms. Wilfong replied property was reviewed on the basis of the degree of hazard. Before the sales would be offered, each parcel would be reviewed again for ownership, access, etc.

Commissioner Hohl asked if the Spruce Bark Beetle Program would address any Borough land in the eastern peninsula. Ms. Wilfong replied the units proposed for fuel reduction sales were classified as high and moderate hazard. Some right-of-way projects have been done in the Moose Pass area. Projects proposed for fuel reduction follow mapped hazard areas. Future projects will depend upon available funding.

Commissioner Petersen asked if staff believed there were no high or moderate hazard areas in Moose Pass. Ms. Wilfong replied the mapping did not extend very far into the eastern peninsula. Mapping is for the most part the basis of determining which projects will be proposed.

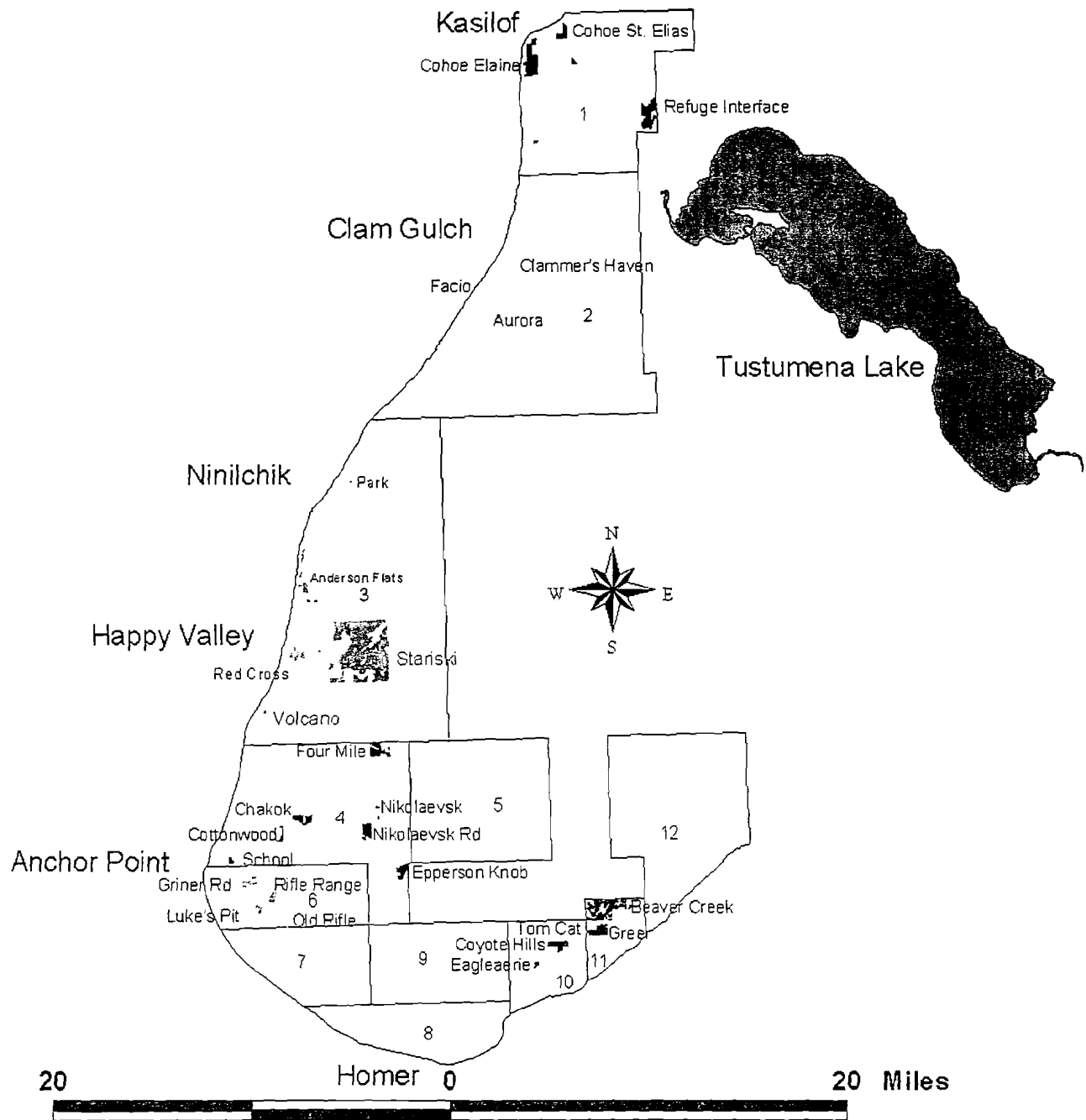
Commissioner Petersen asked if projects would be proposed in the Moose Pass area in the near future. Ms. Wilfong replied yes depending upon receipt of funds. Mr. Fastabend, Spruce Bark Beetle Coordinator, commented that vegetative mapping for the Moose Pass/Crown Point area had been done. At this time the Borough did not own any parcels classified as moderate or high hazard. With land selections not yet completed, the Borough might receive some parcels considered moderate or high hazard. Property around the community is for the most part State Land Trust or Forest Service land.

VOTE: The motion passed by unanimous consent.

BRYSON YES	EOSCACCI ABSENT	CLARK YES	GROSS ABSENT	HOHL YES	HUTCHINSON YES	ISHAM YES
JOHNSON YES	MARTIN YES	PETERSEN YES	TAURIAINEN YES	TROEGER YES	VACANT SEAT HOMER CITY	10 YES 2 ABSENT 1 VACANT SEAT

KPB Fuel Reduction Sales - Ordinance 2000-50

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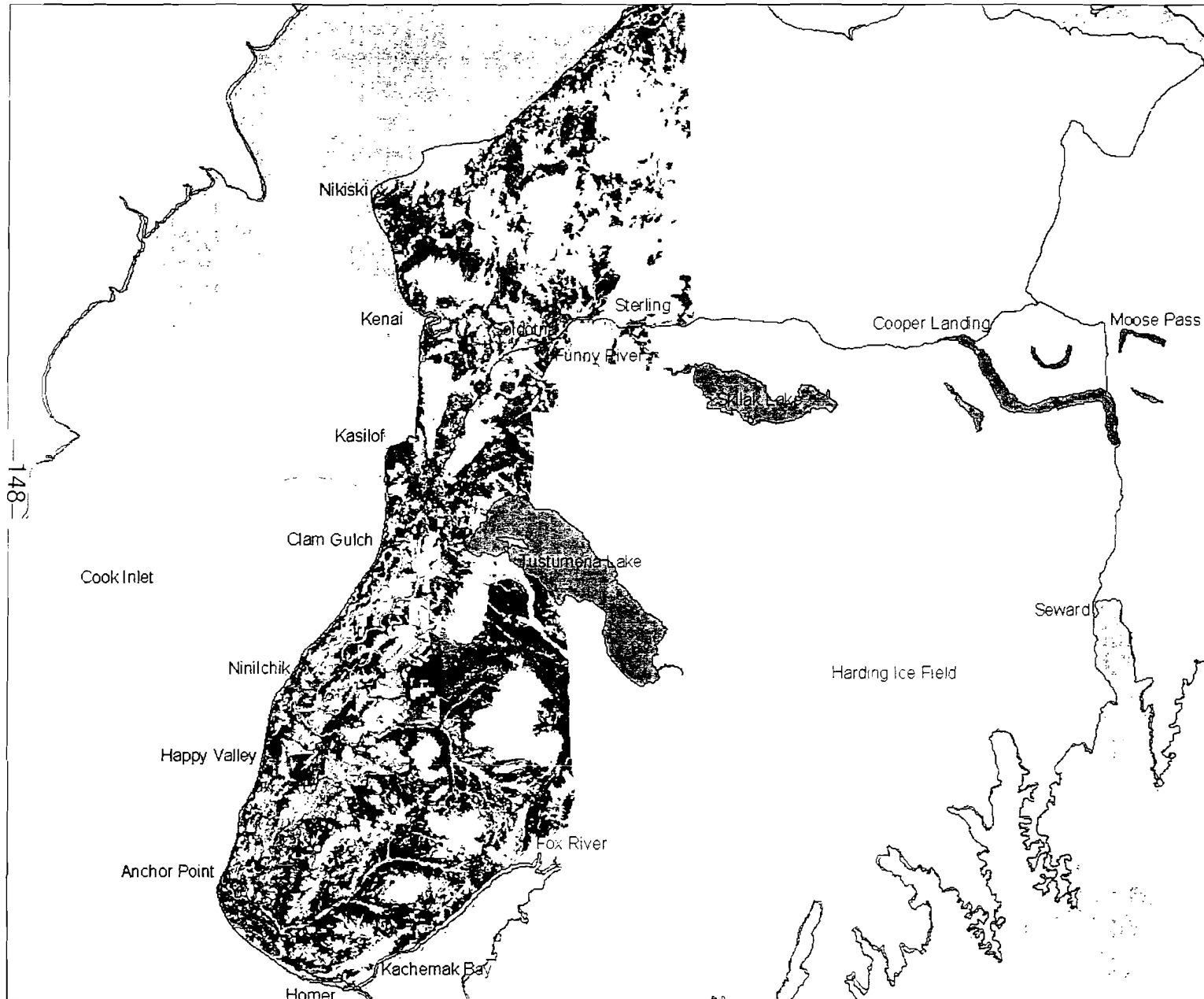
Skilak Lake

LEGEND



- Tom Cat
- Greer
- Eagleaerie
- Coyote Hills
- Beaver Creek
- Volcano
- Stariski
- Red Cross
- Park
- Anderson Flats
- Refuge Interface
- Cohoe St Elias
- Cohoe Elaine
- Clammer's Haven
- Facio
- Aurora
- Four Mile
- Nikolaevsk
- Nikolaevsk Road
- Chakok
- Cottonwood
- Epperson Knob
- School
- Griner Road
- Rifle Range
- Luke's Pit
- Old Rifle

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Vegetation mapping shows live white spruce north of Kenai that may become host material for the bugs

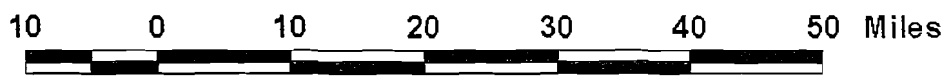


Legend

-  Dead Spruce
-  Live White Spruce



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BUSINESS (907) 262-4441 FAX (907) 262-1892

DALE BAGLEY
MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Dale Bagley, Mayor *DLB*

FROM: Max Best, Planning Director *MB*

DATE: May 8, 2003

SUBJECT: Ordinance 2003-*22*, amending Ordinance 2000-50 regarding the emergency harvest of spruce bark beetle killed timber

This ordinance proposes to extend the term of Ordinance 2000-50 and add 2,351 acres to the existing classification of high and medium hazard dead spruce stands mapped and identified in Ordinance 2000-50 "Emergency Harvest of Spruce Bark Beetle Killed Timber."

Ordinance 2000-050 sunsets July 1, 2003, unless the assembly alters that date. Due to the continuing spruce bark beetle infestation, this ordinance would extend the repeal date to July 1, 2006.

This ordinance adds a new Management Unit 13, which extends from the Kasilof River north to Captain Cook State Park and East to Sterling. It reflects additional hazard mapping completed since the adoption of Ordinance 2000-50. Unit 13 encompasses 563 acres.

This ordinance also updates KPB parcels in Management Units 1, 2, and 3 (Kasilof to Happy Valley). These additional parcels in Management Units 1 – 3 have been reclassified in 2002 as moderate or high hazard because they have experienced additional beetle activity since the original hazard mapping conducted in 2000. An additional 1,788 acres are included in units 1, 2, and 3.

The attached exhibit X includes detailed maps and legal descriptions of the individual borough parcels identified as moderate or high hazard in this amendment. The maps show only new acreages added to the original Ordinance 2000-50.

AMENDMENT TO KPB ORDINANCE 2000-50
EXHIBIT X
KPB PARCEL LEGAL DESCRIPTIONS

Exhibit X - Parcel information

PARCEL ID	HAZARD RATING	UNIT	EXHIBIT	LOT ACREAGE	ESTIMATED ACRES OF DEAD SPRUCE	LEGAL DESCRIPTION
13303129	Moderate	1	A	459.7	61.8	KN T03N R11W S08 GOVT LOTS 3 & 4 & S1/2 NW1/4 & E1/2 SW1/4 SEC 5 & NW1/4 & NW1/4 SW1/4 & E1/2 SW1/4 SW1/4 SEC 8
13303203	Moderate	1	A	136.7	62.4	KN T03N R11W S09 E1/2 SE1/4 IN SEC 8 & GOVT LOTS 1 & 2 LYING WEST OF THE STERLING HWY IN SEC 9
13307208	Moderate	1	B	53.5	4.7	KN T03N R12W S24 GOVT LOT 13
13308209	Moderate	1	B	40.0	35.9	KN T03N R11W S19 NW1/4 SE1/4
13312061	Moderate	1	C	5.0	1.7	KN T03N R11W S31 GOVT LOT 14
13312102	Moderate	1	C	20.5	14.9	KN0740103 T03N R11W S31 TRACT A TUSTUMENA SCHOOL SITE
13312201	Moderate	1	C	14.8	14.8	KN0900032 T03N R11W S31 TRACT A ALASKA STATE CADASTRAL SURVEY 89-142
13312202	Moderate	1	C	3.3	3.3	KN0900032 T03N R11W S31 TRACT B ALASKA STATE CADASTRAL SURVEY 89-142
13312203	Moderate	1	C	8.5	8.5	KN0900032 T03N R11W S31 TRACT C ALASKA STATE CADASTRAL SURVEY 89-142
13337009	Moderate	1	C	3.0	1.8	KN0770070 T03N R11W S31 TRACT 1 KASLOF RIVER HEIGHTS SUB
13357035	Moderate	1	C	15.1	13.3	KN T03N R11W S31 GOVT LOT 7
13703074	High/Moderate	1	C	40.0	39.4	KN T02N R11W S05 SW1/4 SW1/4
13312035	Moderate	1	D*	959.5	217.1	KN T03N R11W S33 E1/2 & E1/2 W1/2 SEC 28 & E1/2 & E1/2 W1/2 SEC 33
13305016	Moderate	1	E	110.9	62.6	KN T03N R12W S21 SE1/4 NW1/4 & E1/2 SW1/4 EXCLUDING COHOE ROAD ROW
13310031	Moderate	1	E	114.5	113.9	KN T03N R12W S28 E1/2 NW1/4 & NE1/4 SW1/4 EXCLUDING COHOE RD ROW
151 13306216	Moderate	1	E*	41.4	3.7	KN0870101 T03N R12W S16 TRACT B ALASKA STATE SUPPLEMENTAL PLAT REPLAT OF THE REMAINDER OF GOVT LOTS 1 THRU 4
13701018	Moderate	1	F	72.5	61.3	KN T02N R12W S09 PORTION THEREOF
13701019	Moderate	1	F	4.8	4.8	KN T02N R12W S09 PORTION THEREOF
13701004	Moderate	1	F*	80.0	45.9	KN T02N R12W S04 SE1/4 NE1/4 & NE1/4 SE1/4
13701005	Moderate	1	F*	183.5	88.4	KN T02N R12W S09 GOVT LOTS 5 6 & 7 WITHIN SEC 4 & GOVT LOTS 3 4 7 & 8 WITHIN SEC 9
13705024	Moderate	2	G	119.9	117.4	KN T02N R12W S13 S1/2 NW1/4 & NW1/4 SW1/4
13705087	Moderate	2	G	159.9	159.1	KN T02N R12W S23 SE1/4
13705088	Moderate	2	G	80.0	58.5	KN T02N R12W S13 S1/2 SW1/4
13706012	High	2	G	24.7	24.6	KN T02N R11W S17 PORTION S1/2 SW1/4 LYING NORTH OF TUSTUMENA ROAD
13706013	High/Moderate	2	G	49.3	49.1	KN T02N R11W S17 PORTION S1/2 SW1/4 LYING S OF TUSTUMENA RD
13706019	Moderate	2	G	78.0	76.6	KN T02N R11W S18 E1/2 SE1/4 EXCLUDING CASSIDY DRIVE AND TUSTUMENA LAKE RD
13706020	Moderate	2	G	76.1	76.0	KN T02N R11W S18 E1/2 NE1/4 EXCLUDING CASSIDY AND TUSTUMENA LAKE ROAD
13716008	Moderate	2	G	1.4	1.4	KN T02N R12W S14 PORTION GOVT LOT 5 E OF LAKEVIEW COURT EXCLUDING SELF SUB
13906009	Moderate	2	H	40.0	34.4	HM T01N R12W S18 SE1/4 SW1/4
15701113	Moderate	2	I	22.1	13.3	HM0960013 T01S R13W S07 TRACT A AURORA VISTA
15904314	Moderate	3	J	40.0	38.7	HM T02S R14W S12 SE1/4 NE1/4
15904315	Moderate	3	J	40.0	38.3	HM T02S R14W S12 NW1/4 SE1/4
18528020	Moderate	3	J	2.2	1.9	HM0850020 T02S R13W S06 TRACT 9-C BRANDYWINE ACRES FRAZIER 1984 SUB
15909019	Moderate	3	K	5.0	4.8	HM T02S R14W S29 GOVT LOT 11
15909022	Moderate	3	K	5.0	2.3	HM T02S R14W S29 GOVT LOT 14

Exhibit X - Parcel information

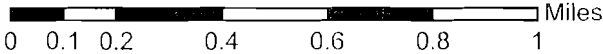
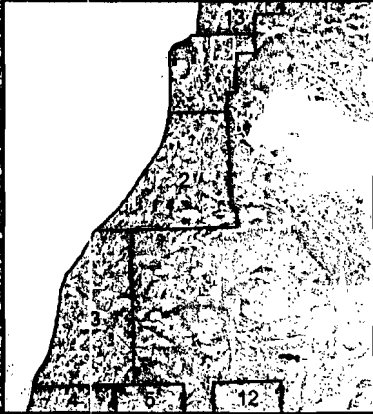
PARCEL ID	HAZARD RATING	UNIT	EXHIBIT	LOT ACREAGE	ESTIMATED ACRES OF DEAD SPRUCE	LEGAL DESCRIPTION
15908027	Moderate	3	K*	319.8	255.2	HM T02S R14W S28 W1/2
15919011	Moderate	3	L	9.2	8.2	HM T03S R15W S25 GOVT LOTS 11 & 12
15924035	Moderate	3	M	5.0	3.7	HM0620629 T03S R14W S21 TRACT 110 HAPPY VALLEY 5 ACRE HOMESITES
13107001	Moderate	13	N	42.9	38.8	KN T04N R12W S24 GOVT LOTS 4 16 17 18 & 19 LYING EITHER SIDE OF KALIFORNSKY BEACH ROAD
13107011	Moderate	13	N	39.3	39.3	KN T04N R12W S24 THAT PORTION OF THE NW1/4 SE1/4 LYING EAST OF KALIFORNSKY BEACH ROAD
13111033	Moderate	13	N	1.8	1.5	KN T04N R12W S25 GOVT LOT 5
13111034	Moderate	13	N	2.0	1.5	KN T04N R12W S25 GOVT LOT 6
13111044	Moderate	13	N	3.0	1.7	KN T04N R12W S25 GOVT LOT 19
13111045	Moderate	13	N	3.6	1.8	KN T04N R12W S25 GOVT LOT 20
13111046	Moderate	13	N	3.9	1.8	KN T04N R12W S25 GOVT LOT 21
13111055	Moderate	13	N	6.7	6.7	KN T04N R12W S25 THAT PORTION OF THE N1/2 NE1/4 NW1/4 LYING WEST OF KALIFORNSKY BEACH ROAD
13106001	Moderate	13	O	1.4	1.4	KN T04N R12W S13 GOVT LOT 21
13106007	Moderate	13	O	3.0	2.5	KN T04N R12W S13 GOVT LOT 15
13106013	Moderate	13	O	22.8	18.5	KN T04N R12W S13 GOVT LOTS 5 THRU 12 & E1/2 W1/2 SW1/4 NE1/4
13107032	Moderate	13	O	8.0	2.9	KN T04N R12W S24 GOVT LOTS 6 & 7
13101016	Moderate	13	P	2.6	0.6	KN T04N R12W S01 S1/2 S1/2 GOVT LOT 2 LYING EITHER SIDE OF KALIFORNSKY BEACH ROAD
13101017	Moderate	13	P	21.2	15.5	KN T04N R12W S01 GOVT LOT 4 LYING EITHER SIDE OF KALIFORNSKY BEACH ROAD
05506097	Moderate	13	Q	159.9	140.0	KN T05N R11W S28 SW1/4
05538012	High	13	R	1.0	1.0	KN0780044 T05N R11W S19 MARINERS WATCH SUB PART 1 LOT 3 BLOCK 7
05554017	High	13	R	2.3	2.4	KN0850067 T05N R11W S19 TRACT E KARLUK REEF SUB ADDN NO 1
05554018	High	13	R	1.5	1.4	KN0850067 T05N R11W S19 TRACT F KARLUK REEF SUB ADDN NO 1
04301014	Moderate	13	S	19.2	9.8	KN T06N R11W S31 S1/2 SE1/4 NW1/4
04301026	Moderate	13	S	1.1	0.7	KN0800033 T06N R12W S36 TRACT B ALASKA STATE LAND SURVEY 79-57 & THE SW1/4 NW1/4 NE1/4 NW1/4 NE1/4
04301035	Moderate	13	S	11.5	1.6	KN0920059 T06N R12W S36 TRACT A1 JETTISON JUNCTION SUB
04301037	Moderate	13	S	51.2	50.6	KN0920059 T06N R12W S36 TRACT A3 JETTISON JUNCTION SUB
01712006	High	13	T	5.5	5.3	KN T06N R12W S23 GOVT LOT 10
01713011	High	13	T	6.0	4.9	KN T06N R12W S23 GOVT LOTS 5 & 6 & 18 & W1/2 W1/2 NW1/4 SW1/4 SE1/4
01713014	High	13	T	6.1	5.7	KN T06N R12W S23 SE1/4 SW1/4 SE1/4 LYING EAST OF NORTH KENAI RD
01713025	High	13	T	4.7	3.6	KN T06N R12W S23 GOVT LOT 13
01713045	High	13	T	2.0	1.5	KN0870026 T06N R12W S23 STIERS SUB LOT 12-C
01719031	High	13	T	1.8	1.8	KN T06N R12W S23 GOVT LOT 82
03901044	High	13	T	30.0	30.0	KN T06N R12W S25 W1/2 NE1/4 NW1/4 & W1/2 E1/2 NE1/4 NW1/4
03901055	High	13	T	40.4	31.5	KN0990005 T06N R12W S26 TRACT A1-A SHORELINE HEIGHTS SUB NO 3
01714014	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 29
01714027	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 36
01714032	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 47

Exhibit X - Parcel information

PARCEL ID	HAZARD RATING	UNIT	EXHIBIT	LOT ACREAGE	ESTIMATED ACRES OF DEAD SPRUCE	LEGAL DESCRIPTION
01714033	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 46
01715028	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 67
01715030	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 65
01715031	High	13	U	1.8	1.8	KN T06N R12W S14 GOVT LOT 80
01716010	High	13	U	1.8	1.8	KN T06N R12W S14 GOVT LOT 81
01716011	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 96
01716036	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 108
01717010	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 113
01717035	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 140
01718006	High	13	U	1.9	1.9	KN T06N R12W S23 GOVT LOT 23
01718007	High	13	U	1.9	1.9	KN T06N R12W S23 GOVT LOT 22
01718010	High	13	U	1.8	1.8	KN T06N R12W S23 GOVT LOT 19
01726004	High	13	U	4.5	2.7	KN T06N R12W S11 GOVT LOT 4 EXCLUDING THAT PORTION WITHIN LOWER SALAMATOF LAKE
01725216	High	13	V	4.1	2.3	KN T06N R12W S03 GOVT LOTS 11 & 12
01221003	High	13	W	39.6	27.4	KN0820130 T07N R12W S09 TRACT 1 NIKISKI PARK SUB
153 01221006	High	13	W	56.4	48.2	KN T07N R12W S10 GOVT LOT 6 & S1/2 SW1/4 LYING NORTH OF NORTH KENAI RD EXCLUDING A 1.5 ACRE PARCEL IN THE SOUTHWEST CORNER
01221032	High	13	W	5.9	3.8	KN0820130 T07N R12W S09 TRACT 2 NIKISKI PARK SUB
01221033	High	13	W	35.3	20.8	KN0820130 T07N R12W S09 TRACT 3 NIKISKI PARK SUB
01405001	Moderate	13	W	2.6	2.6	KN0001560 T07N R12W S16 BERNICE LAKE ALASKA INDUSTRIAL SUB LOT 16 EXCEPTING THEREFROM THAT PORTION AS PER STATE ROW PERMIT ADL 26473

* denotes previous inclusion in ordinance 2000-50

Exhibit A - Unit 1

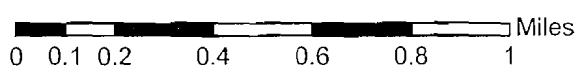
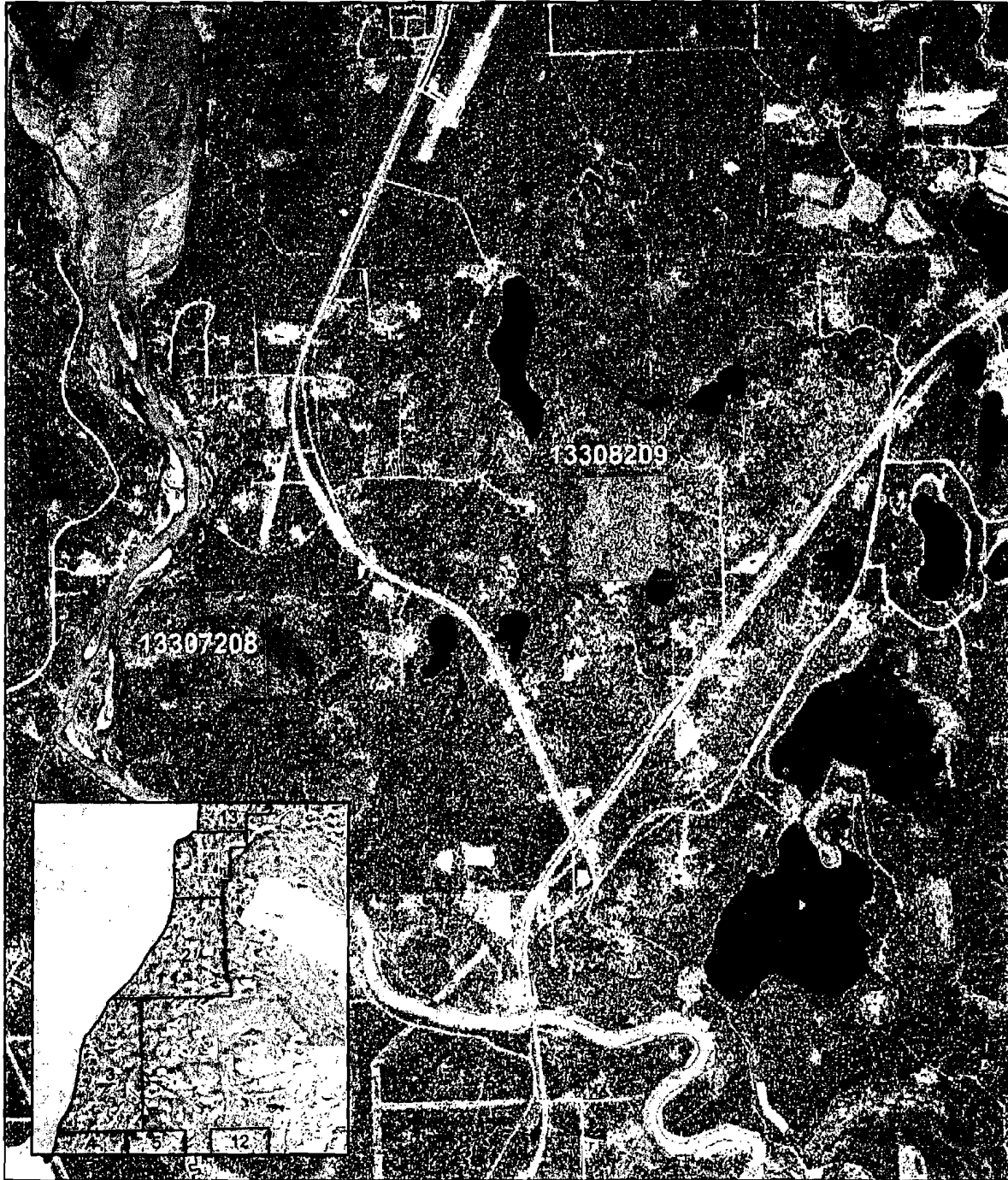





KPB owned high hazard
 KPB owned moderate hazard
 KPB parcels

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Source: This map is not a legal representation, is produced for general informational purposes only and is not for sale.

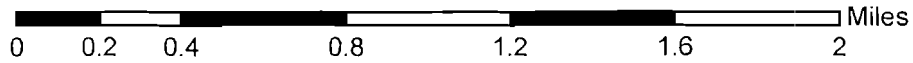
Exhibit B - Unit 1



 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Legend is provided through SBMP
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Exhibit C - Unit 1

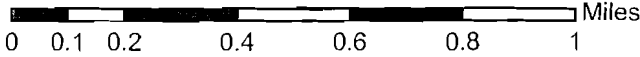
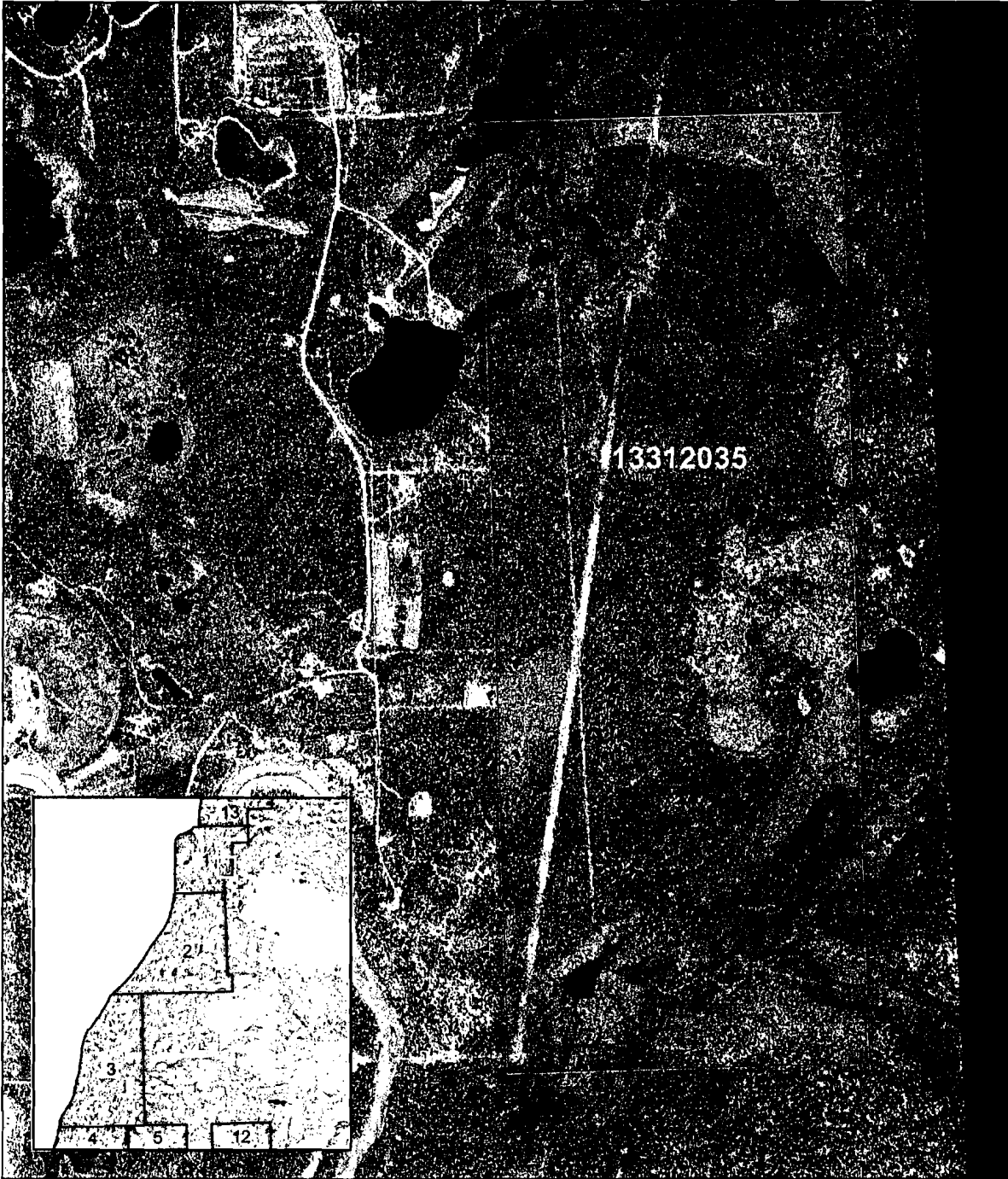


KPB owned high hazard

 KPB owned moderate hazard

 KPB parcels

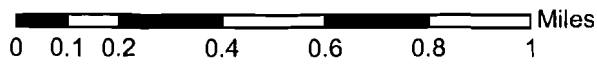
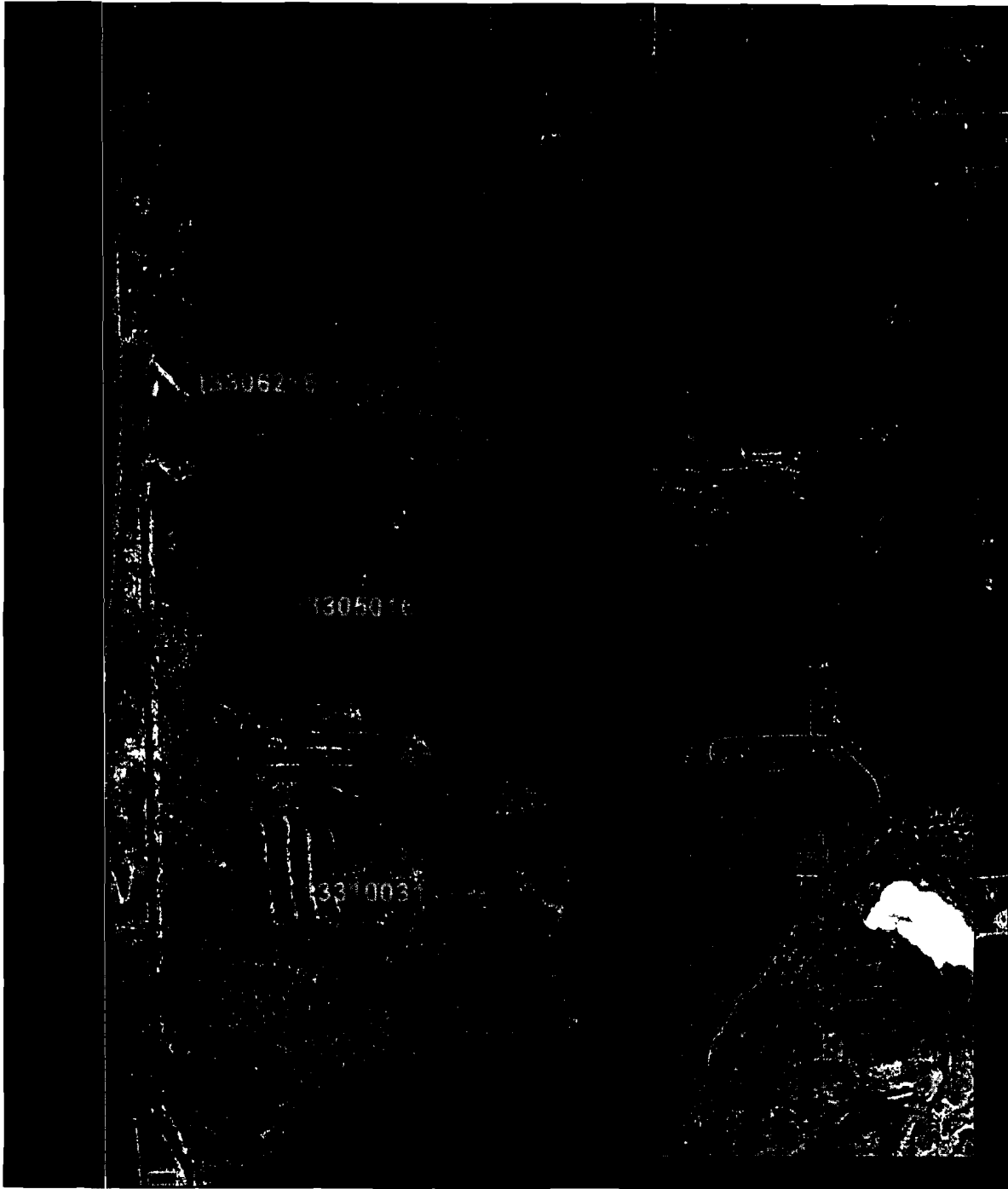
Exhibit D - Unit 1






KPB owned high hazard KPB owned moderate hazard KPB parcels

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Exhibit E - Unit 1

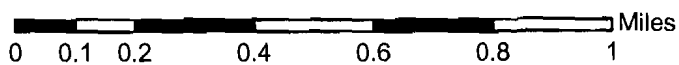
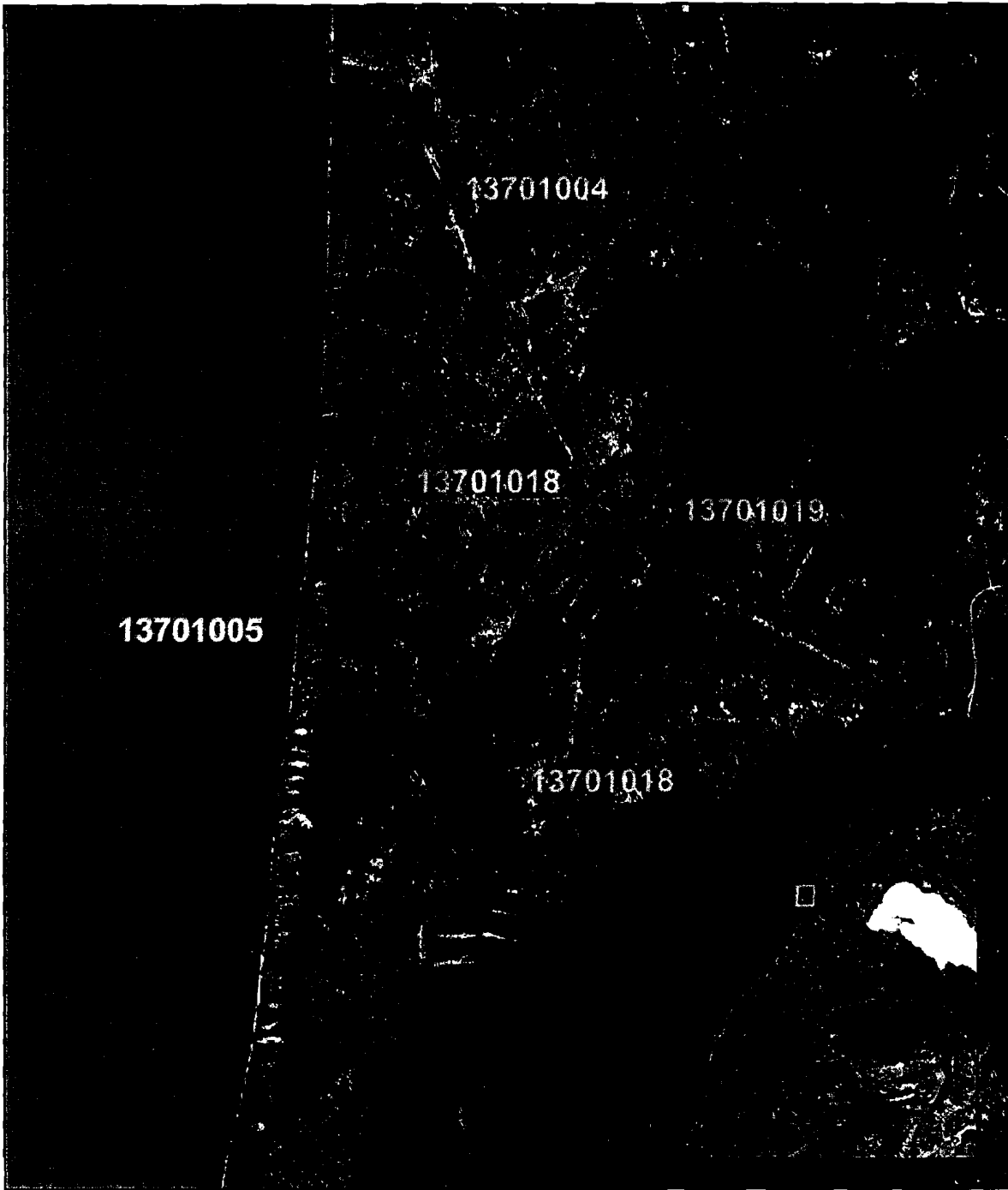





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kansas Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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Exhibit F - Unit 1

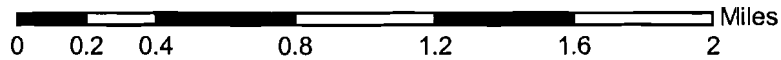
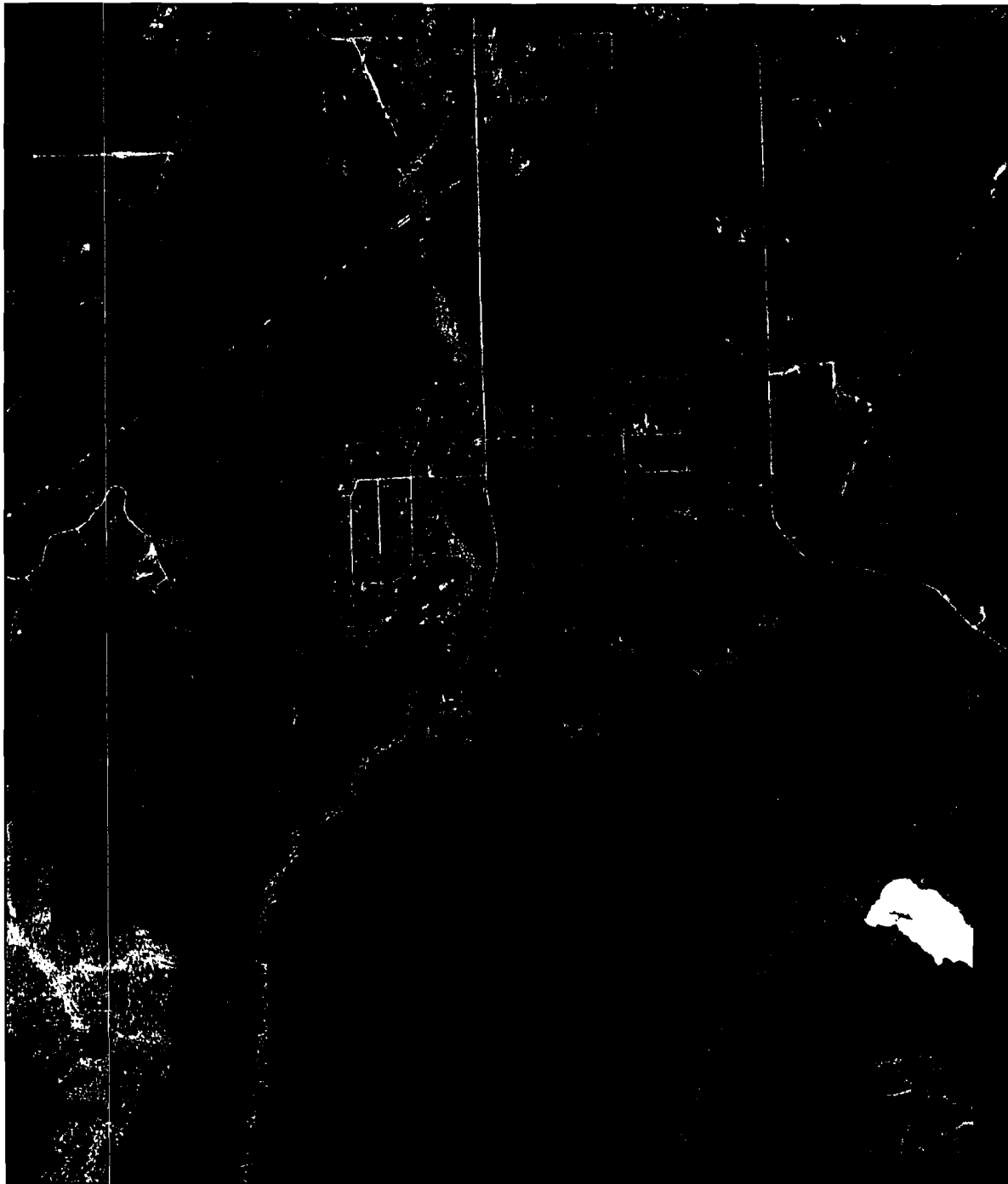





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kanai Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7 January 2002 A.D. - W. Volder

Exhibit G - Unit 2

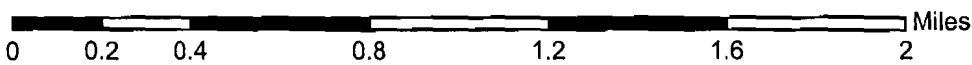





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kent Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7/26/2007 10:02 A.M. De Voeter

Exhibit H - Unit 2

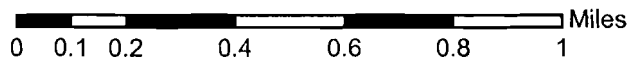





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kenai Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7 January 2002 A.D. De Volder

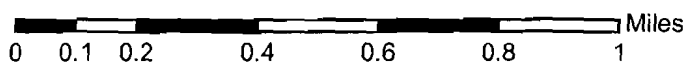
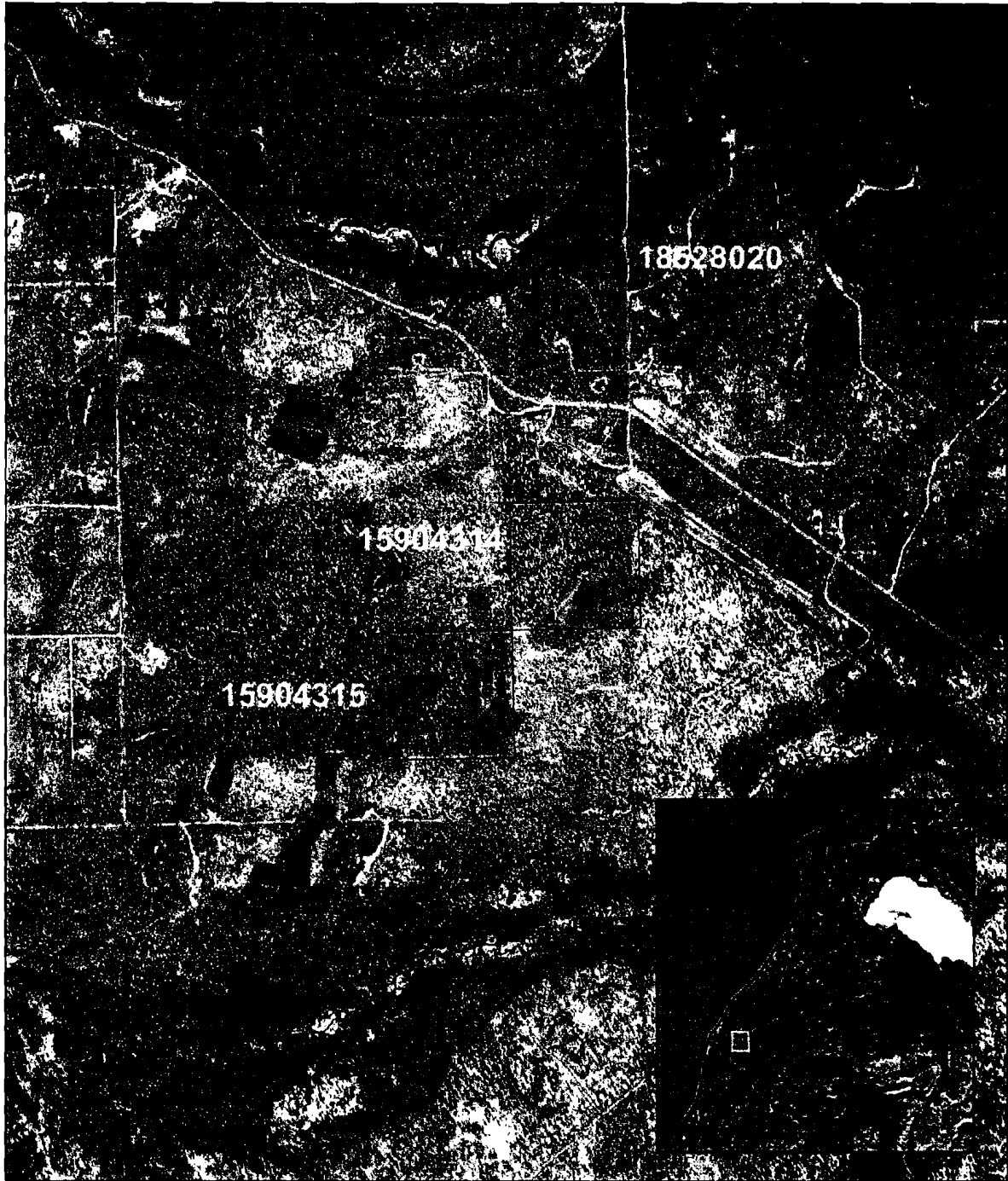
Exhibit I - Unit 2






 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kaneh Peninsula Borough (KPB)
Soil Bank and Rehabilitation Program (SBBMP)
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Exhibit J - Unit 3

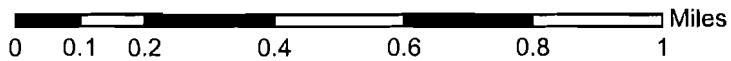
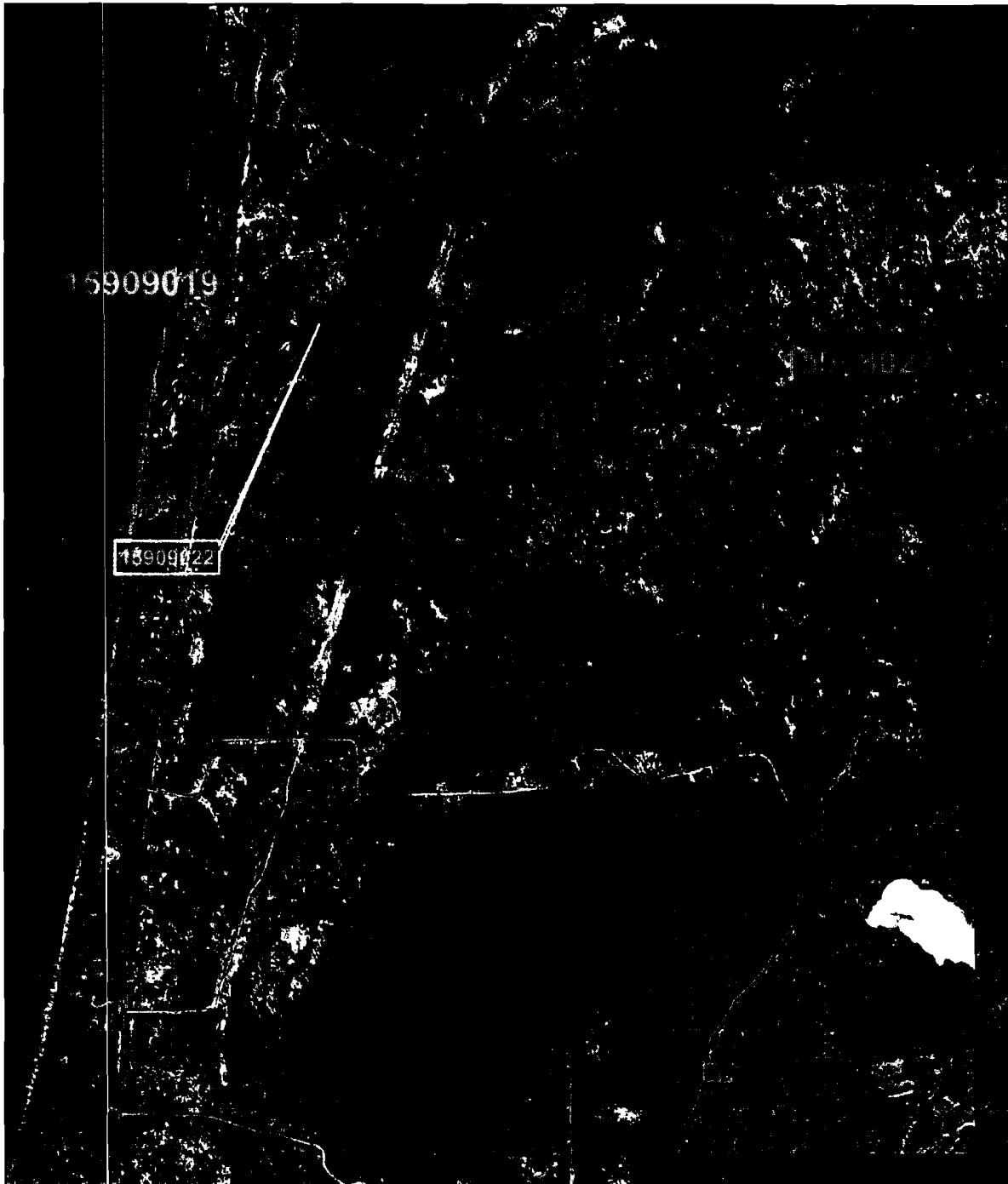





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kent Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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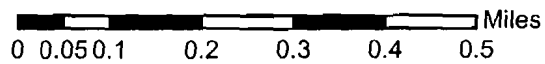
Exhibit K - Unit 3






 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kernal Peninsula Borough (KPB)
Spruce Fork Beetle Mitigation Program (SFBMP)
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January 2002 A.D. De Vries

Exhibit L - Unit 3

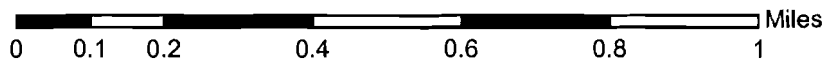
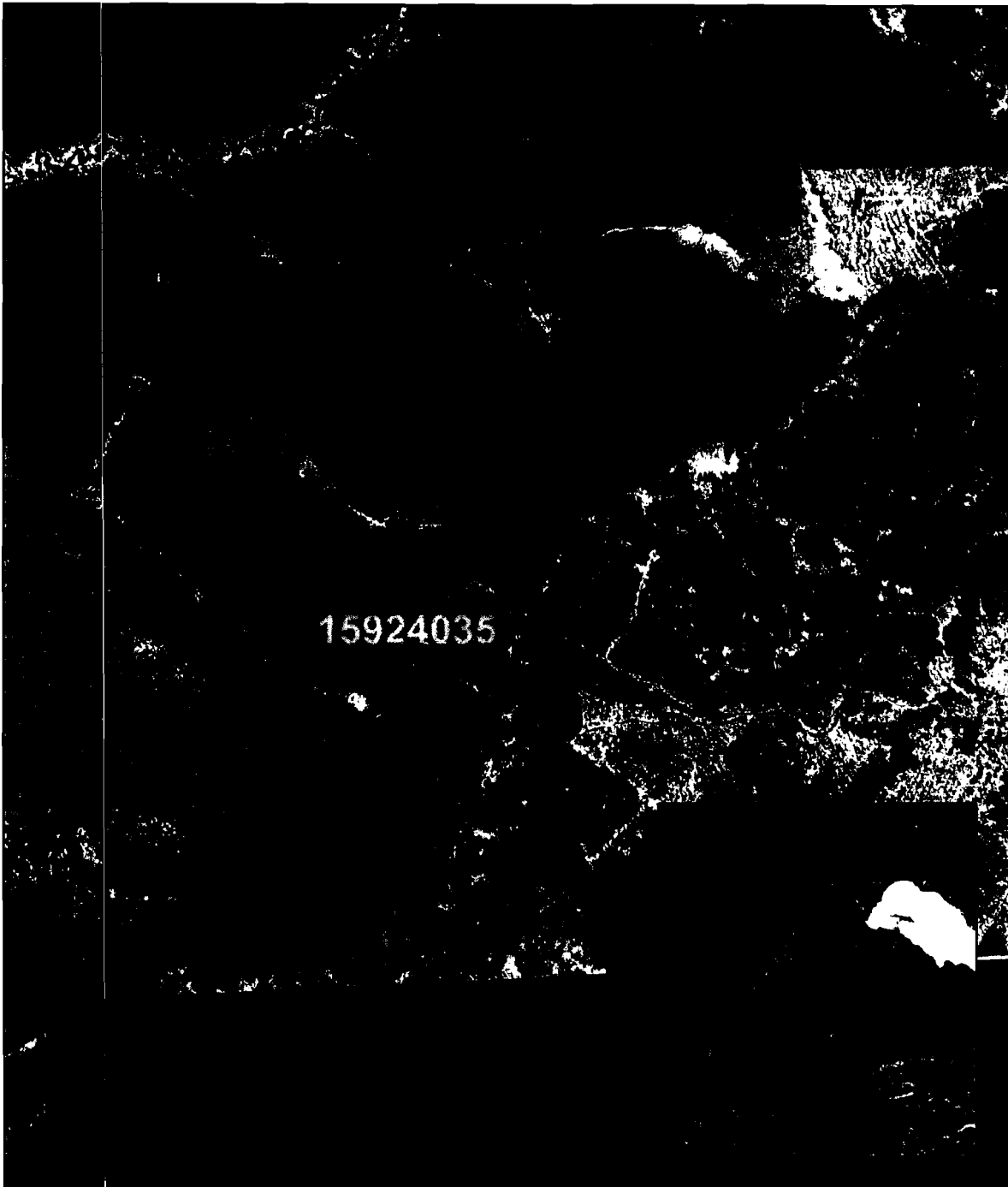





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kanah Peninsula Board (KPB)
Spruce Peak Estate Management Program (SPEMP)

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7 January 2002 A.D. De Volder

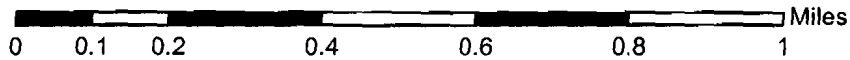
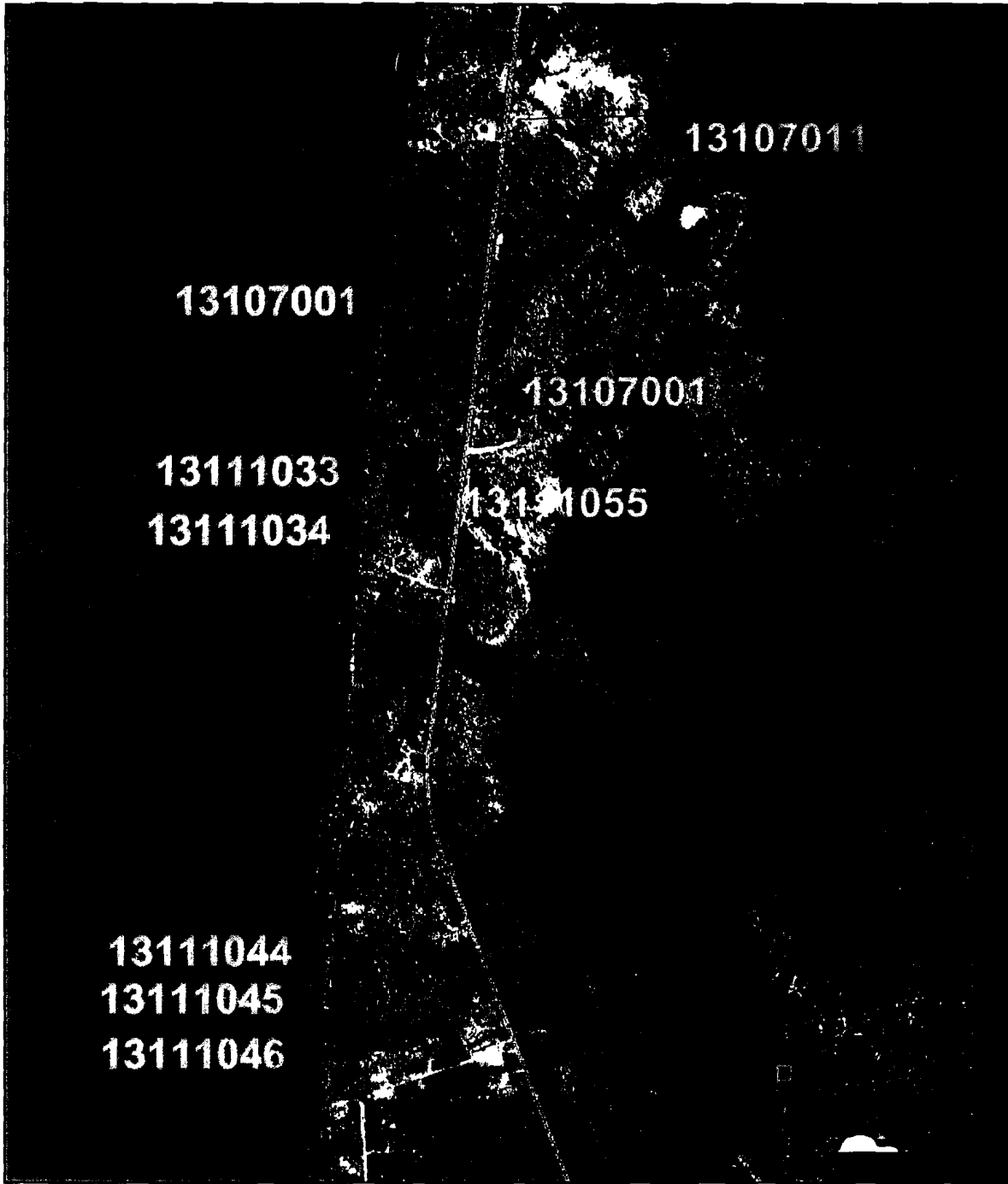
Exhibit M - Unit 3






 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kanai Peninsula Borough (KPB)
Source: Task II - In Remediation Program (SBBMP)
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7 January 2002 A.D. De Volder

Exhibit N - Unit 13

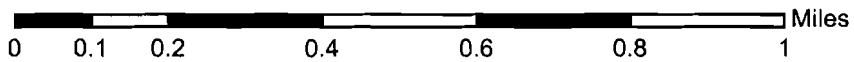
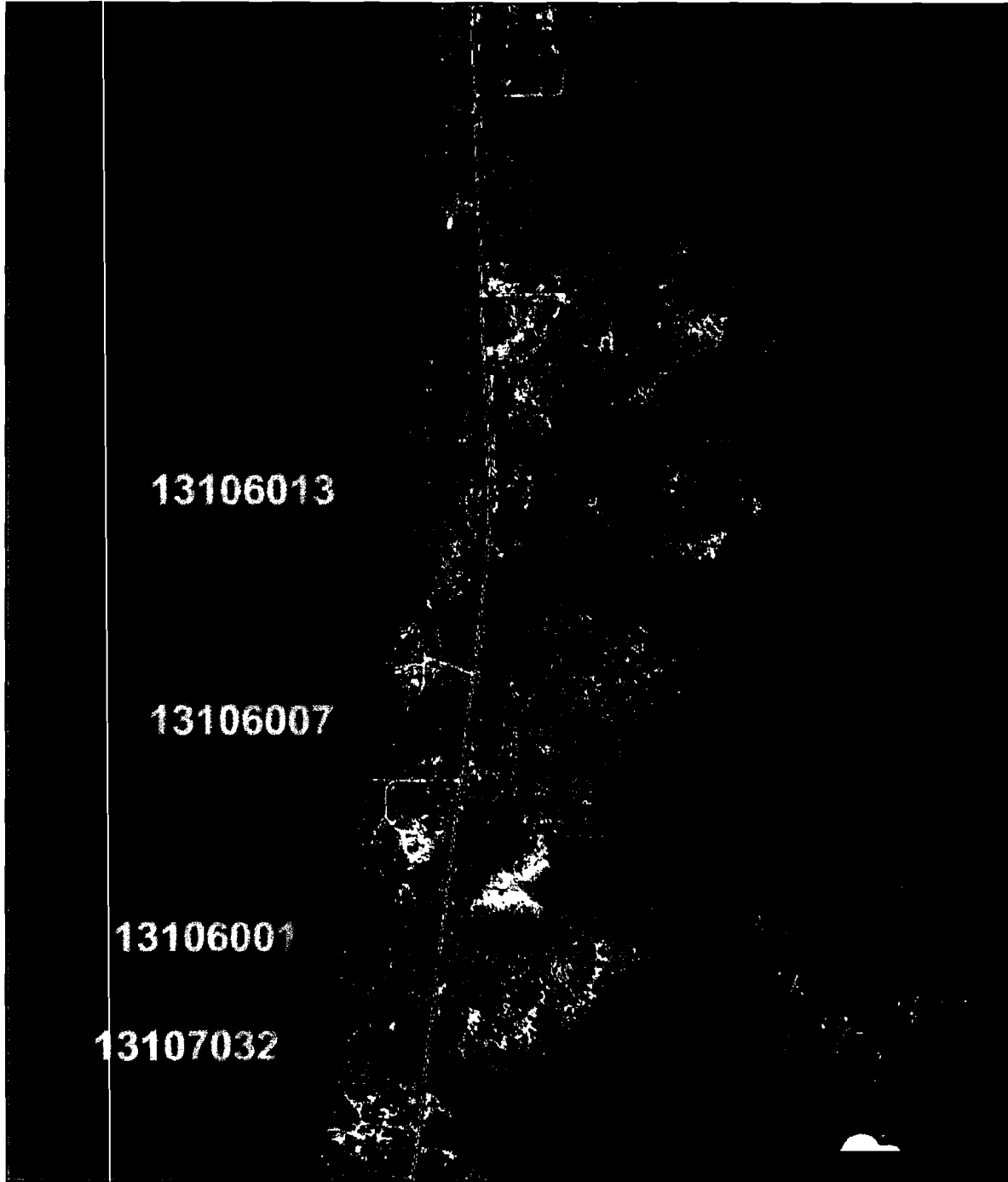





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kane Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SB-BMP)

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7 January 2002 A.D. De Volder

Exhibit O - Unit 13

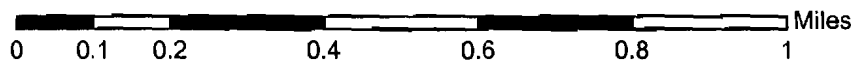
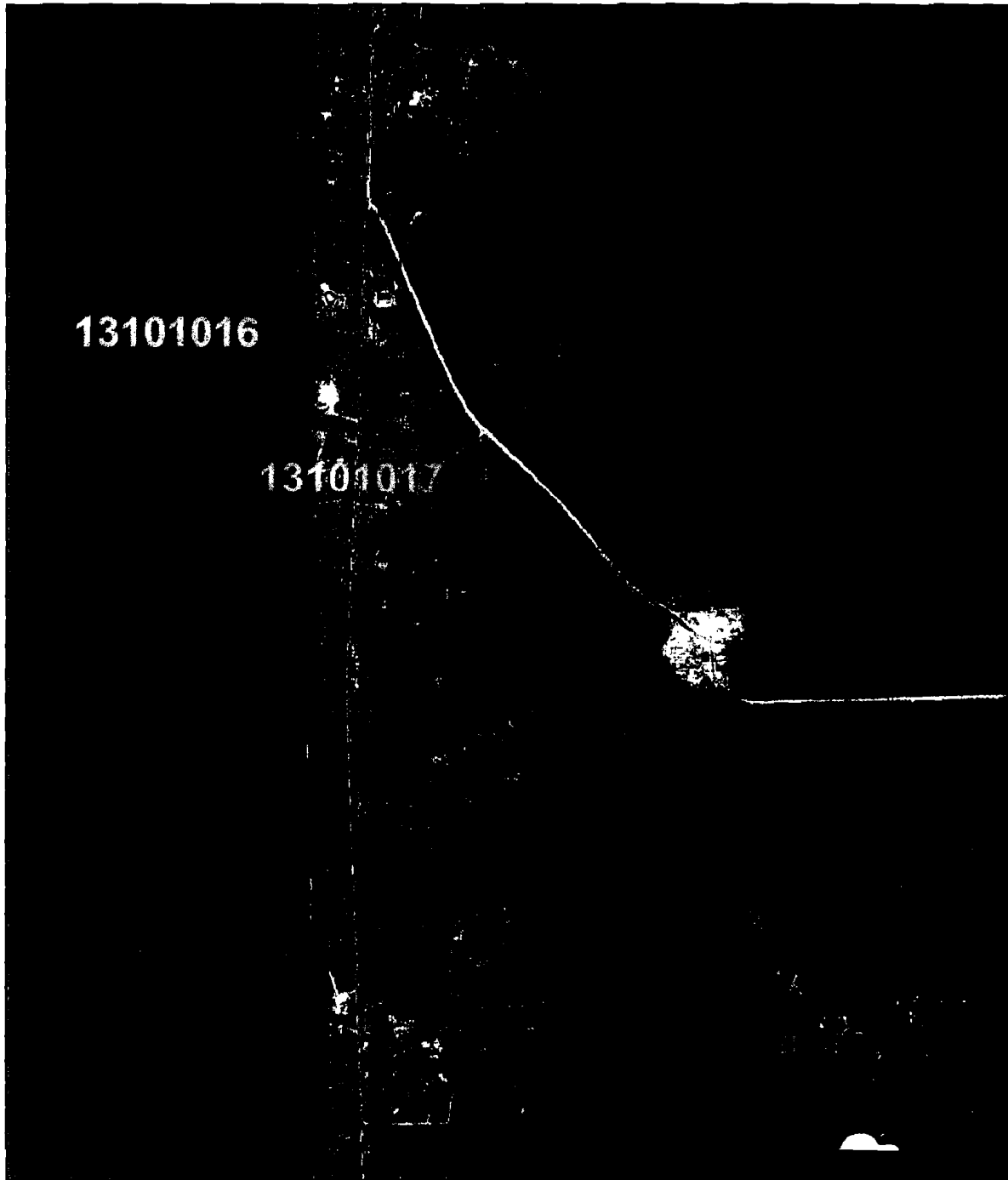





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kahal Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7/15/2008 10:02 AM D. De Volder

Exhibit P - Unit 13

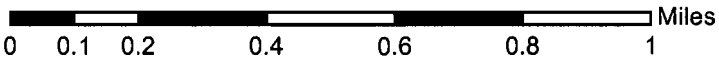
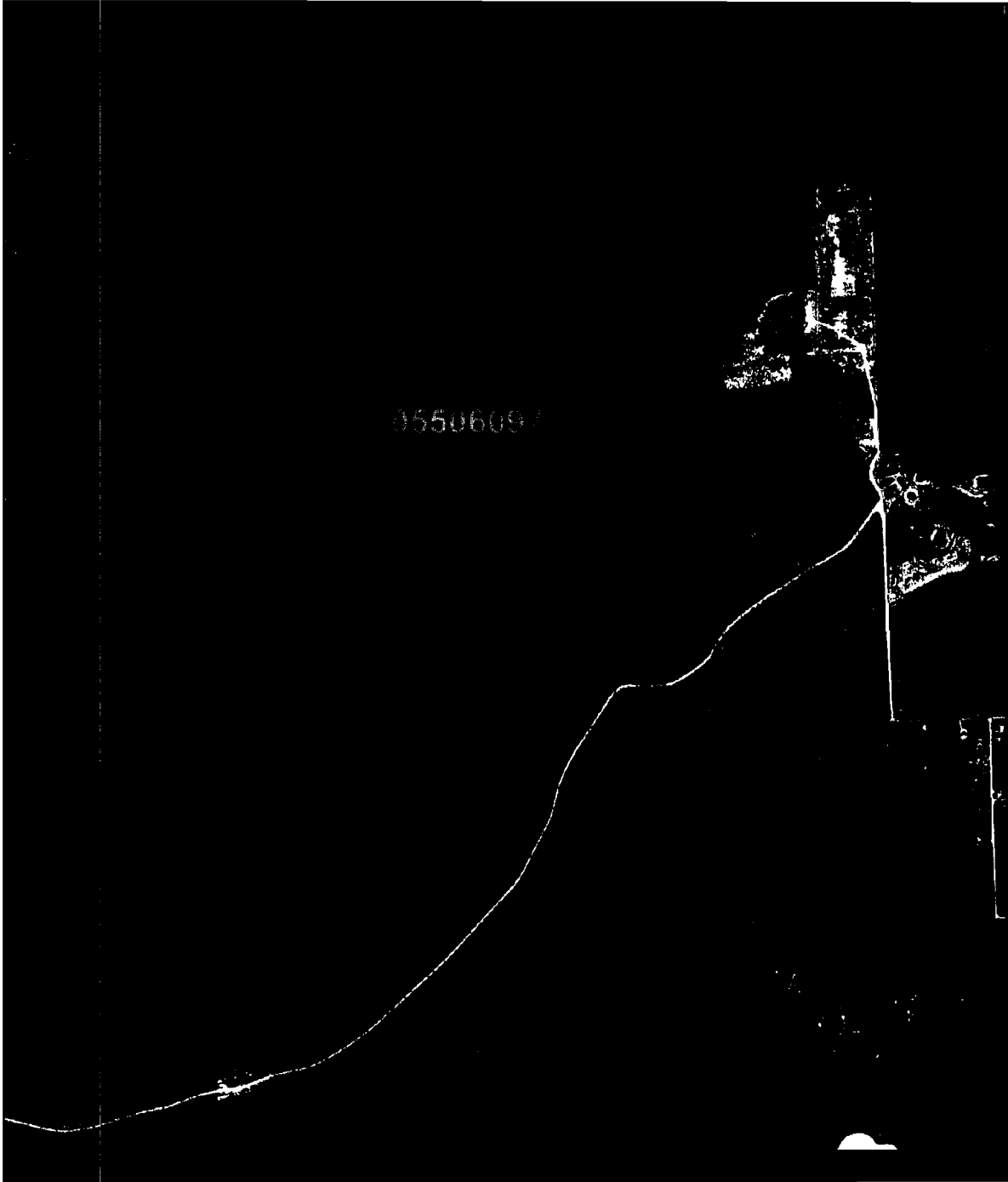





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kanai Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7 January 2002 A.D. De Visser

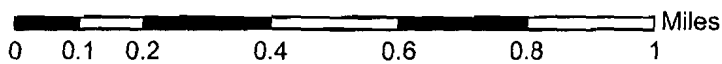
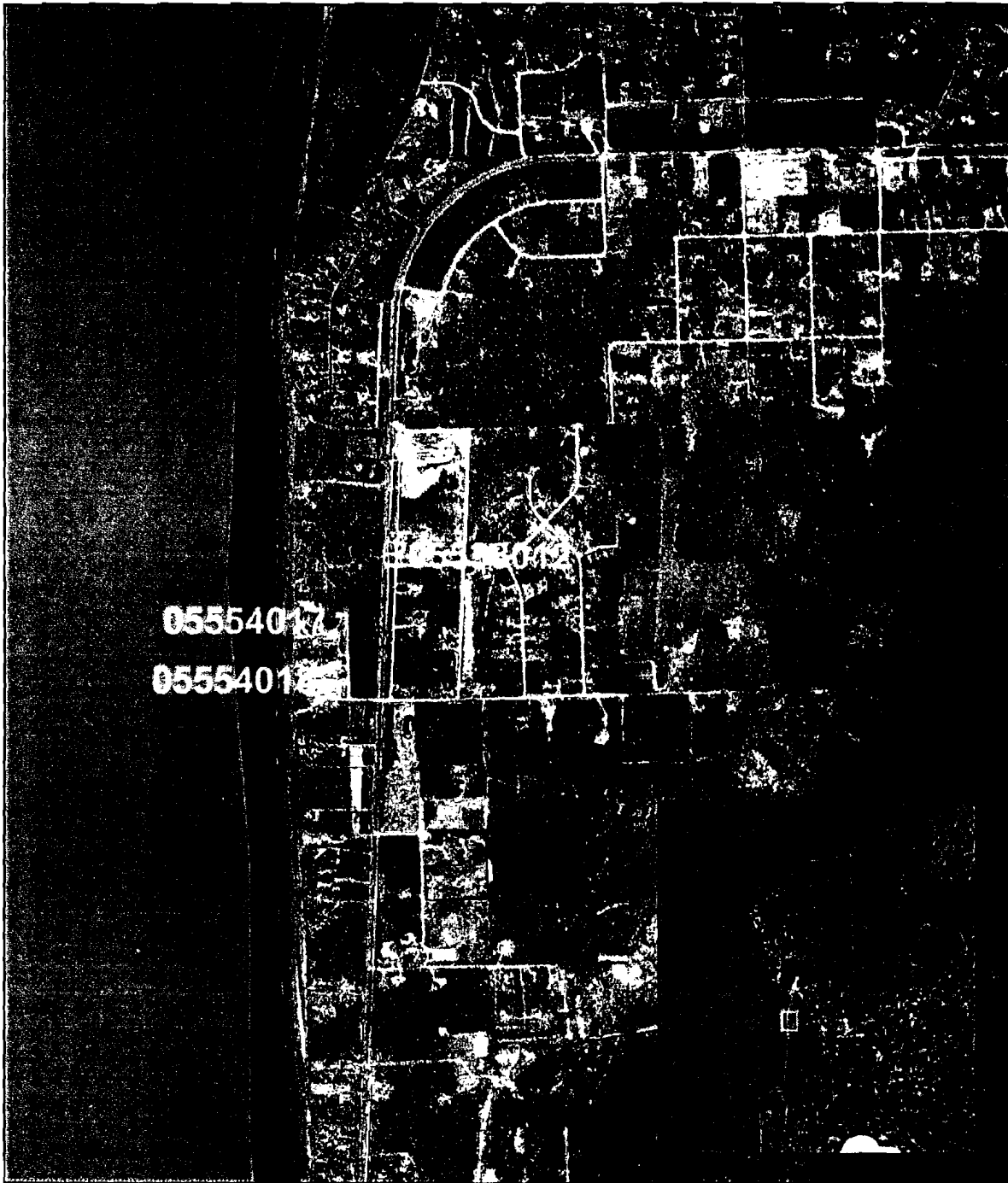
Exhibit Q - Unit 13






 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kane Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)
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7 January 2002 A.D. De Volder

Exhibit R - Unit 13

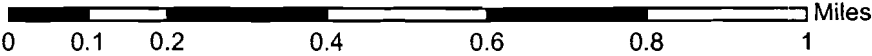


 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kansas Hardwood Borough (KPB)
Spruce Bark Beetle Mitigation Plan (SBBMP)

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7 January 2002 A.D. De Volder

Exhibit S - Unit 13

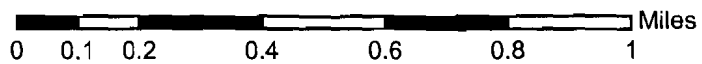





■ KPB owned high hazard ■ KPB owned moderate hazard □ KPB parcels

Kanai Peninsula Borough (KPB)
Source: Dark Beetle Mapping Program (SBBMP)

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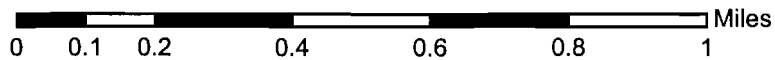
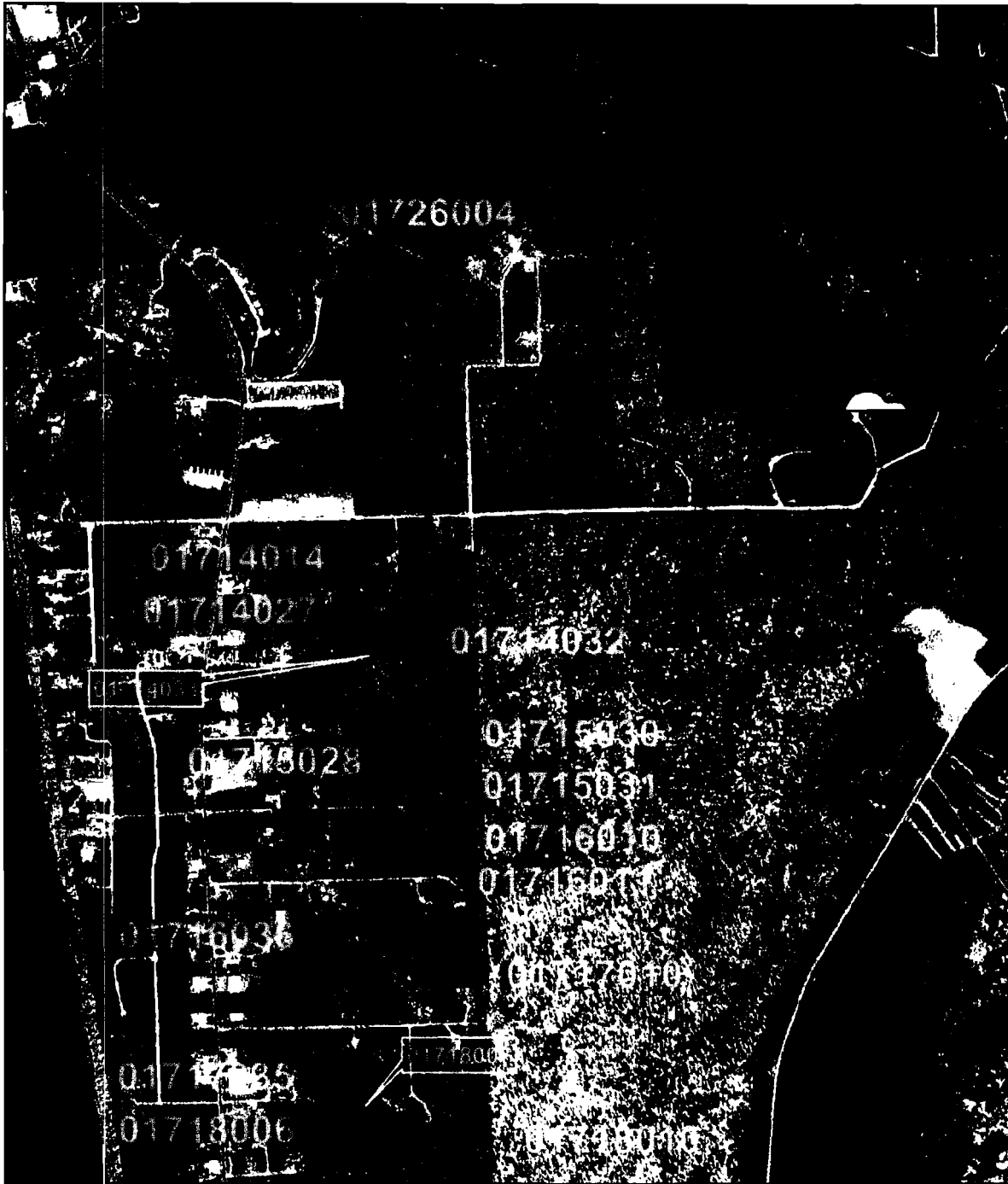
Exhibit T - Unit 13



 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Keweenaw Peninsula Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)
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January 2002 De Volder

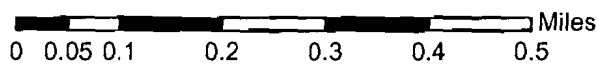
Exhibit U - Unit 13






KPB owned high hazard
 KPB owned moderate hazard
 KPB parcels

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Exhibit V - Unit 13

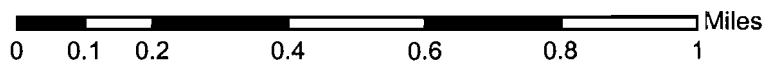
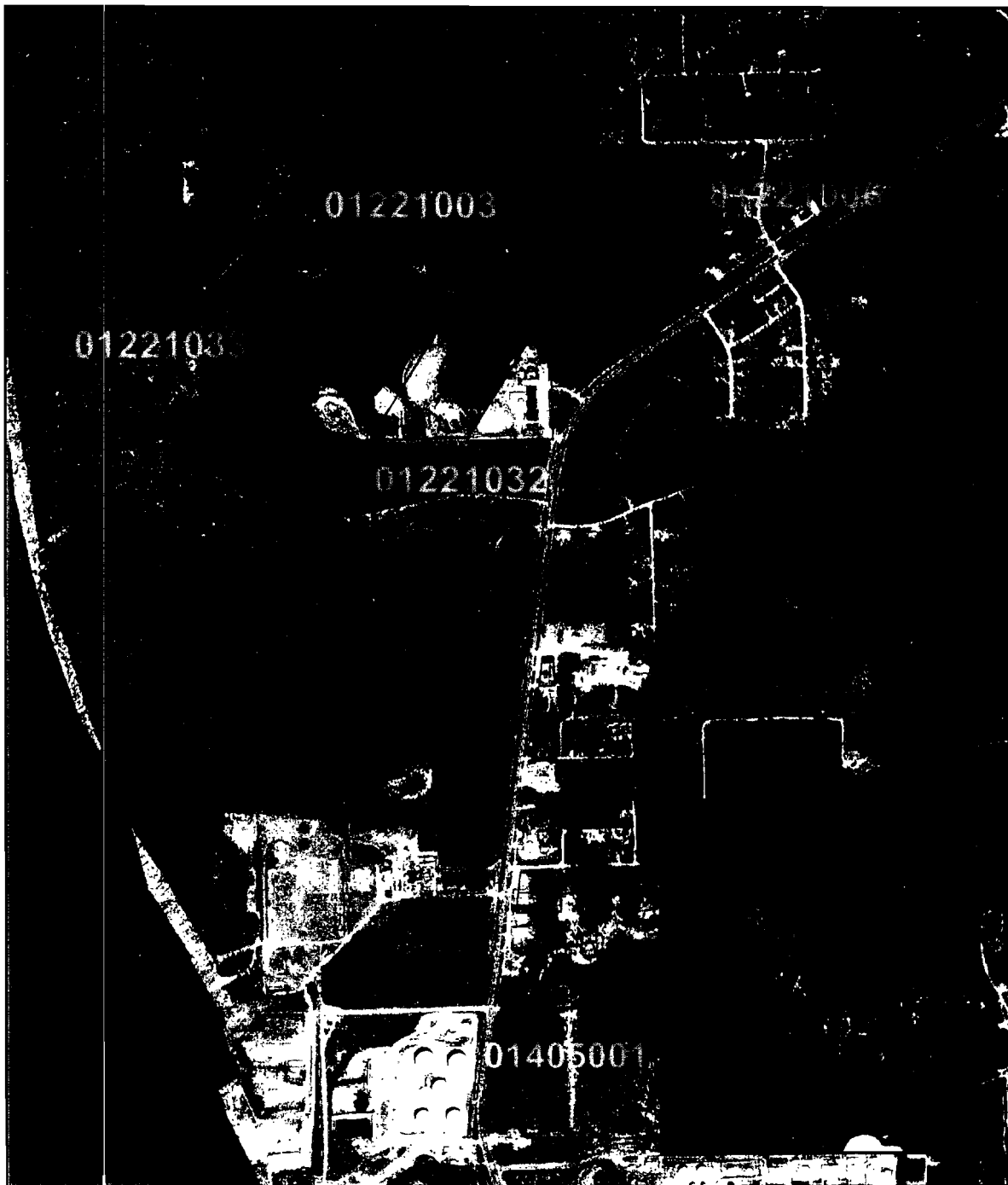





 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kenai Peninsula Borough (KPB)
Sitka Bark Beetle Mitigation Program (SBBMP)

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7-1-mjuly 2007 A.D. De Volder

Exhibit W - Unit 13



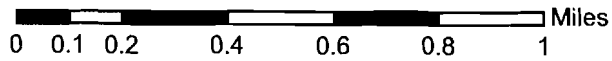
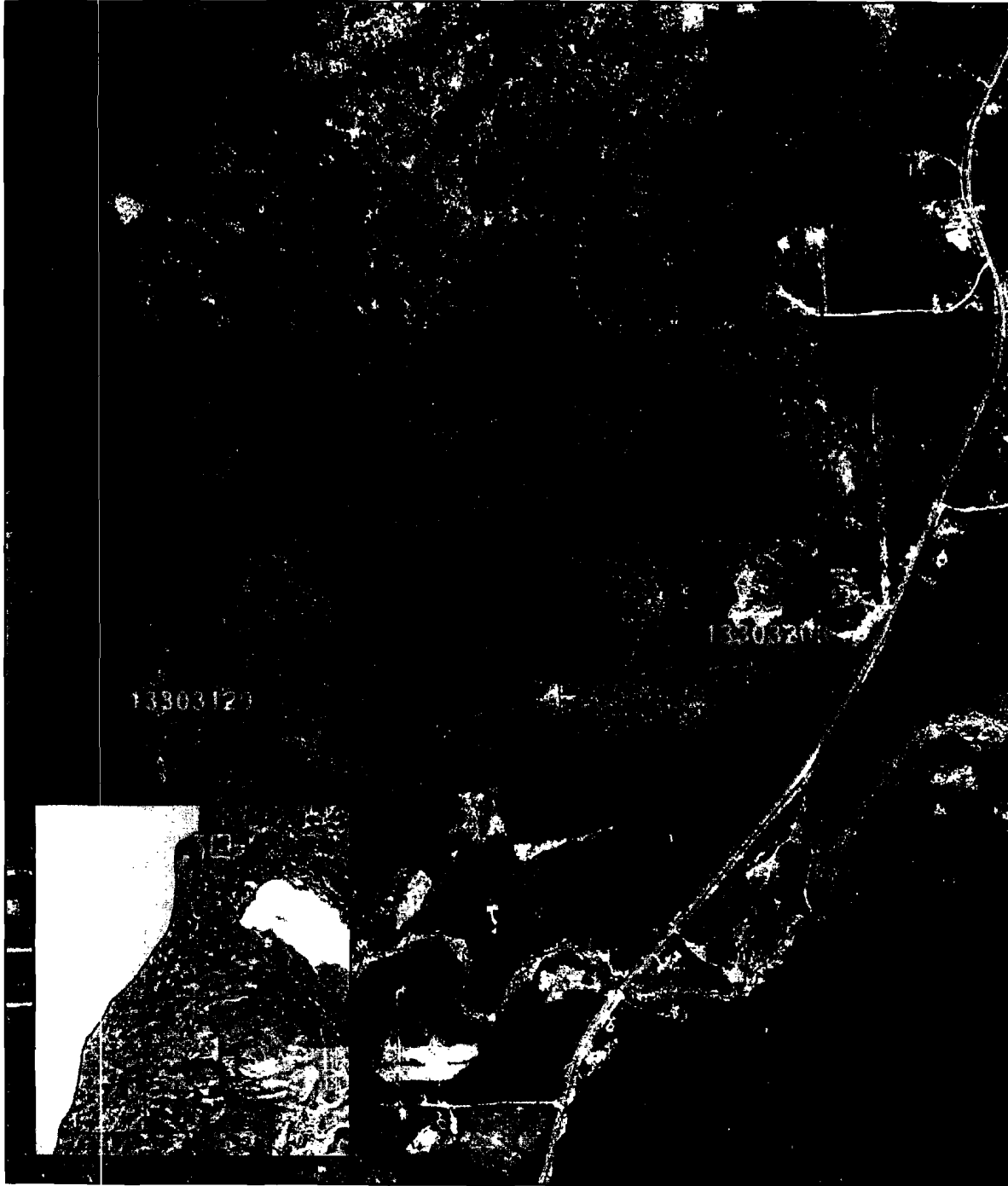
 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kent Peninsula Borough (KPB)
Spring Fork Basins Mitigation Plan (SBMP)

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7 January 2002 A.D. De Volder

AMENDMENT TO KPB ORDINANCE 2000-50
EXHIBIT X
DETAILED MAPS A THROUGH W

Exhibit A - Unit 1

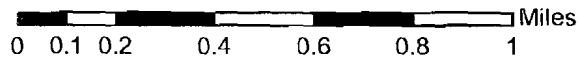


KPB owned high hazard
 KPB owned moderate hazard
 KPB parcels

Konee Peninsula Borough (KPB)
 Spruce Bark Beetle Mitigation Program (SBBMP)

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Exhibit B - Unit 1



KPB owned high hazard

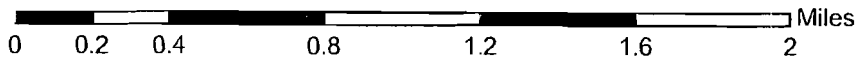
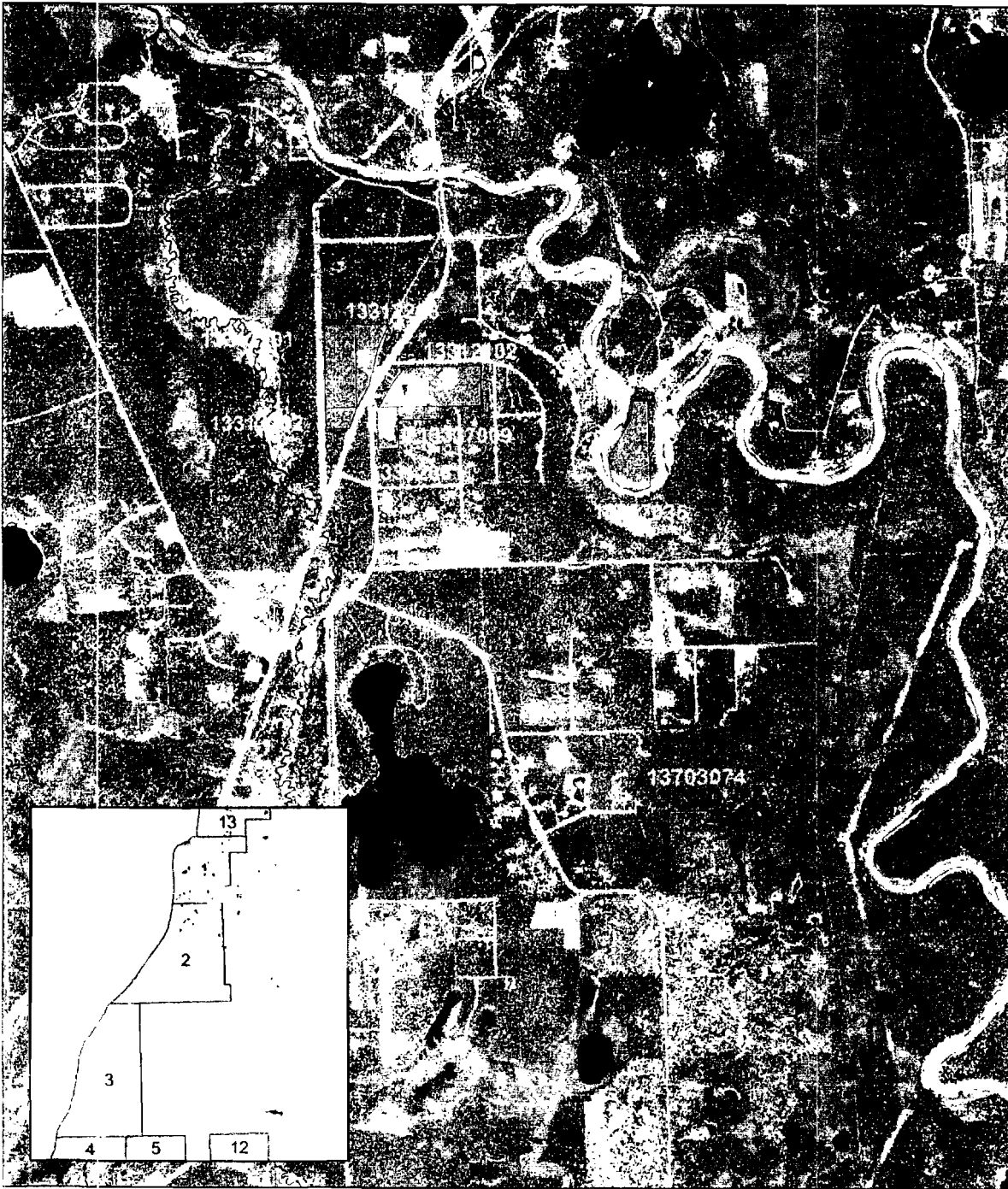
KPB owned moderate hazard

KPB parcels

Knox Township Borough (KTB)
 Spore Bank Health Mitigation Program (SBHMP)

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Exhibit C - Unit 1



KPB owned high hazard

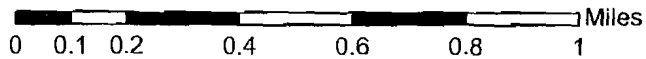
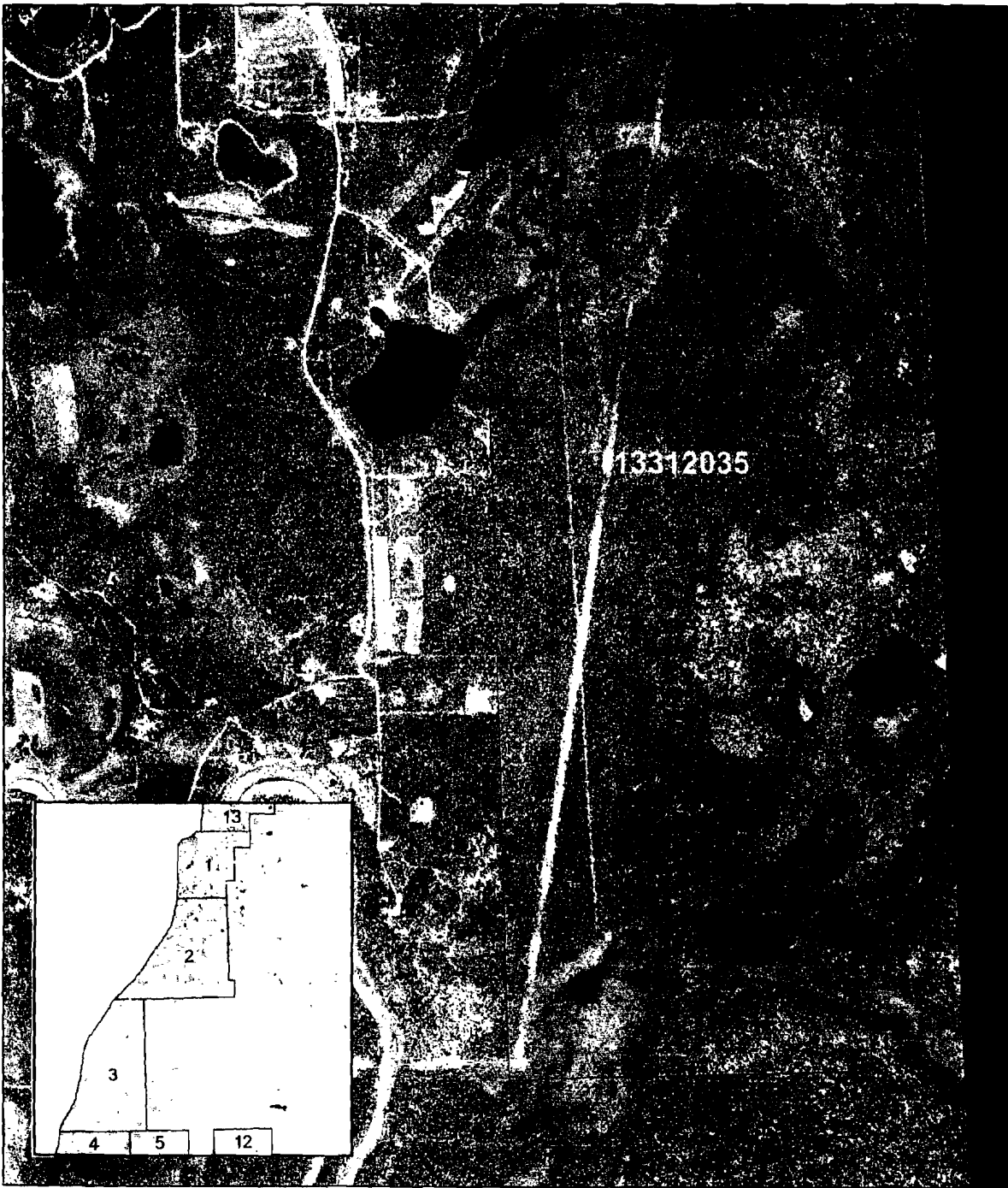
KPB owned moderate hazard

KPB parcels

Kentucky Planning and Hazard Mitigation (KPHM)
 Spillout Hazard Mitigation Program (SHMP)

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 7 January 2002 A.D. De Volder

Exhibit D - Unit 1



KPB owned high hazard

KPB owned moderate hazard

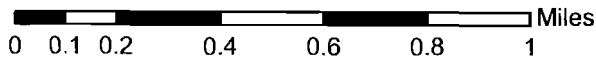
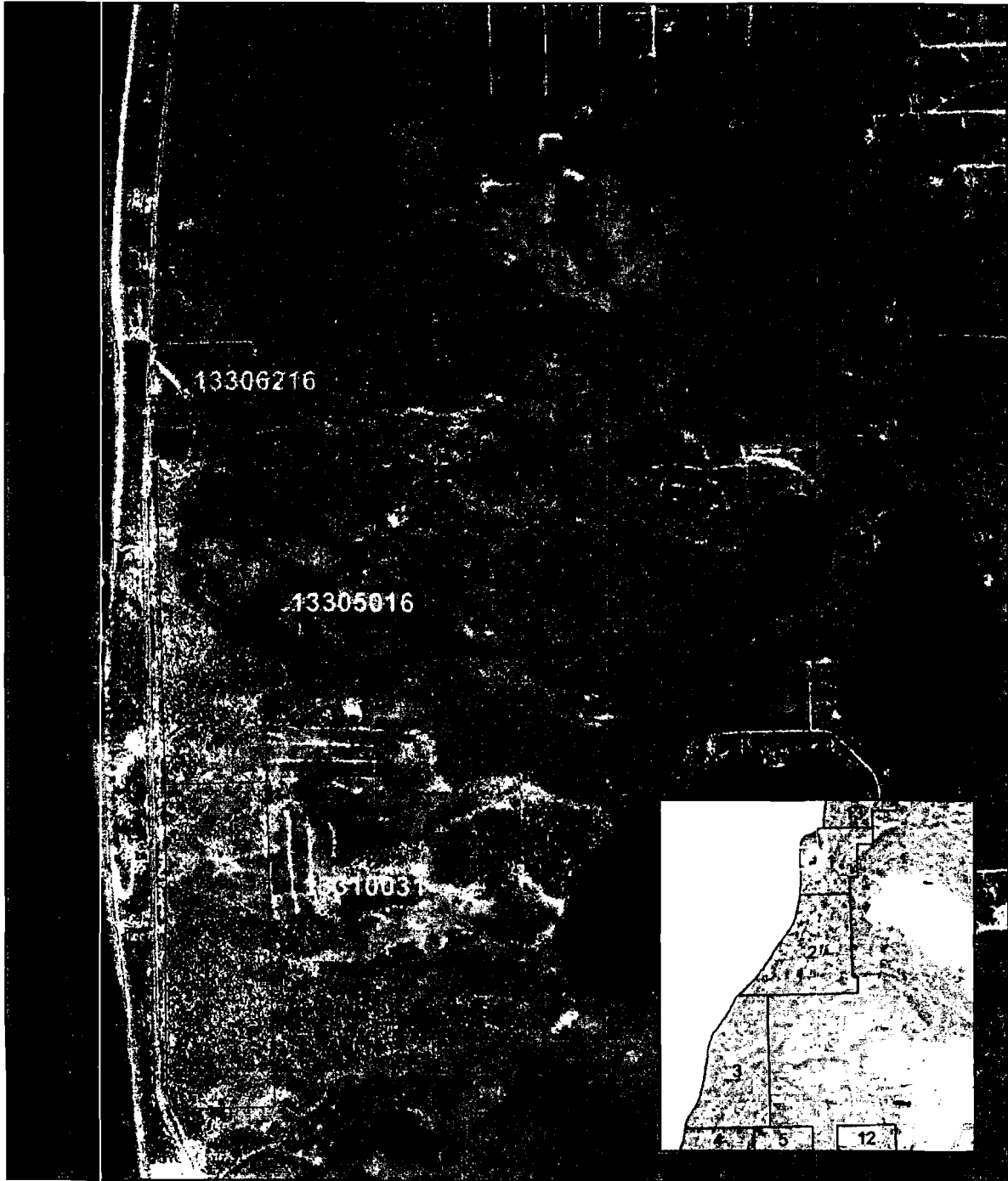


KPB parcels

Kenai Peninsula Borough (KPB)
 Special Base Benefit Mitigation Program (SBBMP)

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Exhibit E - Unit 1



KPB owned high hazard

KPB owned moderate hazard

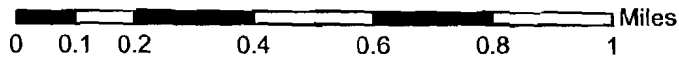
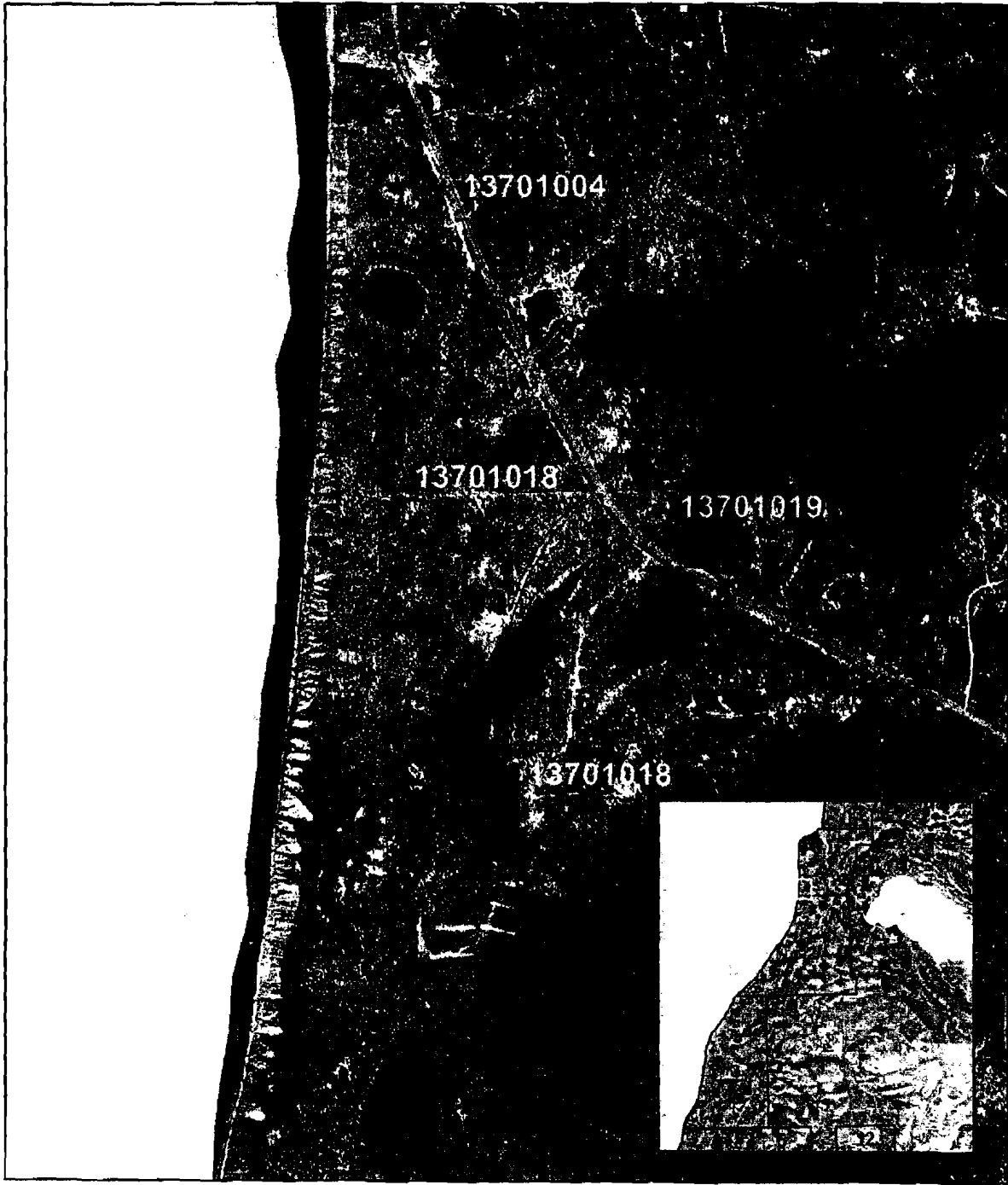


KPB parcels

Kona Peninsula Borough (KPB)
Spacial Mark Hazards Mitigation Program (SMHMP)

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7 January 2007 A.D. The Vendor

Exhibit F - Unit 1

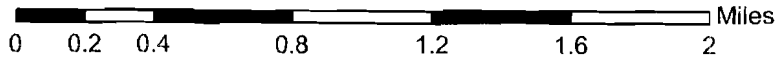
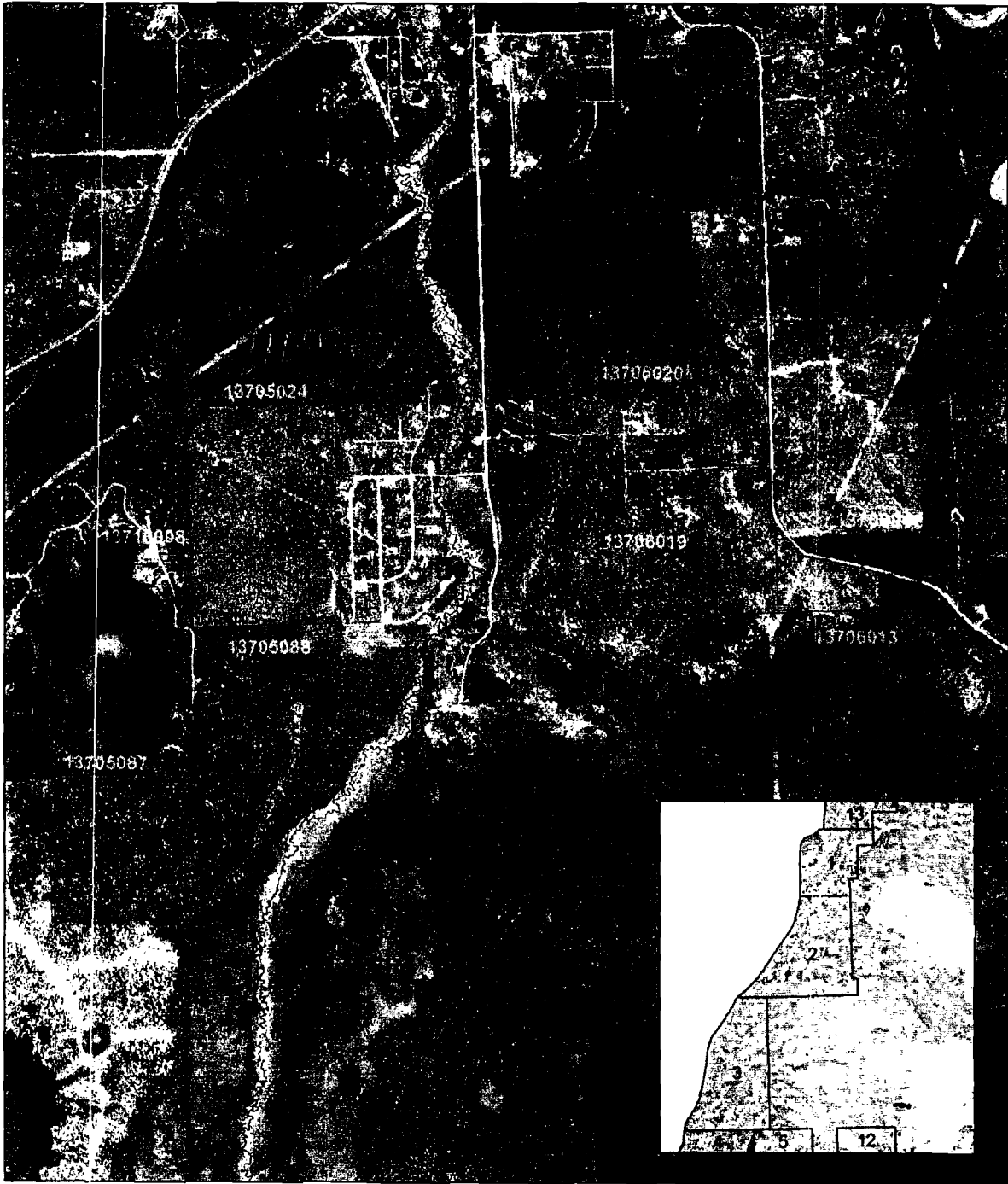


■ KPB owned high hazard **■** KPB owned moderate hazard **□** KPB parcels

Kuna Peninsula Borough (KPB)
Spruce Hawk Benthic Mitigation Program (SBBMP)

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7 January 2002 A.D. De Volder

Exhibit G - Unit 2



KPB owned high hazard

KPB owned moderate hazard

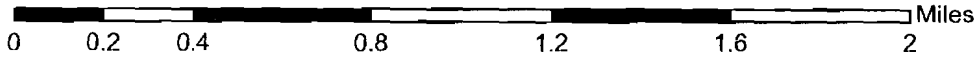


KPB parcels

Kona Planning Borough (KPB)
 Spurn Bank Break Mitigation Program (SBMM)

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 7 January 2002 A.D. Pa'olani

Exhibit H - Unit 2



KPB owned high hazard

KPB owned moderate hazard

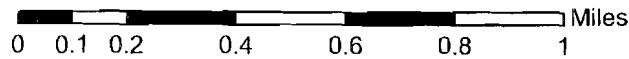
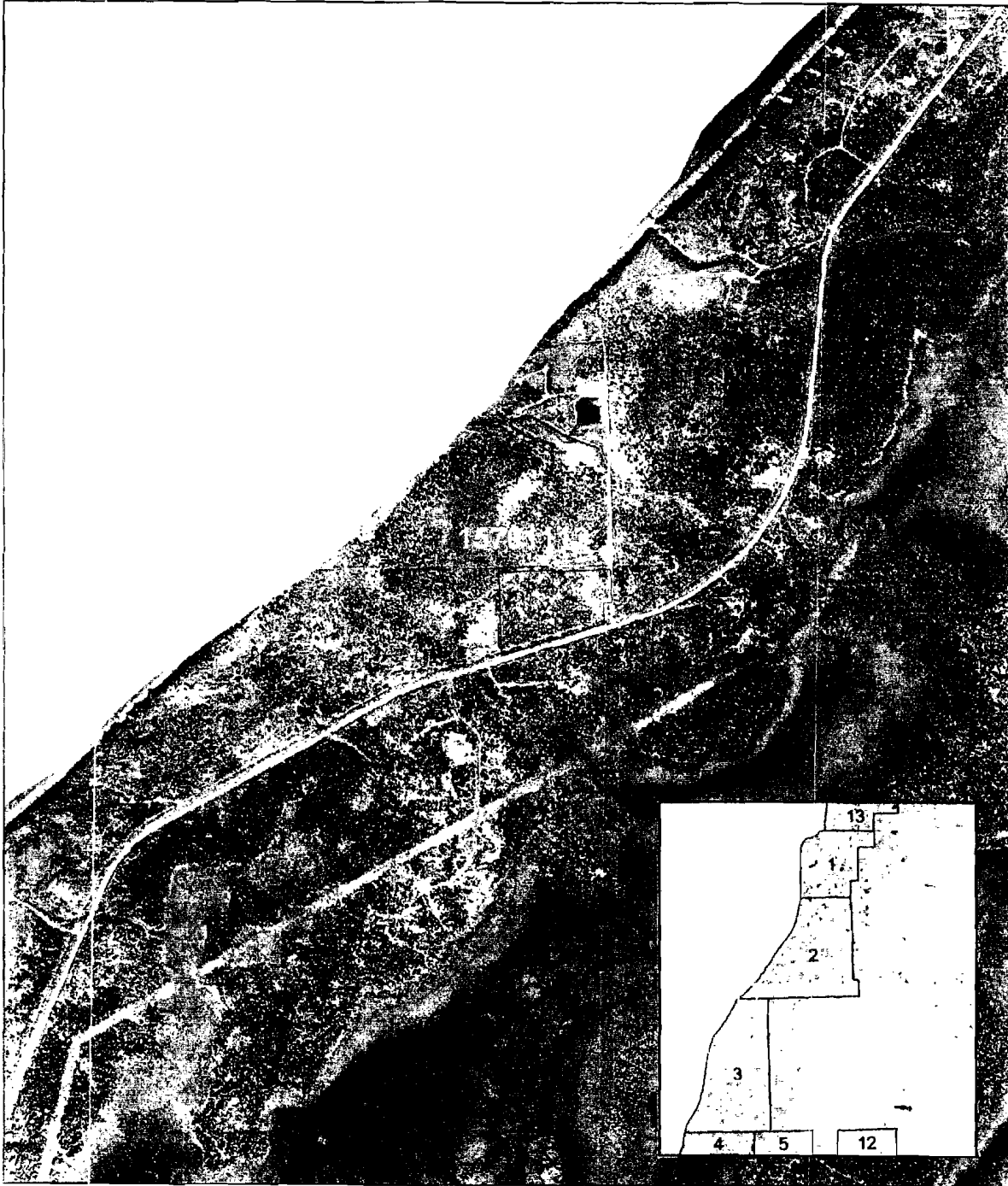


KPB parcels

Kaiser Permanente Borough (KPB)
 Spitzer Risk Health Mitigation Program (SRHMP)

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 7 January 2002 A13, De Volder

Exhibit I - Unit 2



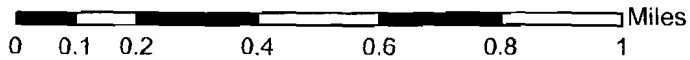
KPB owned high hazard

KPB owned moderate hazard

KPB parcels

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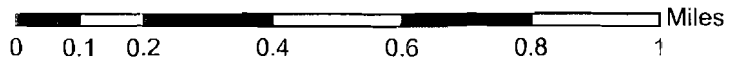
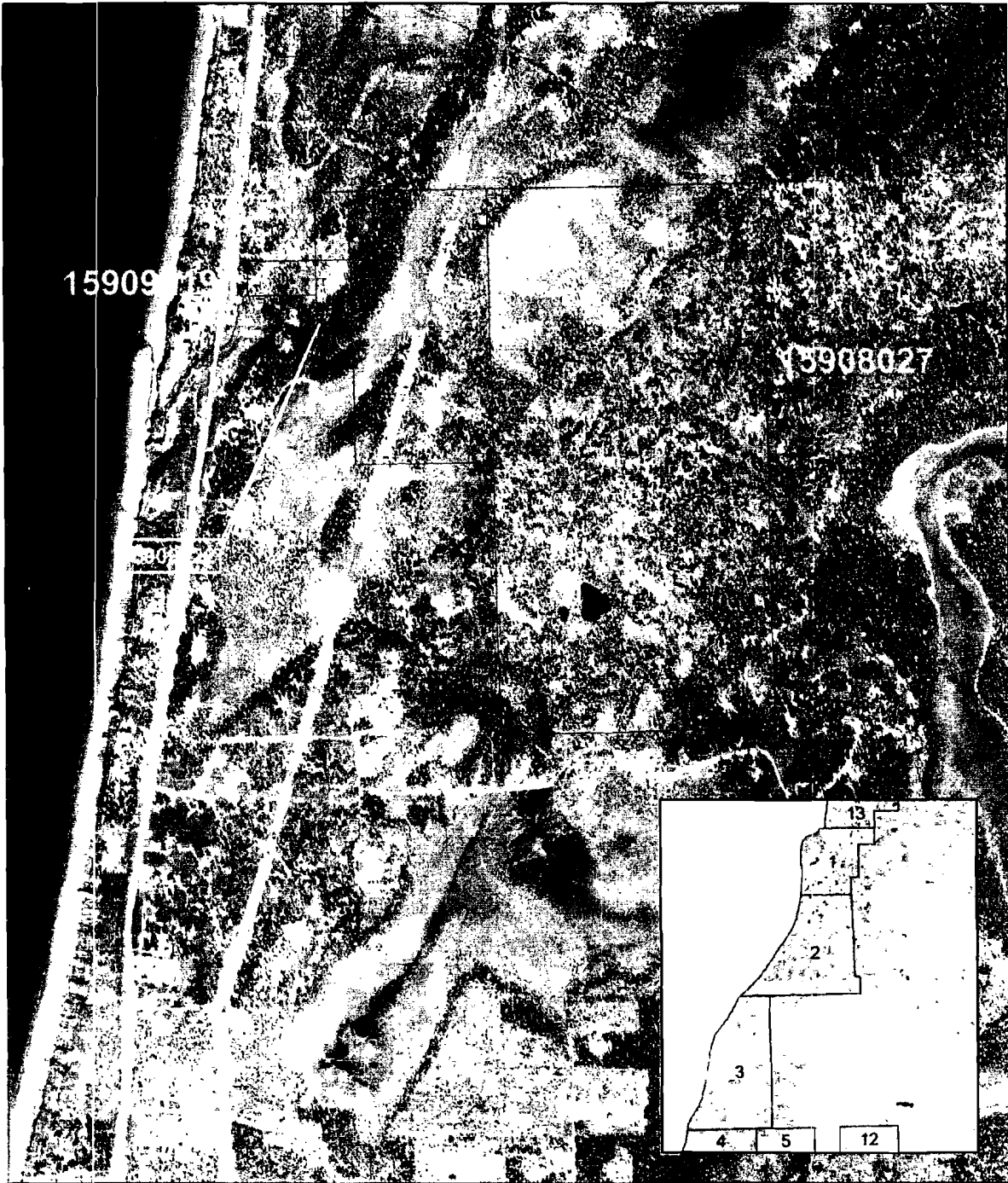
Exhibit J - Unit 3



KPB owned high hazard
 KPB owned moderate hazard
 KPB parcels

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Exhibit K - Unit 3



KPB owned high hazard

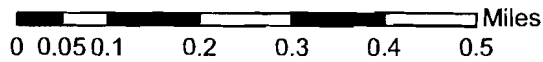
KPB owned moderate hazard

KPB parcels


Krusa Township Borough (KTB)
 Special Risk Hazards Mapping Program (SRHMP)


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Exhibit L - Unit 3



 KPB owned high hazard

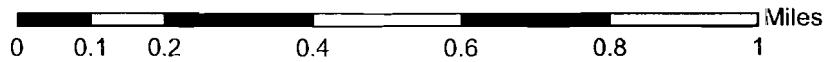
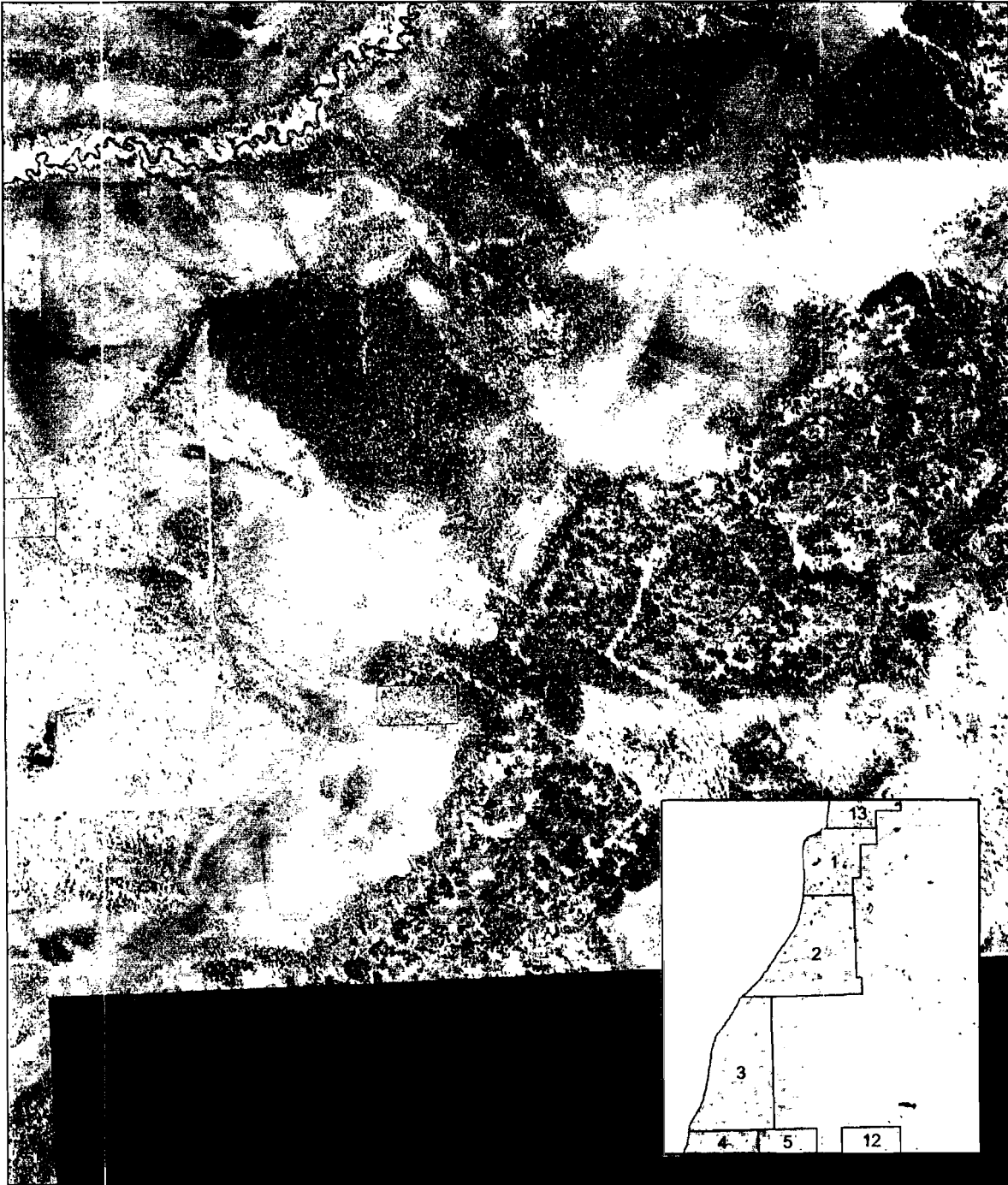
 KPB owned moderate hazard

 KPB parcels

Kono Pinnacle Borough (KPB)
Spitac Hill Border Mitigation Program (SBM41)

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7 January 2007 A.D. De Vetter

Exhibit M - Unit 3



KPBC owned high hazard

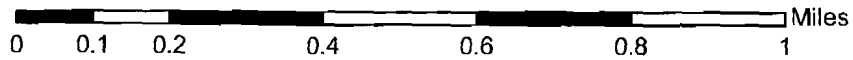
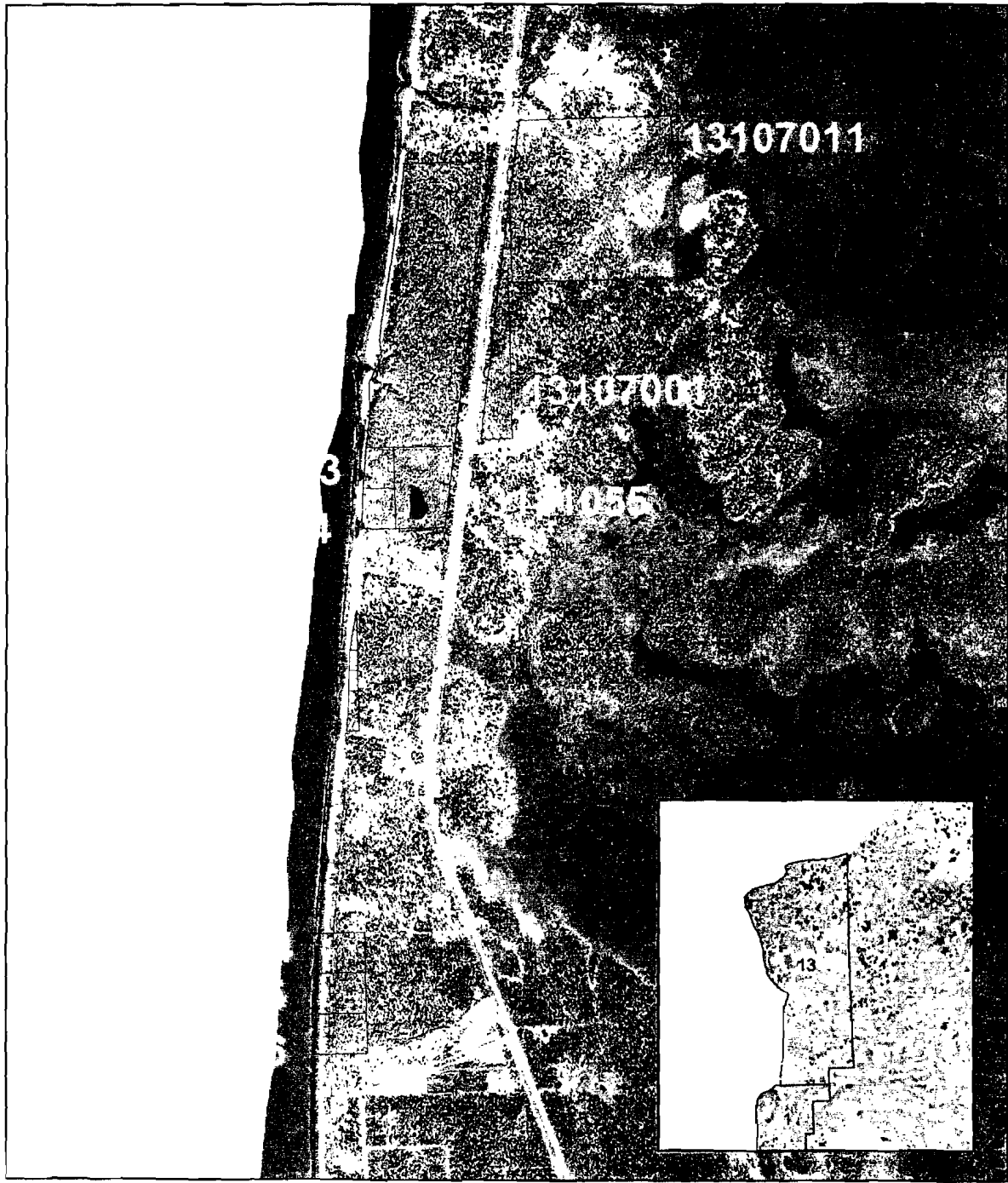
KPBC owned moderate hazard

KPBC parcels

Kenai Peninsula Borough (KPBC)
Spitfire Hawk Route Mitigation Program (SRMP)

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7 January 2009 A.D. De Vostler

Exhibit N - Unit 13



KPB owned high hazard

KPB owned moderate hazard

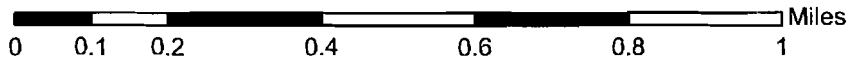
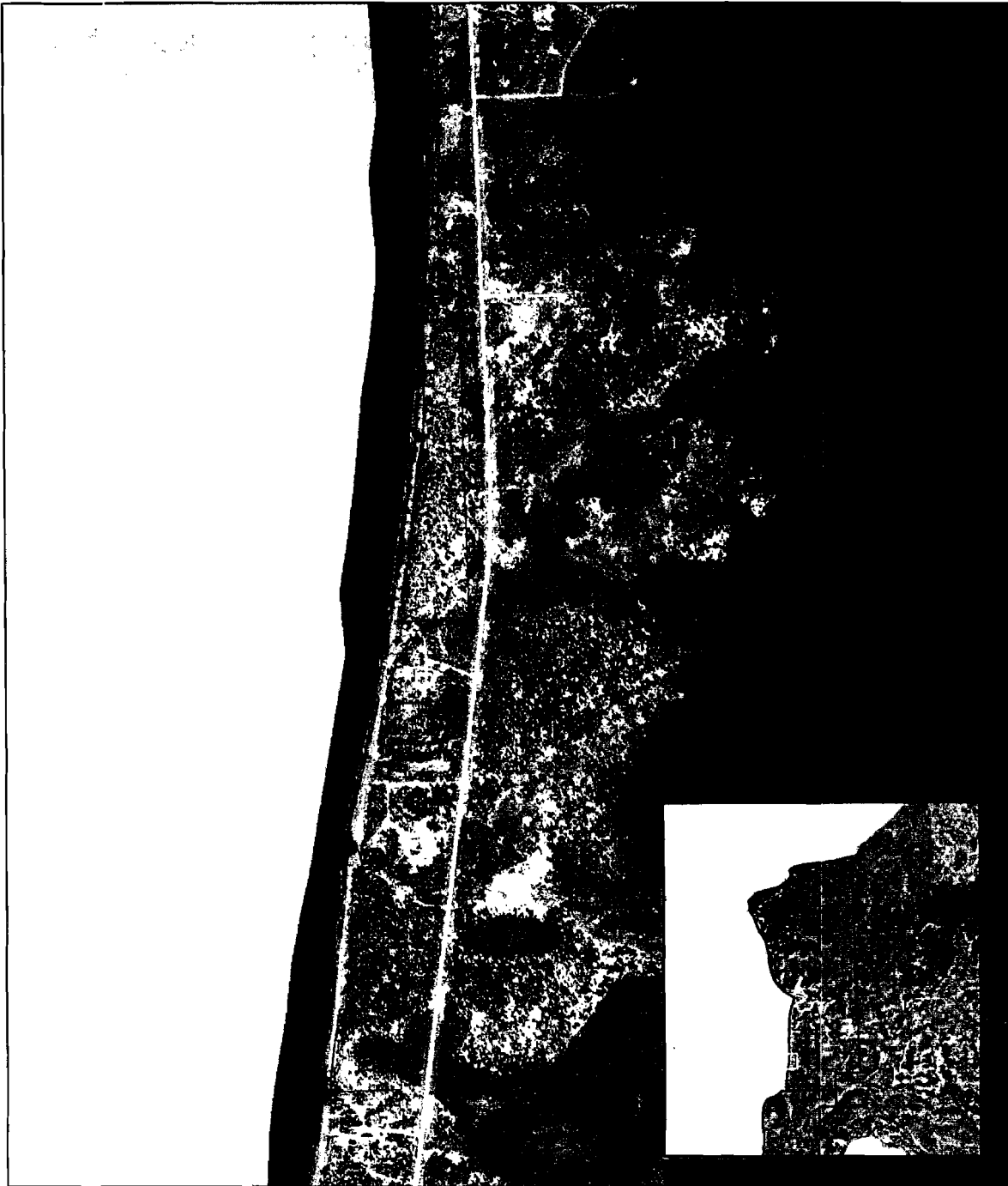


KPB parcels

Kent Peninsula Borough (KPB)
*Spruce Bush Reentry Mitigation Program (SBRMP)

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Exhibit O - Unit 13



KPB owned high hazard

KPB owned moderate hazard

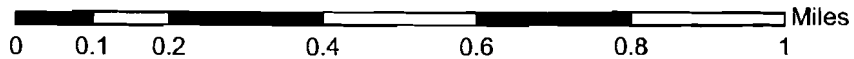
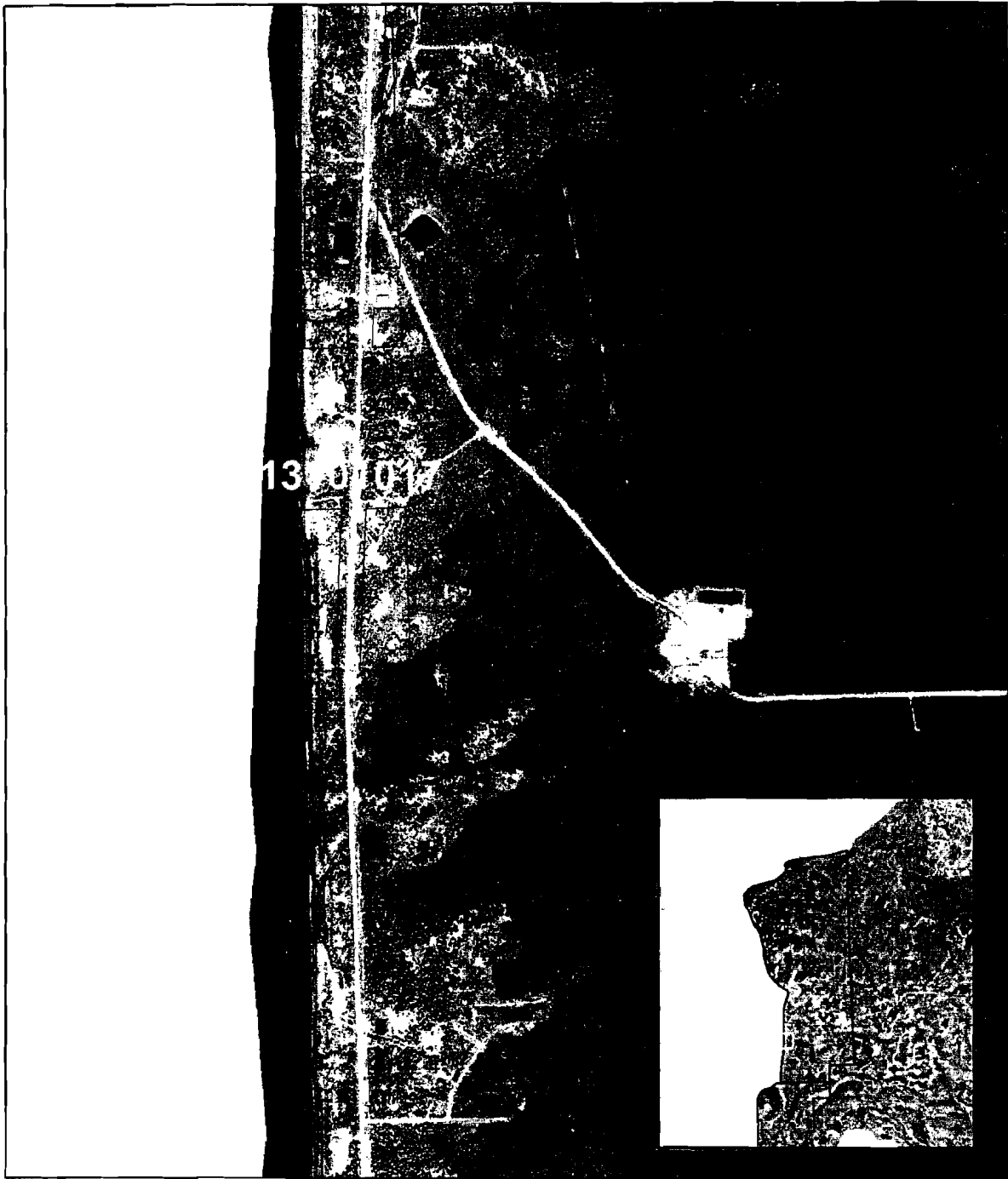





KPB parcels

Kansas Peninsular District (KPD)
Spruce Bark Beetle Mitigation Program (SBBMP)

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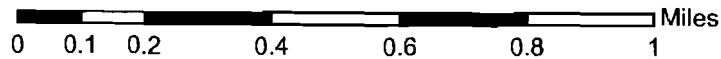
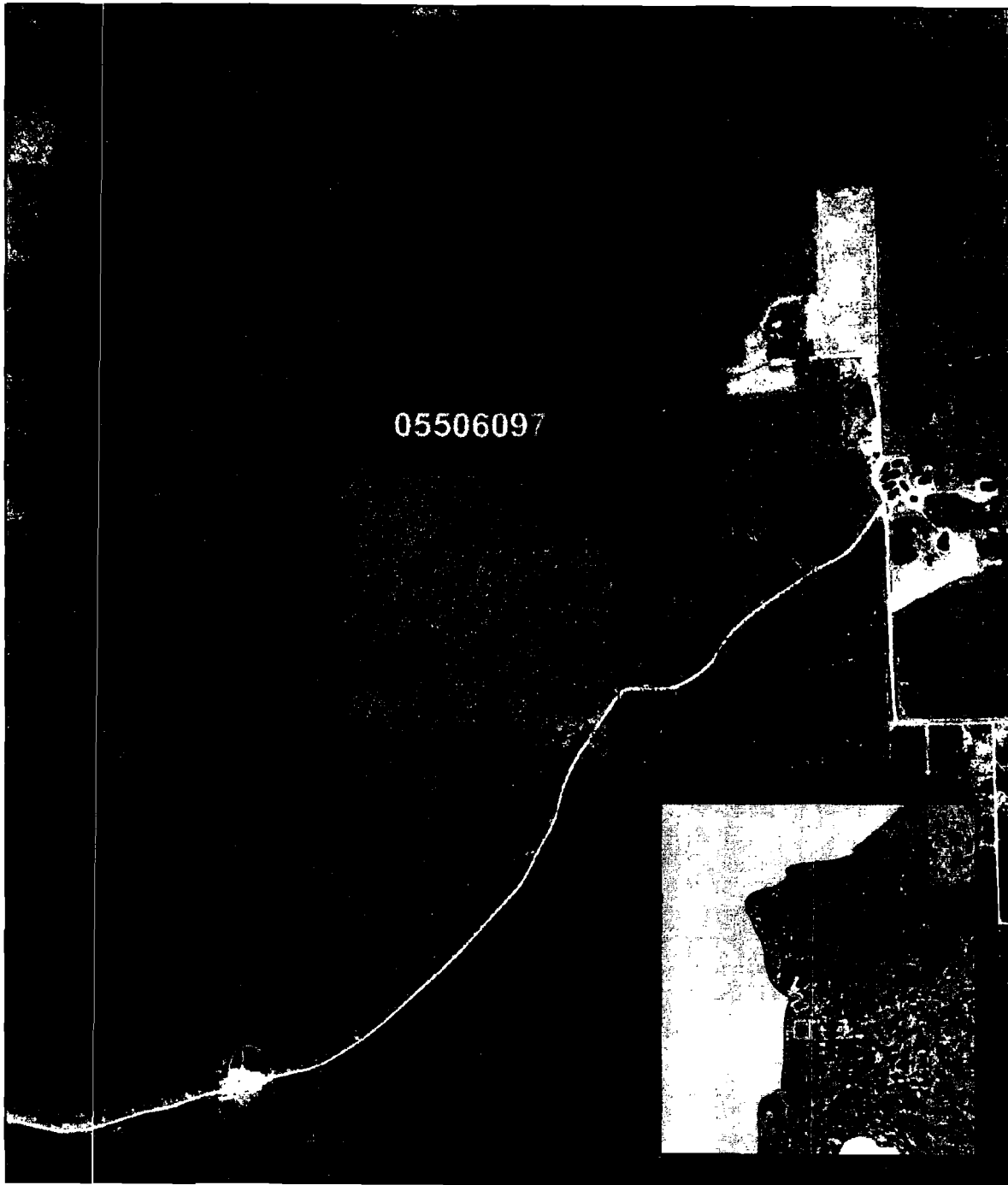
Exhibit P - Unit 13



 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

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7 January 2002 A.D. De Vries

Exhibit Q - Unit 13



KPB owned high hazard



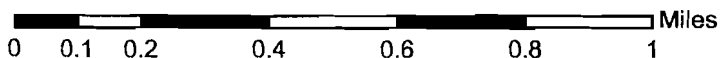
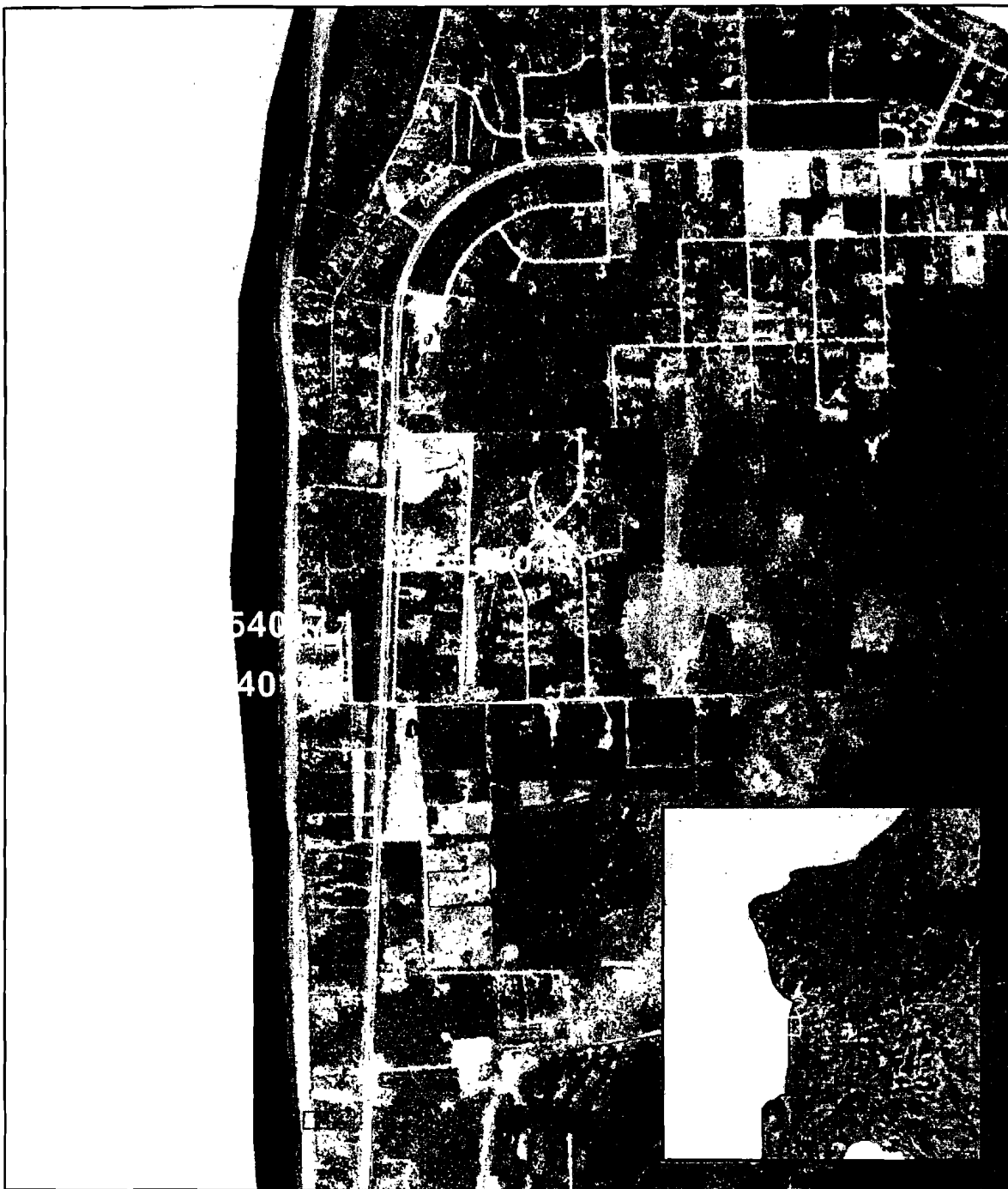
KPB owned moderate hazard






KPB parcels

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7 January 2002 A.D. De Volder

Exhibit R - Unit 13

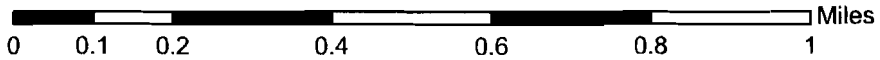
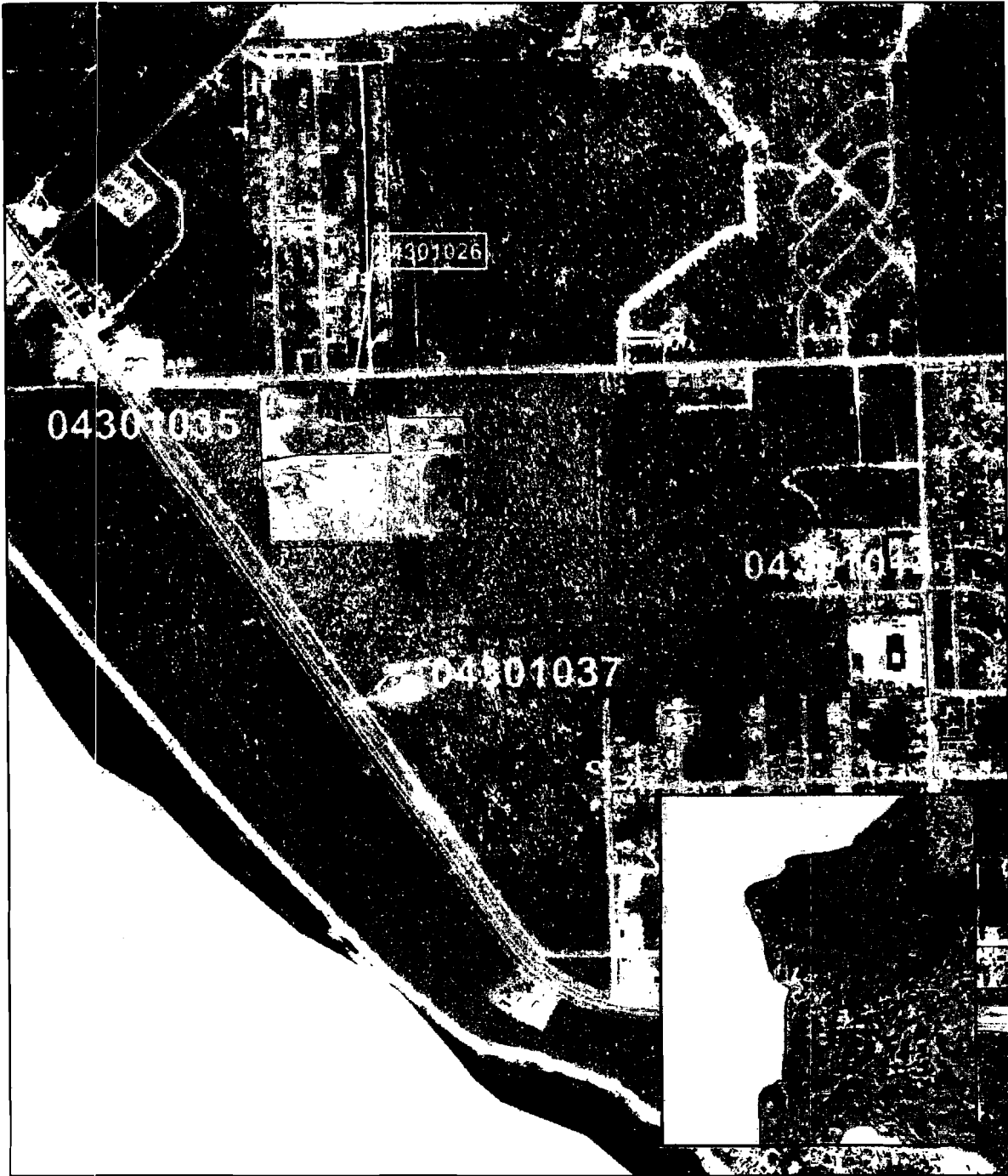


 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Karas Ploverville Borough (KPB)
Spruce Bark Beetle Mitigation Program (SBBMP)

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7 January 2007 A.D. D. 100

Exhibit S - Unit 13



KPB owned high hazard

KPB owned moderate hazard

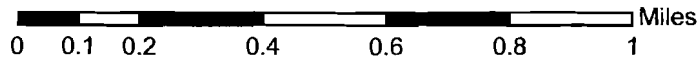
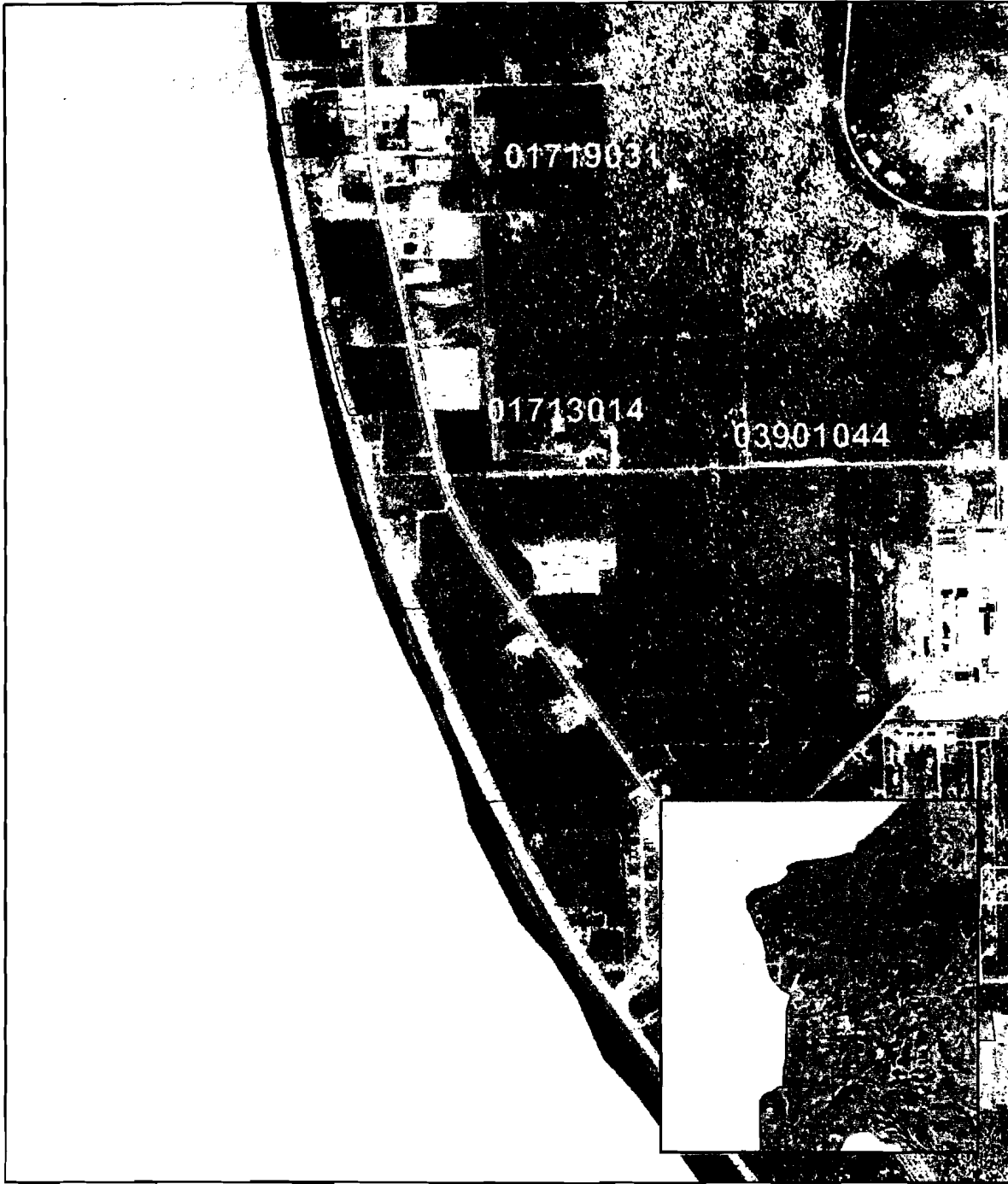



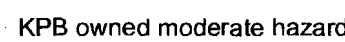

KPB parcels

Kane Peninsula Borough (KPB)
Spoken Bark Beetle Mitigation Program (SBRMP)

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7 January 2002 A.D. De Volder

Exhibit T - Unit 13

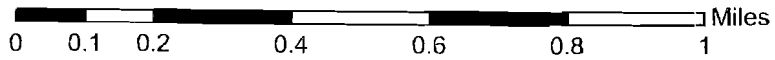


 KPB owned high hazard  KPB owned moderate hazard  KPB parcels

Kent Portwulf Borough (KPB)
Spurwink Health Mitigation Program (SHMP)

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Exhibit U - Unit 13



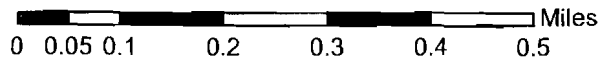
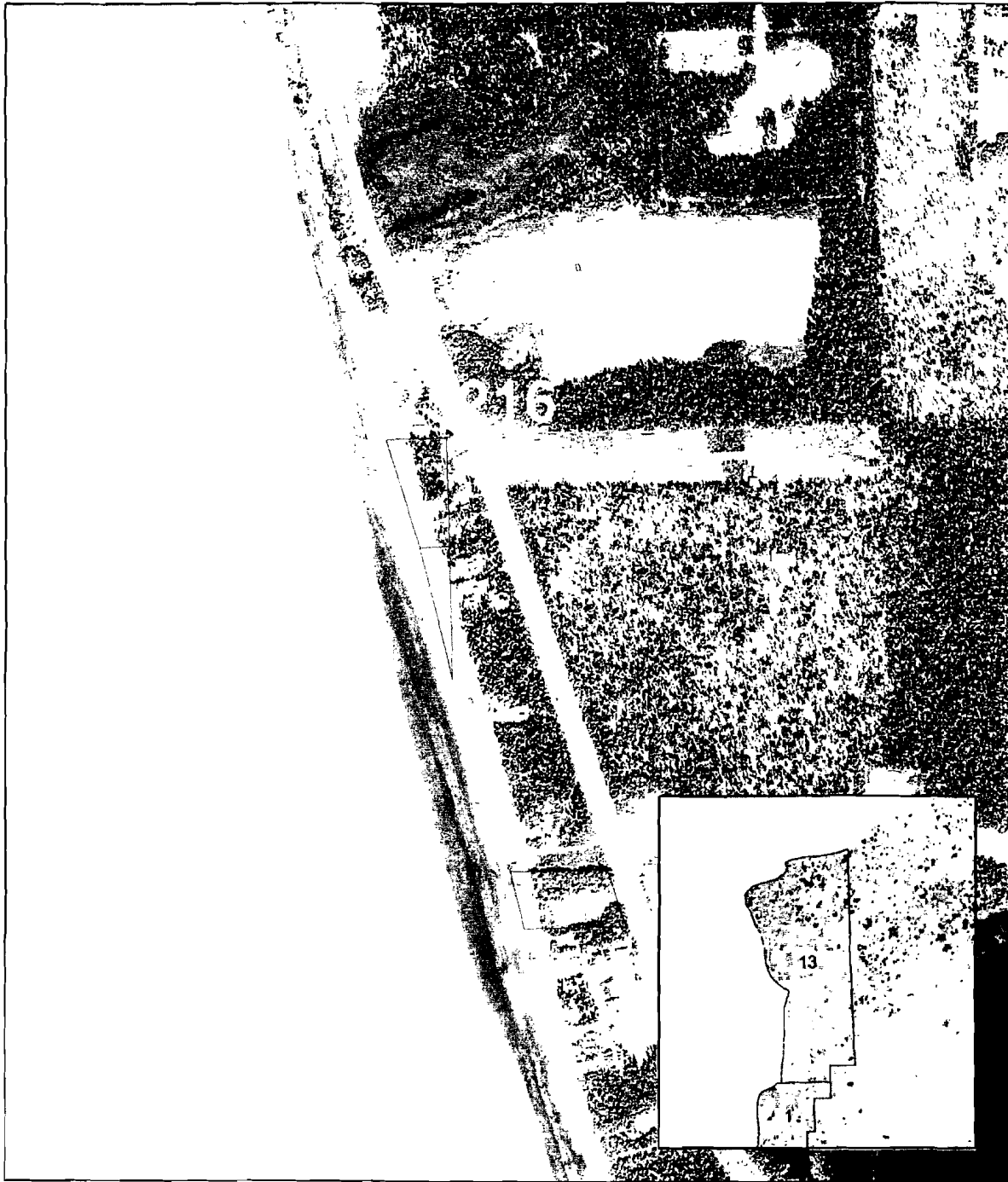
KPB owned high hazard

KPB owned moderate hazard

KPB parcels

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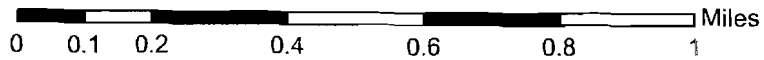
Exhibit V - Unit 13



KPB owned high hazard
 KPB owned moderate hazard
 KPB parcels

Kansas Hazardous Materials Response (KHMR)
 Spill Response and Remediation Program (SR&RP)
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Exhibit W - Unit 13



KPB owned high hazard

KPB owned moderate hazard



KPB parcels

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**Amendment to Ordinance 2000-50
Legal Descriptions**

Exhibit X

Exhibit X - Parcel information

PARCEL ID	HAZARD RATING	UNIT	EXHIBIT	LOT ACREAGE	ESTIMATED ACRES OF DEAD SPRUCE	LEGAL DESCRIPTION
13303129	Moderate	1	A	459.7	61.8	KN T03N R11W S08 GOVT LOTS 3 & 4 & S1/2 NW 1/4 & E1/2 SW 1/4 SEC 5 & NW 1/4 & NW 1/4 SW 1/4 & E1/2 SW 1/4 SW 1/4 SEC 8
13303203	Moderate	1	A	136.7	62.4	KN T03N R11W S09 E1/2 SE1/4 IN SEC 8 & GOVT LOTS 1 & 2 LYING WEST OF THE STERLING HWY IN SEC 9
13307208	Moderate	1	B	53.5	4.7	KN T03N R12W S24 GOVT LOT 13
13308209	Moderate	1	B	40.0	35.9	KN T03N R11W S19 NW 1/4 SE 1/4
13312061	Moderate	1	C	5.0	1.7	KN T03N R11W S31 GOVT LOT 14
13312102	Moderate	1	C	20.5	14.9	KN0740103 T03N R11W S31 TRACT A TUSTUMENA SCHOOL SITE
13312201	Moderate	1	C	14.8	14.8	KN0900032 T03N R11W S31 TRACT A ALASKA STATE CADASTRAL SURVEY 89-142
13312202	Moderate	1	C	3.3	3.3	KN0900032 T03N R11W S31 TRACT B ALASKA STATE CADASTRAL SURVEY 89-142
13312203	Moderate	1	C	8.5	8.5	KN0900032 T03N R11W S31 TRACT C ALASKA STATE CADASTRAL SURVEY 89-142
13337009	Moderate	1	C	3.0	1.8	KN0770070 T03N R11W S31 TRACT 1 KASLOF RIVER HEIGHTS SUB
13357035	Moderate	1	C	15.1	13.3	KN T03N R11W S31 GOVT LOT 7
13703074	High/Moderate	1	C	40.0	39.4	KN T02N R11W S05 SW 1/4 SW 1/4
13312035	Moderate	1	D*	959.5	217.1	KN T03N R11W S33 E1/2 & E1/2 W1/2 SEC 28 & E1/2 & E1/2 W1/2 SEC 33
13305016	Moderate	1	E	110.9	62.6	KN T03N R12W S21 SE 1/4 NW 1/4 & E1/2 SW 1/4 EXCLUDING COHOE ROAD ROW
13310031	Moderate	1	E	114.5	113.9	KN T03N R12W S28 E1/2 NW 1/4 & NE 1/4 SW 1/4 EXCLUDING COHOE RD ROW
13306216	Moderate	1	E*	41.4	3.7	KN0870101 T03N R12W S16 TRACT B ALASKA STATE SUPPLEMENTAL PLAT REPLAT OF THE REMAINDER OF GOVT LOTS 1 THRU 4
13701018	Moderate	1	F	72.5	61.3	KN T02N R12W S09 PORTION THEREOF
13701019	Moderate	1	F	4.8	4.8	KN T02N R12W S09 PORTION THEREOF
13701004	Moderate	1	F*	80.0	45.9	KN T02N R12W S04 SE 1/4 NE 1/4 & NE 1/4 SE 1/4
13701005	Moderate	1	F*	183.5	88.4	KN T02N R12W S09 GOVT LOTS 5 6 & 7 WITHIN SEC 4 & GOVT LOTS 3 4 7 & 8 WITHIN SEC 9
13705024	Moderate	2	G	119.9	117.4	KN T02N R12W S13 S1/2 NW 1/4 & NW 1/4 SW 1/4
13705087	Moderate	2	G	159.9	159.1	KN T02N R12W S23 SE 1/4
13705088	Moderate	2	G	80.0	58.5	KN T02N R12W S13 S1/2 SW 1/4
13706012	High	2	G	24.7	24.6	KN T02N R11W S17 PORTION S1/2 SW 1/4 LYING NORTH OF TUSTUMENA ROAD
13706013	High/Moderate	2	G	49.3	49.1	KN T02N R11W S17 PORTION S1/2 SW 1/4 LYING S OF TUSTUMENA RD
13706019	Moderate	2	G	78.0	76.6	KN T02N R11W S18 E1/2 SE 1/4 EXCLUDING CASSIDY DRIVE AND TUSTUMENA LAKE RD
13706020	Moderate	2	G	76.1	76.0	KN T02N R11W S18 E1/2 NE 1/4 EXCLUDING CASSIDY AND TUSTUMENA LAKE ROAD
13716008	Moderate	2	G	1.4	1.4	KN T02N R12W S14 PORTION GOVT LOT 5 E OF LAKEVIEW COURT EXCLUDING SELF SUB
13906009	Moderate	2	H	40.0	34.4	HM T01N R12W S18 SE 1/4 SW 1/4
15701113	Moderate	2	I	22.1	13.3	HM0960013 T01S R13W S07 TRACT A AURORA VISTA
15904314	Moderate	3	J	40.0	38.7	HM T02S R14W S12 SE 1/4 NE 1/4
15904315	Moderate	3	J	40.0	38.3	HM T02S R14W S12 NW 1/4 SE 1/4
18528020	Moderate	3	J	2.2	1.9	HM0850020 T02S R13W S06 TRACT 9-C BRANDYWINE ACRES FRAZIER 1984 SUB
15909019	Moderate	3	K	5.0	4.8	HM T02S R14W S29 GOVT LOT 11
15909022	Moderate	3	K	5.0	2.3	HM T02S R14W S29 GOVT LOT 14

Exhibit X - Parcel information

PARCEL ID	HAZARD RATING	UNIT	EXHIBIT	LOT ACREAGE	ESTIMATED ACRES OF DEAD SPRUCE	LEGAL DESCRIPTION
15908027	Moderate	3	K*	319.8	255.2	HM T02S R14W S28 W1/2
15919011	Moderate	3	L	9.2	8.2	HM T03S R15W S25 GOVT LOTS 11 & 12
15924035	Moderate	3	M	5.0	3.7	HM0620629 T03S R14W S21 TRACT 110 HAPPY VALLEY 5 ACRE HOMESITES
13107001	Moderate	13	N	42.9	38.8	KN T04N R12W S24 GOVT LOTS 4 16 17 18 & 19 LYING EITHER SIDE OF KALIFORNISKY BEACH ROAD
13107011	Moderate	13	N	39.3	39.3	KN T04N R12W S24 THAT PORTION OF THE NW1/4 SE1/4 LYING EAST OF KALIFORNISKY BEACH ROAD
13111033	Moderate	13	N	1.8	1.5	KN T04N R12W S25 GOVT LOT 5
13111034	Moderate	13	N	2.0	1.5	KN T04N R12W S25 GOVT LOT 6
13111044	Moderate	13	N	3.0	1.7	KN T04N R12W S25 GOVT LOT 19
13111045	Moderate	13	N	3.6	1.8	KN T04N R12W S25 GOVT LOT 20
13111046	Moderate	13	N	3.9	1.8	KN T04N R12W S25 GOVT LOT 21
13111055	Moderate	13	N	6.7	6.7	KN T04N R12W S25 THAT PORTION OF THE N1/2 NE1/4 NW1/4 LYING WEST OF KALIFORNISKY BEACH ROAD
13106001	Moderate	13	O	1.4	1.4	KN T04N R12W S13 GOVT LOT 21
13106007	Moderate	13	O	3.0	2.5	KN T04N R12W S13 GOVT LOT 15
13106013	Moderate	13	O	22.8	18.5	KN T04N R12W S13 GOVT LOTS 5 THRU 12 & E1/2 W1/2 SW1/4 NE1/4
13107032	Moderate	13	O	8.0	2.9	KN T04N R12W S24 GOVT LOTS 6 & 7
13101016	Moderate	13	P	2.6	0.6	KN T04N R12W S01 S1/2 S1/2 GOVT LOT 2 LYING EITHER SIDE OF KALIFORNISKY BEACH ROAD
13101017	Moderate	13	P	21.2	15.5	KN T04N R12W S01 GOVT LOT 4 LYING EITHER SIDE OF KALIFORNISKY BEACH ROAD
05506097	Moderate	13	Q	159.9	140.0	KN T05N R11W S28 SW1/4
05538012	High	13	R	1.0	1.0	KN0780044 T05N R11W S19 MARINERS WATCH SUB PART 1 LOT 3 BLOCK 7
05554017	High	13	R	2.3	2.4	KN0850067 T05N R11W S19 TRACT E KARLUK REEF SUB ADDN NO 1
05554018	High	13	R	1.5	1.4	KN0850067 T05N R11W S19 TRACT F KARLUK REEF SUB ADDN NO 1
04301014	Moderate	13	S	19.2	9.8	KN T06N R11W S31 S1/2 SE1/4 NW1/4
04301026	Moderate	13	S	1.1	0.7	KN0800033 T06N R12W S36 TRACT B ALASKA STATE LAND SURVEY 79-57 & THE SW1/4 NW1/4 NE1/4 NW1/4 NE1/4
04301035	Moderate	13	S	11.5	1.6	KN0920059 T06N R12W S36 TRACT A1 JETTISON JUNCTION SUB
04301037	Moderate	13	S	51.2	50.6	KN0920059 T06N R12W S36 TRACT A3 JETTISON JUNCTION SUB
01712006	High	13	T	5.5	5.3	KN T06N R12W S23 GOVT LOT 10
01713011	High	13	T	6.0	4.9	KN T06N R12W S23 GOVT LOTS 5 & 6 & 18 & W1/2 W1/2 NW1/4 SW1/4 SE1/4
01713014	High	13	T	6.1	5.7	KN T06N R12W S23 SE1/4 SW1/4 SE1/4 LYING EAST OF NORTH KENAI RD
01713025	High	13	T	4.7	3.6	KN T06N R12W S23 GOVT LOT 13
01713045	High	13	T	2.0	1.5	KN0870026 T06N R12W S23 STIERS SUB LOT 12-C
01719031	High	13	T	1.8	1.8	KN T06N R12W S23 GOVT LOT 82
03901044	High	13	T	30.0	30.0	KN T06N R12W S25 W1/2 NE1/4 NW1/4 & W1/2 E1/2 NE1/4 NW1/4
03901055	High	13	T	40.4	31.5	KN0990005 T06N R12W S26 TRACT A1-A SHORELINE HEIGHTS SUB NO 3
01714014	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 29
01714027	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 36
01714032	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 47

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Exhibit X - Parcel information

PARCEL ID	HAZARD RATING	UNIT	EXHIBIT	LOT ACREAGE	ESTIMATED ACRES OF DEAD SPRUCE	LEGAL DESCRIPTION
01714033	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 46
01715028	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 67
01715030	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 65
01715031	High	13	U	1.8	1.8	KN T06N R12W S14 GOVT LOT 80
01716010	High	13	U	1.8	1.8	KN T06N R12W S14 GOVT LOT 81
01716011	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 96
01716036	High	13	U	2.0	2.0	KN T06N R12W S14 GOVT LOT 108
01717010	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 113
01717035	High	13	U	1.9	1.9	KN T06N R12W S14 GOVT LOT 140
01718006	High	13	U	1.9	1.9	KN T06N R12W S23 GOVT LOT 23
01718007	High	13	U	1.9	1.9	KN T06N R12W S23 GOVT LOT 22
01718010	High	13	U	1.8	1.8	KN T06N R12W S23 GOVT LOT 19
01726004	High	13	U	4.5	2.7	KN T06N R12W S11 GOVT LOT 4 EXCLUDING THAT PORTION WITHIN LOWER SALAMATOF LAKE
01725216	High	13	V	4.1	2.3	KN T06N R12W S03 GOVT LOTS 11 & 12
01221003	High	13	W	39.6	27.4	KN0820130 T07N R12W S09 TRACT 1 NIKISKI PARK SUB
01221006	High	13	W	56.4	48.2	KN T07N R12W S10 GOVT LOT 6 & S1/2 SW 1/4 LYING NORTH OF NORTH KENAI RD EXCLUDING A 1.5 ACRE PARCEL IN THE SOUTHWEST CORNER
01221032	High	13	W	5.9	3.8	KN0820130 T07N R12W S09 TRACT 2 NIKISKI PARK SUB
01221033	High	13	W	35.3	20.8	KN0820130 T07N R12W S09 TRACT 3 NIKISKI PARK SUB
01405001	Moderate	13	W	2.6	2.6	KN0001560 T07N R12W S16 BERNICE LAKE ALASKA INDUSTRIAL SUB LOT 16 EXCEPTING THEREFROM THAT PORTION AS PER STATE ROW PERMIT ADL 26473
* denotes previous inclusion in ordinance 2000-50						

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Introduced by: Mayor
Date: 06/17/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2003-068**

A RESOLUTION AUTHORIZING AWARD OF A CONTRACT FOR DESIGN BUILD SERVICES FOR NINILCHIK SCHOOL POOL GUTTER AND FILTER UPGRADE

WHEREAS, the Kenai Peninsula Borough has solicited and received bids to provide construction services for this project; and

WHEREAS, the only bid submitted was by Associated Pool Builders, Inc. for the Base Bid and Additive Alternate #1, which is responsive, fair and reasonable, and the bidder is qualified to perform the work; and

WHEREAS, funds are available in account 401.71100.00NPO;

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

SECTION 1. That the mayor is authorized to award a contract to Associated Pool Builders, Inc. for the Base Bid and Additive Alternate #1 for a total bid amount of \$177,200.00 for design/construction services.

SECTION 2. That all expenditures for this project will be charged to account 401.71100.00NPO.

SECTION 3. That the mayor is authorized to execute all documents and make all agreements deemed necessary to complete this project in accordance with this resolution and contract documents.

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

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

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk

KENAI PENINSULA BOROUGH

P. W. / MAJOR PROJECTS DIVISION

47140 E. POPPY LANE, SOLDOTNA, AK. 99669
PH: (907) 262-9667 FAX: (907) 262-6090

MEMORANDUM

TO: Pete Sprague, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: Dale Bagley, Mayor *DLB*

THRU: Mark Fowler, Purchasing/Contract Manager *mf*

FROM: Walter Robson, PW/MPD Manager *WLR*

DATE: June 5, 2003

SUBJECT: Resolution 2003-*069* Award of Construction Services For the Soldotna Middle School Classroom Renovation and Sprinkler System Project

This project is funded through the remaining bond funds, as approved by Alaska Department of Education and Early Development ("DEED"). Due to the recent receipt of the DEED agreement, the short construction season, and the single assembly meeting in July, this resolution is presented in blank form in order to assure its timely completion. (These blanks will need to be completed upon availability of bid information.) The Purchasing and Contracting Department has solicited and is to open bids for this capital project on June 16, 2003. The Invitation to Bid was published in the Anchorage Daily News on May 27, and June 2 & 9, 2003, the Peninsula Clarion on May 28 and June 4 & 11, 2003, and Homer News and the Seward Phoenix Log on May 29 and June 5, 2003.

_____ bids were received and are recorded in the bid tabulation attached.

The project consists of interior renovation of approximately 2400 sq. ft. for the provision of four classrooms and minor ancillary spaces, as well as the installation of a building-wide fire sprinkler system with integration with a fire detection system. Work is anticipated to be complete by August 15, 2003. Three Additive Alternates are included in the project scope and consist of 1) Nurse's Area Renovation; 2) Change of Access to Computer Lab, and 3) Power/data Drops in Library.

The attached Resolution requests Award of Contract for this work to _____, for the base bid and Additive Alternative (s) _____ for a total bid of \$_____.

The funding for this project is from the Capital Improvement Projects budget. All expenditures for this project will be charged to account number 401.76030.00SMS.

Attachments: Resolution 2003-*069*
Bid Tabulation

Introduced by: Mayor
Date: 06/17/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2003-070**

**AUTHORIZING AWARD OF CONTRACT FOR NIKISKI EMERGENCY ESCAPE
ROUTE UPGRADE & PAVING**

WHEREAS, the Kenai Peninsula Borough has solicited and received bids for this project; and

WHEREAS, the low responsive bid on the project for the base bid is fair and reasonable, and the bidder is qualified to perform the work; and

WHEREAS, funds are available from the Nikiski Fire Service Area capital improvement budget for this project;

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

SECTION 1. That the mayor is authorized to award a contract to perform the work of the base bid for the following bid amount:

Project Name	# of Bids Received	Low Bidder	Bid Amount
Nikiski Emergency Escape Route Upgrade & Paving			

SECTION 2. That all expenditures for this project will be charged to account number 441.51111.03069.43011.

SECTION 3. That the mayor is authorized to execute all documents and make all agreements deemed necessary to complete this project in accordance with this resolution and contract documents.

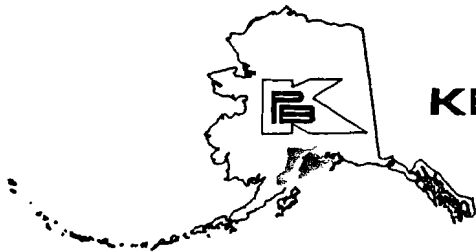
SECTION 4. That this resolution takes effect immediately upon its adoption.

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

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907)262-1892

MEMORANDUM

DALE BAGLEY
MAYOR

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Dale Bagley, Mayor *DLB*
Mark Fowler, Purchasing & Contracting Officer *[Signature]*

FROM: Gary Davis, Road Service Director *[Signature]*

DATE: June 5, 2003

SUBJECT: Resolution 2003-070;
Nikiski Emergency Escape Route Upgrade

The Kenai Peninsula Borough will solicit and open bids for the above-referenced project on June 16, 2003. The invitation to bid was advertised in the Peninsula Clarion on May 23rd, 27th, and 29th, the Seward Phoenix Log and the Homer News on May 29th.

The total bid consists of providing all labor, materials and equipment to upgrade the Nikiski Emergency Escape Route.

Funding is available in the Nikiski Fire Service Area capital projects budget. Expenditures for the projects will be charged to account number 441.51111.03069.43011.

The attached resolution requests award of a contract for this work to the low responsive bidder for the total bid amount. As authorized in KPB 22.40.050(E), this resolution is submitted with blanks as the bids will not be opened prior to packet closure, and prompt assembly action is needed in order that the work may begin as soon as possible in the construction season. The low responsive bid information will be provided to the Assembly after the bid opening on June 16, 2003.

Introduced by: Mayor
Date: 06/17/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2003-071**

**AUTHORIZING AWARD OF CONTRACTS FOR SUMMER AND WINTER ROAD
MAINTENANCE IN THE CENTRAL AND EAST REGIONS OF THE
ROAD SERVICE AREA**

WHEREAS, the Borough Purchasing and Contracting Officer has solicited and received proposals for this work; and

WHEREAS, the Road Service Area board on June 10, 2003 reviewed the proposals and made a recommendation to the administration and assembly for award of contracts; and

WHEREAS, the proposals recommended by the Road Service Area board for the seven operational units are fair and reasonable, and the proposers are qualified to perform the work; and

WHEREAS, funds are available in the FY-2004 Road Service Area operational budget for these contracts;

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

SECTION 1. That the mayor is authorized to award contracts to perform summer and winter road maintenance in the operational units of the central and east regions to the following contractors in accordance with the rates quoted in each contractor's proposal and the other terms of the contracts:

Operational Unit	Contractor
Central Region, Unit 3	
Central Region, Unit 5	
Central Region, Unit 6	
Central Region, Unit 7	
Central Region, Unit 8	
Central Region, Unit 11	
East Region, Unit 2	

SECTION 2. That all expenditures for these projects will be charged to account number 236.33950.46910.

SECTION 3. That the mayor is authorized to execute all documents and make all agreements deemed necessary to perform the work in accordance with this resolution and the contract documents.

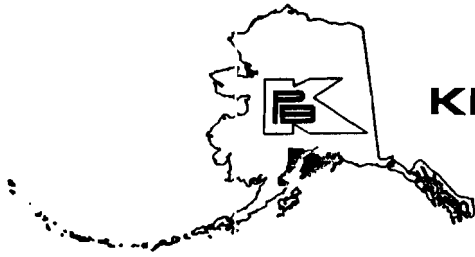
SECTION 4. That this resolution shall take effect immediately upon its adoption.

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

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907) 262-1892

MEMORANDUM

DALE BAGLEY
MAYOR

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Dale Bagley, Mayor *DLB*
Mark Fowler, Purchasing & Contracting Officer *MF*

FROM: Gary Davis, Road Service Director *GD*

DATE: June 5, 2003

SUBJECT: Resolution 2003-271;
FY04 Summer & Winter Road Maintenance Contracts
Central Region Units 3, 5, 6, 7, 8, 11 and East Region Unit 2

The Kenai Peninsula Borough will solicit and open proposals for the above-referenced projects on June 10, 2003. The request for proposals was advertised in the Peninsula Clarion on May 21st, 22nd, and 23rd, and the Seward Phoenix Log and Homer News on May 22nd.

The contracts consist of providing all labor, materials and equipment to perform summer and winter road maintenance.

Funding is available in the FY04 Road Service Area capital projects budget. Expenditures for the contracts will be charged to account number 236.33950.46910.

The attached resolution requests award of contracts for this work to the highest ranking proposer. As authorized in KPB 22.40.050(E), this resolution is submitted with blanks as the proposals will not be opened prior to packet closure, and prompt assembly action is needed as the current contracts expire at the end of the fiscal year. The highest ranking proposal information will be provided to the Assembly after the bid opening on June 10, 2003.

Introduced by: Mayor
Date: 06/17/03
Action:
Vote:

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

respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is one of the 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 *
DAY OF * 2003.**

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907) 262-1892

MEMORANDUM

DALE BAGLEY
MAYOR

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: *DLB* Dale Bagley, Borough Mayor

FROM: *JS* Jeffrey Sinz, Finance Director

DATE: June 6, 2003

SUBJECT: Seward Middle School Bond Sale Resolution

The attached resolution authorizes the issuance of \$14,700,000 in General Obligation School Bonds through the Alaska Municipal Bond Bank Authority. A majority of borough residents voting in the October 1, 2002 general election approved issuance of up to \$14,700,000 in general obligation bonds for capital improvements associated with the Seward Middle School. As described in the proposition, sale of the bonds is conditional upon first establishing the bonds are eligible for at least 60% reimbursement under the State of Alaska school debt reimbursement program. This condition has now been met. The borough received formal notification of 70% debt reimbursement eligibility through a letter dated April 23, 2003 from the Department of Education and Early Development.

The bonds are expected to be sold in late July or August. The resolution authorizes the borough Mayor, Finance Director and Clerk to execute the documents and agreements necessary to complete the sale. The resolution limits the term of the bonds to twenty years and the interest rate to no more than 5%. Based on current interest rates for tax-exempt municipal debt, it is anticipated that the true interest rate of the bonds will be between 4.0 and 4.5%. The actual rate of interest is subject to market conditions that exist on the date of the sale. A draft of the "loan agreement" referenced in the resolution is attached for your information.

Because of the size of this issue, circumstances may cause us reconsider the method of issuance from a bond bank sale to an independent borough sale. If this occurs, a follow-up resolution will be presented to the assembly to authorize the change. I will keep the assembly informed as we progress through the bond issuance process.

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LOAN AGREEMENT

AGREEMENT, dated as of the 1st day of ____ 2003, between the Alaska Municipal Bond Bank (the "Bank"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and the Kenai Peninsula Borough, Alaska, a duly constituted second-class borough of the State (the "Borough"):

W I T N E S S E T H:

WHEREAS, pursuant to the Act, the Bank is authorized to make loans of money (the "Loan" or "Loans") to governmental units; and

WHEREAS, the Borough is a Governmental Unit as defined in the General Bond Resolution of the Bank hereinafter mentioned and pursuant to the Act is authorized to accept a Loan from the Bank to be evidenced by its municipal bonds purchased by the Bank; and

WHEREAS, the Borough is desirous of borrowing money from the Bank in the amount of \$14,700,000 and has submitted an application to the Bank for a Loan in the amount of \$14,700,000, and the Borough has duly authorized the issuance of its fully registered bond in the aggregate principal amount of \$_____ (the "Municipal Bond"), which bond is to be purchased by the Bank as evidence of the Loan in accordance with this Agreement; and

WHEREAS, the application of the Borough contains the information requested by the Bank; and

WHEREAS, to provide for the issuance of bonds of the Bank in order to obtain from time to time money with which to make Loans, the Bank has adopted the General Bond Resolution on May 27, 1976, as amended (the "General Bond Resolution"), authorizing the making of such Loan to the Borough and the purchase of the Municipal Bond.

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NOW, THEREFORE, the parties agree:

1. The Bank hereby makes the Loan and the Borough accepts the Loan in the principal amount of \$_____. As evidence of the Loan made to the Borough and such money borrowed from the Bank by the Borough, the Borough hereby sells to the Bank the Municipal Bond in the principal amount, with the principal installment payments, and bearing interest from its date at the rate or rates per annum, stated in Exhibit "A" appended hereto. For purposes of this Loan Agreement, the interest on the Municipal Bond will be computed without regard to the provision in Section 7 hereof for the Borough to make funds available to the Trustee acting under the General Bond Resolution for the payment of principal and interest at least seven business days prior to each respective principal and interest payment date.

2. The Borough represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including Ordinance No. _____ passed by the Borough Assembly on _____, 20__ and Resolution No. _____ passed by the Borough Assembly on _____, 20__ (together, the "Borough's Ordinance"), and has taken or will take all proceedings required by law to enable it to enter into this Loan Agreement and issue its Municipal Bond to the Bank and that the Municipal Bond will constitute a general obligation bond and the full faith and credit of the Borough will be pledged for payment of the principal of, and interest on, the Municipal Bond.

3. Subject to any applicable legal limitations, the amounts to be paid by the Borough pursuant to this Loan Agreement representing interest due on its Municipal Bond (the "Municipal Bond Interest Payments") shall be computed at the same rate or rates of interest borne by the corresponding maturities of the bonds sold by the Bank in order to obtain the money with which to make the Loan and to purchase the Municipal Bond (the "Loan Obligations") and, unless required under Section 7 hereof to be paid at least seven business days before the interest payment date, shall be paid by the Borough in such manner and at such times so as to provide funds sufficient to pay interest as the same becomes due on the Loan Obligation.

4. The amounts to be paid by the Borough pursuant to this Loan Agreement representing principal due on its Municipal Bond (the "Municipal Bond Principal Payments"), unless required under Section 7 hereof to be paid at least seven business days before the maturity date, shall be scheduled by the Bank in such manner and at such times (notwithstanding the dates of payment as stated in the Municipal Bond) so as to provide funds sufficient to pay the principal of the Loan Obligations as the same matures based upon the maturity schedule stated in Exhibit "A" appended hereto.

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5. In the event the amounts referred to in Sections 3 and 4 hereof to be paid by the Borough pursuant to this Loan Agreement are not made available at any time specified herein, the Borough agrees that any money payable to it by any department or agency of the State may be withheld from it and paid over directly to the Trustee acting under the General Bond Resolution, and this Loan Agreement shall be full warrant, authority and direction to make such payment upon notice to such department or agency by the Bank, with a copy provided to the Borough, as provided in the Act.

6. In the event Loan Obligations have been refunded and the interest rates the Bank is required to pay on its refunding bonds in any year are less than the interest rates payable by the Borough on the Municipal Bond for the corresponding year pursuant to the terms of the Municipal Bond, then both the Municipal Bond Interest Payments and the Municipal Bond Principal Payments will be adjusted in such a manner that (i) the interest rate paid by the Borough on any principal installment of the Municipal Bond is equal to the interest rate paid by the Bank on the corresponding principal installment of Bank's refunding bonds and (ii) on a present value basis the sum of the adjusted Municipal Bond Interest Payments and Municipal Bond Principal Payments is equal to or less than the sum of the Municipal Bond Interest Payments and Municipal Bond Principal Payments due over the remaining term of the Municipal Bond as previously established under this Loan Agreement. In the event of such a refunding of Loan Obligations, the Bank shall present to the Borough for the Borough's approval, a revised schedule of principal installment amounts and interest rates for the Municipal Bond. If approved by the Borough the revised schedule shall be attached hereto as Exhibit "A" and incorporated herein in replacement of the previous Exhibit "A" detailing said principal installment amounts and interest rates.

7. The Borough is obligated to pay to the Bank Fees and Charges. Such Fees and Charges actually collected from the Borough shall be in an amount sufficient, together with the Borough's Allocable Proportion of other money available therefor under the provisions of the General Bond Resolution, and other money available therefor, including any specific grants made by the United States of America or any agency or instrumentality thereof or by the State or any agency or instrumentality thereof and amounts applied therefor from amounts transferred to the Operating Fund pursuant to paragraph (3) of Section 603 of the General Bond Resolution:

(a) to pay, as the same become due, the Borough's Allocable Proportion of the Administrative Expenses of the Bank; and

(b) to pay, as the same become due, the Borough's Allocable Proportion of the fees and expenses of the Trustee and paying agent for the Loan Obligations.

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The Borough's Allocable Proportion as used herein shall mean the proportionate amount of the total requirement in respect to which the term is used determined by the ratio that the principal amount of the Municipal Bond outstanding bears to the total of all Loans then outstanding to all Governmental Units under the General Bond Resolution, as certified by the Bank. The waiver by the Bank of any fees payable pursuant to this Section 7 shall not constitute a subsequent waiver thereof.

During any period where the Borough's Allocable Proportion of the fees and expenses of the Trustee and paying agent for the Loan Obligations is reduced in consideration of the Borough so making funds available, the Borough shall make funds available to the Trustee for each Municipal Bond Interest Payment and Municipal Bond Principal Payment at least seven business days before the respective principal or interest payment date.

8. The Borough is obligated to make the Municipal Bond Principal Payments scheduled by the Bank. The first such Municipal Bond Principal Payment is due on the date indicated on Exhibit "A" appended hereto, and thereafter on the anniversary thereof each year. The Borough is obligated to make the Municipal Bond Interest Payments scheduled by the Bank on a semi-annual basis commencing on the date indicated on Exhibit "A" appended hereto, and to pay any Fees and Charges imposed by the Bank within 30 days of receiving the invoice of the Bank therefor.

9. The Bank shall not sell and the Borough shall not redeem prior to maturity any portion of the Municipal Bond in an amount greater than the Loan Obligations which are then outstanding and which are then redeemable, and in the event of any such sale or redemption, the same shall be in an amount not less than the aggregate of (i) the principal amount of the Municipal Bond (or portion thereof) to be redeemed, (ii) the interest to accrue on the Municipal Bond (or portion thereof) to be redeemed to the next redemption date thereof not previously paid, (iii) the applicable premium, if any, payable on the Municipal Bond (or portion thereof) to be redeemed, and (iv) the cost and expenses of the Bank in effecting the redemption of the Municipal Bond (or portion thereof) to be redeemed. The Borough shall give the Bank at least 50 days' notice of intention to redeem its Municipal Bond.

In the event the Loan Obligation with respect to which the sale or redemption prior to maturity of such Municipal Bond is being made have been refunded and the refunding bonds of the Bank issued for the purpose of refunding such Loan Obligation were issued in a principal amount in excess of or less than the principal amount of the Municipal Bond remaining unpaid at the date of issuance of such refunding bonds, the amount which the

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Borough shall be obligated to pay or the Bank shall receive under item (i) above shall be the principal amount of such refunding bonds outstanding.

In the event the Loan Obligation has been refunded and the interest the Bank is required to pay on the refunding bonds is less than the interest the Bank was required to pay on the Loan Obligation, the amount which the Borough shall be obligated to pay or the Bank shall receive under item (ii) above shall be the amount of interest to accrue on such refunding bonds outstanding.

In the event the Loan Obligation has been refunded, the amount which the Borough shall be obligated to pay or the Bank shall receive under item (iii) above, when the refunded Loan Obligation is to be redeemed, shall be the applicable premium, if any, on the Loan Obligation to be redeemed.

Nothing in this Section shall be construed as preventing the Borough from refunding the Municipal Bond in exchange for a new Municipal Bond in conjunction with a refunding of the Loan Obligation.

10. Simultaneously with the delivery of the Municipal Bond to the Bank, the Borough shall furnish to the Bank evidence satisfactory to the Bank which shall set forth, among other things, that the Municipal Bond will constitute a valid general obligation of the Borough.

11. Invoices for payments under this Loan Agreement shall be addressed to the Kenai Peninsula Borough, 144 North Binkley St., Soldotna, Alaska 99669, Attention: Finance Director. The Borough shall give the Bank and the corporate trust office of the Trustee under the General Bond Resolution at least 30 days' written notice of any change in such address.

12. Prior to payment of the amount of the Loan or any portion thereof, and the delivery of the Municipal Bond to the Bank or its designee, the Bank shall have the right to cancel all or any part of its obligations hereunder if:

(a) Any representation, warranty or other statement made by the Borough to the Bank in connection with its application to the Bank for a Loan shall be incorrect or incomplete in any material respect.

(b) The Borough has violated commitments made by it in the terms of this Loan Agreement.

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(c) The financial position of the Borough has, in the opinion of the Bank, suffered a materially adverse change between the date of this Loan Agreement and the scheduled time of delivery of the Municipal Bond to the Bank.

13. The obligation of the Bank under this Loan Agreement is contingent upon delivery of its 2003 Series D General Obligation Bonds (the "2003 Series D Bonds") and receipt of the proceeds thereof.

14. The Borough agrees that it will provide the Bank with written notice of any default in covenants under the Borough Ordinance within 30 days from the date thereof.

15. The Borough shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on the Municipal Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such Municipal Bond is subject on the date of original issuance thereof.

The Borough shall not permit any of the proceeds of the Municipal Bond, or any facilities financed with such proceeds, to be used in any manner that would cause the Municipal Bond to constitute a "private activity bond" within the meaning of Section 141 of the Code.

The Borough shall make no use or investment of the proceeds of the Municipal Bond which will cause the Municipal Bond to be an "arbitrage bond" subject to taxation by reason of Section 148 of the Code. So long as the Municipal Bond is outstanding, the Borough, with respect to the proceeds of the Municipal Bond, shall comply with all requirements of said Section 148 and all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect. The Borough shall indemnify and hold harmless the Bank from any obligation of the Borough to make rebate payments to the United States under said Section 148 arising from the Borough's use or investment of the proceeds of the Municipal Bond.

16. The Bank shall cause to be prepared an Official Statement (the "Official Statement") for the 2003 Series D Bonds. The Borough shall provide promptly to the Bank the information concerning the Borough and the Municipal Bond (the "Municipal Information") (i) that the Bank requests for inclusion in the Official Statement, or (ii) that the Borough considers to be material to the purposes for which the Official Statement is to be used.

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As a condition to the payment of the amount of the Loan or any portion thereof, the Borough shall provide to the Bank a certificate, dated the date of issue of the 2003 Series D Bonds, of an authorized officer of the Borough that (i) the Municipal Information consists of fair and accurate statements or summaries of the matters therein set forth and such information does not contain any untrue statement of material fact or omit to state a material fact that should be stated therein for the purposes for which it is to be used or that is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect; and (ii) to the best knowledge of such officer, no event affecting the Borough has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purposes for which it is to be used or that it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect.

The Borough will undertake in the Disclosure Certificate for the benefit of the Beneficial Owners of the 2003 Series D Bonds to provide or cause to be provided to each nationally recognized municipal securities information repository ("NRMSIR") and to a state information depository ("SID"), if one is established in the State, annual financial information and operating data which shall be substantially similar to the financial information found in Appendix E to the Official Statement as required by Rule 15c-12(b)(5) of the Securities and Exchange Act of 1934, as the same may be amended from time to time (the "Rule"). The Borough will provide to each NRMSIR or to the Municipal Securities Rulemaking Board, and to the SID, timely notice of a failure by the Borough to provide required annual financial information on or before the date specified below. The annual financial information that the Borough will provide will consist of annual financial statements for the Borough, prepared in accordance with generally accepted accounting principles, as such principles may be changed from time to time; and will be provided not later than nine months after the end of each fiscal year of the Borough, as such fiscal year may be changed from time to time, commencing with the Borough's fiscal year ending June 30, 2003.

17. If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

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18. This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments, and take such other actions as are necessary, to give effect to the terms of this Loan Agreement.

19. No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other term or condition hereof, nor shall a waiver of any breach of this Loan Agreement be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

20. In this Loan Agreement, unless otherwise defined herein, all capitalized terms which are defined in Article I of the General Bond Resolution shall have the same meanings, respectively, as such terms are given in Article I of the General Bond Resolution.

21. This Loan Agreement merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire agreement between the parties hereto in respect thereof.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement
the day and year first above written.

ALASKA MUNICIPAL BOND BANK

[S E A L]

By

DEVEN J. MITCHELL
Executive Director

KENAI PENINSULA BOROUGH, ALASKA

By

JEFF SINZ
Finance Director

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**EXHIBIT "A" TO LOAN AGREEMENT BETWEEN THE
KENAI PENINSULA BOROUGH, ALASKA, AND
THE ALASKA MUNICIPAL BOND BANK**

Kenai Peninsula Borough, Alaska
General Obligation School Bond, 2003

Principal Date	Principal	Interest
(_____ 1)	<u>Amount</u>	<u>Rate</u>

The Bonds shall mature on _____ 1 in each of the years, and in the principal amounts set forth above. Interest on the Bonds shall be payable on _____ 1, 2003, and thereafter on _____ 1 and _____ 1 of each year.

Redemption Terms: The Bonds shall not be subject to optional redemption prior to their respective scheduled maturities.

CONTINUING DISCLOSURE CERTIFICATE

The Kenai Peninsula Borough, Alaska (the "Borough") executes and delivers this Continuing Disclosure Certificate (the "Disclosure Certificate") in connection with the issuance of \$ _____ Alaska Municipal Bond Bank General Obligation Bonds, 2003 Series D (the "Bonds"). The Bonds are being issued under the General Bond Resolution of the Alaska Municipal Bond Bank (the "Issuer") adopted May 27, 1976, as amended, (the "General Resolution") and a Resolution of the Issuer entitled, "A Series Resolution Authorizing The Issuance Of General Obligation Bonds, 2003 Series D Of The Alaska Municipal Bond Bank," adopted _____, 2003 (together with the General Resolution, the "Resolutions"). The Borough covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. The Borough is executing and delivering this Disclosure Certificate for the benefit of the registered owners and Beneficial Owners of the Bonds, and to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the Borough pursuant to, and as described in, Section 3 of this Disclosure Certificate.

"Borough" means the Kenai Peninsula Borough, Alaska.

"Fiscal Year" means the fiscal year of the Borough (currently the 12-month period ending June 30) as such fiscal year may be changed from time to time as required by State law and the Borough's ordinances.

"Issuer" means the Alaska Municipal Bond Bank.

"NRMSIR" means any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The NRMSIRs, as of the date hereof, are listed in Attachment A.

"Participating Underwriter" means any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Repository" means each NRMSIR and the SID.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended from time to time.

DRAFT 05/30/03

"SID" means any public or private repository or entity designated by the State of Alaska as a state depository for the purposes of the Rule. Currently there is no SID.

Section 3. Provision of Annual Reports and Financial Statements. Commencing with its Fiscal Year ending June 30, 2003, the Borough will provide to each Repository the following:

- (a) Not later than seven months after the end of each Fiscal Year, an Annual Report for the Fiscal Year. The Annual Report shall contain or incorporate by reference the following annual financial information and operating data (i) annual financial statements for the Borough, prepared in accordance with generally accepted accounting principles applicable to governmental entities, as such principles may be changed from time to time; (ii) a statement of authorized, issued, and outstanding general obligation debt of the Borough; (iii) the assessed value of the property within the Borough subject to ad valorem taxation; and (iv) ad valorem tax levy rates and amounts and percentages of taxes collected.

Any or all of these items may be incorporated by reference from official statements of debt issues of the Borough that are available from the Municipal Securities Rulemaking Board, and from other documents which have been submitted to the Repositories or the Securities and Exchange Commission. The Borough shall clearly identify each such other document so incorporated by reference. The Annual Report may be submitted as a single document or as separate documents comprising a package, provided that audited financial statements of the Borough may be submitted separately from the remainder of the Annual Report.

(b) If not provided as part of the Annual Report, then promptly upon their public release, the audited financial statements of the Borough for each Fiscal Year, prepared in accordance with generally accepted accounting principles applicable to governmental entities, as such principles may be changed from time to time.

Section 4. Notice of Failure to Provide Information. The Borough shall provide in a timely manner to each Repository notice of any failure to satisfy the requirements of Section 3 of this Disclosure Certificate.

DRAFT 05/30/03

Section 5. Termination of Reporting Obligation. The Borough's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of its loan obligation with the Issuer.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Borough may amend this Disclosure Certificate, provided that the amendment meets each of the following conditions:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Borough;

(b) This Disclosure Certificate, as amended, would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances; and

(c) The Borough obtains an opinion of nationally recognized bond counsel to the effect that the amendment will not adversely affect the Issuer's compliance with the Rule or its continuing disclosure undertaking; and

(d) The Borough notifies and provides the Issuer and each then existing Repository and any SID with the copies of the opinions and amendments.

Any such amendment may be adopted without the consent of any Beneficial Owner of any of the Bonds, notwithstanding any other provision of this Disclosure Certificate or the Resolutions.

The first Annual Report containing amended operating data or financial information pursuant to an amendment of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

Section 7. Default. In the event of a failure of the Borough to comply with any provision of this Disclosure Certificate, any Beneficial Owner may take such actions as may be necessary and appropriate, including an action to compel specific performance, to cause the Borough to comply with its obligations under this Disclosure Certificate. No failure to comply with any provision of this Disclosure Certificate shall be deemed an Event of Default under the Resolutions, and the sole legal remedy under this Disclosure Certificate in the event of any failure of the Borough to comply with this Disclosure Certificate shall be an action to compel specific performance.

DRAFT 05/30/03

Section 8. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Borough, the Issuer, the Trustee, the Participating Underwriter, and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DRAFT 05/30/03

DATED this _____ day of _____ 2003.

KENAI PENINSULA BOROUGH, ALASKA

By: _____
JEFF SINZ
Finance Director

ATTACHMENT A -- NRMSIRs
(As of May 1, 2003)

1. Bloomberg Municipal Repository
100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
www.bloomberg.com/markets/muni_contactinfo.html
Email: Munis@Bloomberg.com

2. DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
www.dpcdata.com
Email: nrmsir@dpcdata.com

3. FT Interactive Data
100 William Street
New York, NY 10038
Phone: (212) 771-6999
Fax: (212) 771-7390 (Secondary Market Information)
(212) 771-7391 (Primary Market Information)
www.interactivedata.com
Email: NRMSIR@FTID.com

4. Standard & Poor's J.J. Kenny
Repository
55 Water Street, 45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
www.jjkenny.com/jjkenny/pser_descrip_data_rep.html
E-mail: nrmsir_repository@sandp.com

Introduced by: Sprague at Request of Borough Clerk
Date: 06/17/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2003-073**

A RESOLUTION AUTHORIZING THE PURCHASE OF A DIGITAL RECORDING SYSTEM AND ASSOCIATED SOUND SYSTEM IMPROVEMENTS IN THE BOROUGH ASSEMBLY CHAMBERS AND AUTHORIZING THE TRANSFER OF FUNDS FOR PURCHASE, INSTALLATION AND TRAINING

- WHEREAS,** the borough's existing analog recording system is aging, has become unreliable and provides both a poor record of assembly meetings and inferior audio output for radio broadcasts and audio streaming via the Internet; and
- WHEREAS,** purchase and installation of a digital recording system would enhance the quality of recordings and maximize storage space since up to 20 hours of meetings could be stored on one CD; and
- WHEREAS,** the Borough Clerk and her staff have spent a considerable amount of time researching available systems to determine which ones most nearly fit the needs of the Borough Clerk, the School District and the Planning Department, since all three entities use the assembly chambers on a regular basis and rely on the recording system to provide a record of the meetings conducted there; and
- WHEREAS,** in April, representatives of N. W. Judicial Technologies and FTR Gold Software provided an on-line product demonstration for the Clerk's Office Staff and representatives of the School District, Planning Department and the Borough's Management Information Systems Department; and
- WHEREAS,** FTR Gold software has been installed in every court room in the State of Alaska and is rapidly becoming the standard in digital recording software for court systems and municipalities nationwide; and
- WHEREAS,** N. W. Judicial Technologies is the West Coast vendor for FTR Gold software and compatible hardware, and offers a complete package including system installation and training of borough employees to operate and maintain the system; and
- WHEREAS,** it is in the best interest of the Borough to purchase an integrated system from a well established and reliable vendor; and
- WHEREAS,** since both the Borough and the Alaska Court System rely on the locally available court reporters to produce transcripts of proceedings, and since these court reporters are now proficient in the use of the FTR Gold system; it is in the best interest of the Borough to purchase like software for its recording needs; and

WHEREAS, the Borough's M. I. S. director is currently working with the software manufacturer to assure that the system will produce an audio file of sufficient quality to allow the compression necessary to stream assembly meetings over the Internet; and

WHEREAS, The Borough's Purchasing Director has conducted his own research into sources for the purchase and installation of the requested software and hardware and is confident that this purchase meets the requirements of KPB 5.28.280 which provides for the sole source purchase of supplies or goods; and

WHEREAS, funds for this project are available in the FY 2003 budget utilizing previously appropriated and unencumbered funds for sound system improvements, assembly contingency and elections software;

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

SECTION 1. That the sum of \$3,500 is hereby transferred from Account Number 100.11130.00000.42120, Assembly Elections Computer Software, and the sum of \$23,130 is transferred from Account Number 100.11110.00000.49999, Assembly Contingency, to Account Number 100.11110.00000.48210, Assembly Communications Equipment.

SECTION 2. That the Mayor is authorized to execute an agreement with N. W. Judicial Technologies for the purchase and installation of sound system components including software, hardware and consumables and any associated training and maintenance agreements for an amount not to exceed \$46,500.

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

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

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk

KENAI PENINSULA BOROUGH CLERK'S OFFICE

Linda Murphy, MMC, Borough Clerk

Sherry Biggs, Deputy Clerk

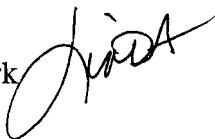
144 North Binkley Street
Soldotna, Alaska 99669

☎ 907-262-8608

Fax 907-262-8615

MEMORANDUM

TO: President Pete Sprague
Members of the Assembly

FROM: Linda Murphy, Borough Clerk 

DATE: June 6, 2003

SUBJECT: Purchase of Digital Recording System for Assembly Chambers

As the Assembly is well aware, the existing assembly chambers recording system is beginning to show its age. The wireless microphones cut in and out and the hardwired microphones on the dais fail to pick up speakers who do not talk directly into them. We sometimes have feedback problems. Digital output is needed for audio streaming and for high quality radio broadcast. Ours is an analog system.

Deputy Clerk Sherry Biggs and I have been seeking input from other municipal clerks from around the state and the nation as we travel to various conferences and trade shows. Johni Blankenship has conducted an Internet search for available systems that will meet the needs of the assembly, school board and planning commission. The one system that seemed most promising was FTR Gold, a computer-based digital recording system that is being used in courtrooms across the nation, including Alaska. This system was originally developed for use in a courtroom setting, but is rapidly becoming the system of choice for municipalities.

In April, representatives of FTR Gold and its west coast distributor, N. W. Judicial Technologies, conducted an online demonstration attended by the Clerk's Office staff and representatives of the School District, Planning Department and MIS Department. The system produces a digital recording stored on a CD or server. Each CD can hold 20 hours of audio and can be bookmarked for easy retrieval. Additional CD's can be produced in a couple of different formats for distribution to the public. A CD saved in the FTR format requires a computer for playback and access to the Internet to acquire the free downloadable "FTR Player Plus." The software also has a "save to format" function that makes it possible to create a CD that can be played in any CD player. Eventually, we hope to link the stored recordings of all meetings, including committees, to our website so that anyone can download a previously recorded meeting.

MIS Director Bob Jones and his staff are currently working with the software company to assure that the audio output will meet their needs for realtime audio streaming. Most of his questions have been answered and his staff is now contacting a list of referrals who are using the system for audio streaming. If, for any reason, Mr. Jones is not satisfied that this system will meet his needs, we will request that the resolution be pulled from the agenda.

Purchasing Director Mark Fowler has conducted his own research into the availability of this system and the various compatible sound system components and has concluded that this purchase meets all of the code requirements for a sole source purchase. There are no local businesses authorized to distribute the software, and it is important that we purchase a fully integrated system from a well established, reliable vendor.

I have attached a copy of the proposal we received from N. W. Judicial Technologies. The components listed will provide a complete system for Assembly Chambers, stand alone smaller systems for the conference rooms (for committee meetings) and a portable system for meetings off-site. Included in the proposal are a new mixer and amplifier for assembly chambers. If an onsite inspection reveals that the ones currently in place are compatible with the other components of the new system, we will not have to replace them and the proposal will be reduced by approximately \$4,400. I believe, however, that these two components are part of the problem we are now experiencing with sound quality.



N.W. JUDICIAL TECHNOLOGIES

712 Lakeside Way North • Desert Aire, WA 99349 • (509) 932-5222

This quote & proposal sent electronically 5/5/03

May 6, 2003

Johni Blankenship
Kenai Peninsula Borough

Soldotna, AK

Re: FTR: DIGITAL AUDIO RECORDING SYSTEM

Dear Johni,

Thank you for the opportunity to provide a formal proposal for you digital audio recording needs for the Kenai Peninsula Borough Assembly and Clerk.

FTR GOLD is designed to allow applications like yours to move to a digital recording environment instead of investing in outdated analog technology. FTR GOLD is specifically designed to be a replacement for the Sony BM 246 and the Lanier Advocate. When you have an opportunity to compare the ease of use and cost and then weigh the relative benefits of the two systems it is easy to see why so many Hearing Rooms across the country are choosing FTR GOLD.

Listed below are some of the benefits that the Assembly will receive when using FTR GOLD:

- Higher quality audio recording using an MPEG format that provides a sample rate of 22 KHz. This ensures a better recording and a more accurate record.
- Instant and direct archival of the digital audio onto CD-ROM for long-term storage. A single CD can hold up to 20 hours of Assembly Room hearings. This equates to less storage space and a much easier storage and retrieval system.
- Optional archival to a central file server. The Assembly may wish to archive audio and Log Notes data on a central file server. This function is easily achieved by running the FTR Wizard to assign the archival path.
- CD media vs. cassette tapes means lower cost storage of the audio record. A CD is also far more durable than cassette tape and doesn't degrade with time or copying. FTR CD's come complete with their own storage system, including individual cardboard cases and a sturdy storage box for each hundred CD's.
- FTR Gold is designed to look and operate just like the tape recorder that the Assembly Room personnel are using now. This makes for a short learning curve and a smooth transition to the new system.
- FTR software runs in the stable Windows 2000 and XP environment and allows the clerk of the Assembly personnel to run more than one application at a time.

- Digital audio files can be accessed or copied across a network. Audio can also be copied easily to any removable media such as Zip and CD-ROM. High-speed duplication of cassette tapes is also accommodated.
- Audio files are easily and rapidly located using the browser based FTR Log Notes package.
- FTR Log Note preparation and operation is enhanced by use of a Bar Code wand. Bar Codes can be produced by the Assembly Room and tailored to suit each operator's requirements.
- Internet strategies are now in place to allow the Assembly Room to post their audio recordings online, giving their pass worded customers the option to download the desired audio to assist in Transcript production.

The schedule of equipment required for your installation for one Assembly Room FTR Gold Reporter 2.1 and Log notes 2.1, 3 ReporterDecks with Reporter 2.1 and one Portable Reporter with Reporter 2.1 and Log Notes 2.1 is shown in Attachment A. This schedule identifies services, hardware and software that would be required to implement the FTR systems as you requested. Please pay special attention to Attachment B, which shows the minimum specifications of the required computer hardware and software. The FTR technical support plan is described in Attachment C. If we are able to incorporate your existing mixer and amplifier with FTR software and hardware configurations, you would realize that savings. If you are in need of a FTR save to cassette tape software it is available for \$4500.

Please don't hesitate to contact me at (509) 469-9876 or David Parker at 509-932-5222 if we can be of any assistance to you.

Sincerely,

Ray Hall, Government Technology Consultant
NW Judicial Technologies
509-469-9876
509-930-9642 cell
jrrjhall@wmconnect.com

Attachment A

ITEMS TO BE SUPPLIED BY FTR

FTR Software	Qty	Unit Cost	Total
FTR Reporter Version 2.1	1	\$3,495	\$3,495
FTR Log Notes Version 2.1	2	295	590
FTR Portable Reporter 2 channel	1	\$4,200	\$4,200
Total Software			\$8,285.

Hardware & Consumables			
A four channel LX Antex encoder card with cables	1	\$750	\$750
Digital Clock	2	395	790
Yamaha Mixer DME 32	1	3,699	3,699
Input Card MY8AD	3	369	1,107
Output Card MY8DA	1	399	399
Rolls Pre Amp RM81	3	290	870
Yamaha Amplifier XH150	1	699	699
ETA Power Supply PL8	1	125	125
Audio Solutions Playback Box	1	149	149
Audio Solutions FTR Adapter	1	149	149
CD's	400	2	800
ReporterDeck	3	5,995	17,985
Shure Microphones for Portable and ReporterDeck	16	125	2,000
Lapel Microphones	1	285	285
Total Hardware & Consumables			\$29,807

Software & Hardware Maintenance			
Annual Technical Software Support per license	2	\$200	\$400
Reporterdeck Warranty 1 st Year	3	\$500	\$1,500
Total Technical Support			\$1,900

Training & Installation			
Estimate 2days @\$1000/day	2	\$1,000	\$2,000
Travel expenses	2	1,400	\$2,800
Freight**	1	800	800
Total Training Installation & Travel			\$5,600

TOTAL SYSTEM PRICE			\$45,592
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** Freight will be actual cost and will adjusted to actual.
Prices effective until June 30, 2003.

Our installation personnel will load FTR software and install hardware onto computers that meet or exceed the specifications described in this proposal. **Please advise us of the model and configuration of the computers the Assembly Room will procure before ordering so that we can verify suitability prior to delivery.**

Attachment B. Computer Hardware & Software Minimum Requirements

Personal Computer System Requirements

This document details the **MINIMUM** specifications required for the FTR Gold family of products. This information makes no allowance for other applications that may run on the computer at the same time as FTR Gold. Adding memory and increasing the processor speed will significantly improve performance, especially if the computer will be running other applications.

Minimum System Requirements – Reporter 2.1

For 4-channel Recording:

- Microsoft® Windows® 2000 SP3 or XP Professional SP1
- Recommended processor specification for the chosen operating system or 450MHz Intel® Pentium® II processor (*whichever is higher*)
- Recommended memory specification for the chosen operating system plus Additional 32MB RAM
- PCI short slot for FTR supplied 4-channel encoder card and Windows compatible 4 – channel sound card (*in addition to 4 channel encoder card*)
- 256- color, 800x600 display adapter and monitor
- High capacity removable media drive, or access to a shared network resource, for archiving CDRW with ADAPTEC Direct CD Version 5.1 software (Hewlett Packard 8x4x32 Recommended).

Please visit the Direct CD website (www.roxio.com) to verify that your brand/model of CDRW is compatible with Adaptec Direct CD. *Note: If the archival target is a folder on the file server, CD's may be created from the data stored on the server where the CDRW would be installed*

Required for Optional Hardware:

- COM port for FTR External Clock Display
- Game port or USB port for compatible foot pedal to control audio playback

For 2-channel Recording:

- Microsoft® Windows® 98SE, 2000 SP3 or XP Professional SP1
- Recommended processor specification for the chosen operating system or 333MHz Intel® Pentium® II processor (*whichever is higher*)
- Recommended memory specification for the chosen operating system plus additional 32MB RAM
- Windows compatible, full duplex stereo sound card
- 256- color, 800x600 display adapter and monitor
- High capacity removable media drive, or access to a shared network resource, for archiving
 - **W/line-in duplex stereo audio**

Please visit the Direct CD website (www.roxio.com) to verify that your brand/model of CDRW is compatible with Adaptec Direct CD. *Note: If the archival target is a folder on the file server, CD's may be created from the data stored on the server where the CDRW would be installed*

NOTE: As with any software, there are minimum hardware and software requirements, which need to be in place prior to installing and using FTR Gold software. While the attached list is minimum specification, it is important to be aware that using additional programs, including FTR Gold programs in combination, will require a higher specification. Windows® 98SE can only be used for 2-channel recordings. If archiving to CD you must use a version of DirectCD™ by Roxio® that is compatible with your chosen operating system.

Minimum System Requirements – Log Notes 2.1

- Microsoft® Windows® 98SE, 2000 SP3 or XP Home SP1/Professional SP1
- Recommended processor specification for the chosen operating system or 166MHz Intel® Pentium® processor (*whichever is higher*)
- Recommended memory specification for the chosen operating system plus an additional 16MB RAM
- 256- color, 800x600 display adapter and monitor

NOTE: As with any software, there are minimum hardware and software requirements, which need to be in place prior to installing and using FTR Gold software. While the attached list is minimum specification, it is important to be aware that using additional programs, including FTR Gold programs in combination, will require a higher specification. Windows® 2000 users require a minimum Power User security permission. Opening HTML log sheets requires Internet Explorer 3 or later, or a compatible web browser.

Minimum System Requirements – Player Plus 2.1

- Microsoft® Windows® 98SE, 2000 SP3 or XP Home SP1/Professional SP1
- Recommended processor specification for the chosen operating system or for the chosen operating system plus additional 16MB RAM
- Windows compatible stereo sound card
- 256- color, 800x600 display adapter and monitor

Required for Optional Hardware:

- COM port for FTR External Clock Display
- Game port or USB port for compatible foot pedal to control audio playback

NOTE: As with any software, there are minimum hardware and software requirements, which need to be in place prior to installing and using FTR Gold software. While the attached list is minimum specification, it is important to be aware that using additional programs, including FTR Gold programs in combination, will require a higher specification.

Minimum System Requirements – FTR Portable Reporter v2.1 on Notebook Computer

- **Microsoft Windows 98SE, 2000 SP# or XP Professional SP1**
- **Recommended processor specification for the chosen operating system or 333MHz Intel Pentium processor (whichever is higher)**
- **Recommended memory specification for the chosen operating system plus additional 48 MB RAM**
- **Windows compatible, full duplex stereo sound support with line in audio port**
- **256-color, 800x 600 video display**
- **compatible high capacity removable media (CD-RW) drive for archiving** CDRW with ADAPTEC Direct CD Version 5.1 software (Hewlett Packard 8x4x32 Recommended)
- Please visit the Direct CD website (www.roxio.com) to verify that your brand/model of CDRW is compatible with Adaptec Direct CD. *Note: If the archival target is a folder on the file server, CD's may be created from the data stored on the server where the CDRW would be installed*

Required for Optional Hardware:

- COM port for FTR External Clock Display
- Game port or USB port for compatible foot pedal to control audio playback

NOTE: As with any software, there are minimum hardware and software requirements, which need to be in place prior to installing and using FTR Gold software. While the attached list is minimum specification, it is important to be aware that using additional programs, including FTR Gold programs in combination, will require a higher specification.

Attachment C. FTR Technical Support

As an FTR Gold customer you may purchase a technical support contract. Technical support contracts are an annual (1) year agreement.

The FTR Gold Technical Support Package includes:

- Unlimited calls from 5am to 5 pm PST, excluding FTR holidays and weekends.
- Electronic logging of issues and questions (email & Web) 24 hours per day.
- Unlimited access to the FTR Knowledge Base.
- On-line access and hardcopies of all released Technical Support memos.
- On-line access to product documentation.
- Software fixes via electronic download; physical media is extra cost.

Pricing

The FTR Technical Support Package is a site-based contract. All FTR software products installed at the site are eligible for technical support. The number of Assembly Room and/or Assembly rooms installed with FTR Gold determines your annual contract support cost. The total number of FTR Gold Reporter packages installed and registered is used to determine the number of rooms covered under the contract. Contract pricing is as follows.

<u>Number of Reporters Installed</u>	<u>Annual Contract Cost</u>
1-20	\$200 each Assembly Room

Introduced by: Mayor, Martin
Date: 06/17/03
Shortened Hearing: 07/08/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2002-19-43**

**AN ORDINANCE ACCEPTING AND APPROPRIATING A GRANT FROM THE
DENALI COMMISSION IN THE AMOUNT OF \$993,000 FOR A FIRE STATION FOR
KACHEMAK EMERGENCY SERVICE AREA**

- WHEREAS,** Kachemak Emergency Service Area (“KESA”) was formed two years ago to provide fire suppression and emergency medical services to the areas surrounding Homer and Kachemak City; and
- WHEREAS,** KESA has established as one of its highest priorities the construction of a fire station near McNeil Canyon Elementary School; and
- WHEREAS,** KESA recognized the value and need for a community hall as a part of the fire station which will primarily be used for training, volunteer exercises and service area board meetings, but will also be incidentally available for other community public purposes including a command center in the event of a disaster or emergency, as are other fire stations in the borough; and
- WHEREAS,** a 4.6-acre parcel of land, adjacent to McNeil Canyon Elementary School, which is an ideal location for a fire station, has been acquired by KESA; and
- WHEREAS,** schematic designs for most of the fire station have been completed and is part of the grant proposal; and
- WHEREAS,** the Denali Commission, a joint association of federal and state funding agencies, recently published a notice of funding availability for multi-use facilities, with a priority for uses associated with life, health and safety; and
- WHEREAS,** on behalf of KESA, the Borough submitted a grant application to the Denali Commission for funding to construct a fire station, a portion of which will also be available for other community public purposes; and
- WHEREAS,** the grant application was supported by the Assembly through enactment of KPB Resolution 2003-040; and
- WHEREAS,** the Borough has received notice of award of a grant in the amount of \$993,000; and

WHEREAS, the grant program requires a local match in the amount of 25% of the project total; and

WHEREAS, matching funds in the amount of \$300,000 are currently available in account 446.51810.03BTK.49999 for the fire station/community hall project.

WHEREAS, the assessed value of the property (\$19,000) and the cost of the schematic designs (\$39,949) are eligible to be used to meet the match requirement; and

WHEREAS, grant funds must be committed by August 1, 2003, therefore a shortened hearing date is requested; and

WHEREAS, funding under the Multi-Use Facility Program is not expected to be on-going and may be a one-time opportunity;

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

SECTION 1. That the mayor is authorized to accept a grant from the Denali Commission in the amount of \$993,000 for construction of a fire station/community hall as described above for Kachemak Emergency Service Area and is authorized to execute a grant agreement and any other documents deemed necessary to accept the grant.

SECTION 2. That grant funds in the amount of \$993,000 are hereby appropriated to account 446.51810.03DEN.49101.

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

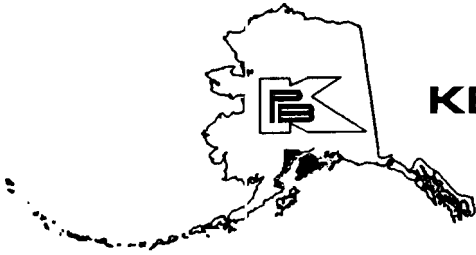
SECTION 4. This ordinance shall become effective immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2003.

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599
BUSINESS (907) 262-4441 FAX (907)262-1892

DALE BAGLEY
MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: *DLB* Dale Bagley, Borough Mayor
Milli Martin, Assembly Member
JSB Jeff Sinz, Finance Director

FROM: *bg* Bonnie L. Golden, Grants Manager

COPY: Mary Griswold, Kachemak Emergency Services

DATE: June 5, 2003

SUBJECT: Ordinance ~~2002-19-43~~: Accepting and Appropriating \$993,000 from the Denali Commission for a fire station for Kachemak Emergency Service Area

The Kachemak Emergency Service Area (KESA) is responsible for fire suppression and emergency medical response to residents within a 200 square mile area surrounding the City of Homer and Kachemak City. They currently have one ambulance, a new Class A fire engine, and a fast attack engine. Space is being rented to house these emergency vehicles. KESA has established as one of its highest priorities the construction of a fire station where they can store and maintain their equipment and coordinate operations for the eastern portion of the service area. Their long-term plans included the addition of a community hall. A building site adjacent to McNeil Canyon School has been secured. Architectural schematic design plans for a fire station that can accommodate a training center/community hall have been completed.

The Denali Commission has funding available for multi-use facilities. Priority for funding under this program will go to uses associated with life, health and safety. Maximum funding is \$1 Million, with a required match of 25% for non-distressed communities.

At its meeting on March 27, 2003, the KESA board of directors approved proceeding with a Denali Commission grant proposal. The Borough supported this proposal through the adoption of KPB Resolution 2003-040. A grant application was submitted in April 2003 requesting \$993,661 from the Denali Commission. The total project cost is estimated at \$1,352,610, based upon estimates provided by the architectural firm of Bezek Durst Seiser and

by the Borough Capital Projects Division. In its application, KESA indicated a local match of \$358,949. The proposed match includes the \$300,000 provided to KESA from the Borough's lump sum award from the U.S. Forest Service; \$39,949 spent for the schematic designs; and the assessed value of the property of \$19,000. The \$358,949 is more than sufficient to meet the 25% match requirement.

On June 3, 2003, the Borough and KESA received notification from the Denali Commission that they were recommending the project for funding, based upon two contingencies. The review panel interpreted the costs for project management by the Borough's Capital Projects Division to be in-kind services. Based on that assumption, they were recommending a reduction in the amount of the grant to \$948,251. Secondly, they requested a copy of a comprehensive community plan that identified the fire station as a community need. KESA responded to the Denali Commission's notice by explaining that Capital Project management costs will be charged against the grant and submitting a comprehensive plan from KESA. On June 6, 2003, notice was received from the Denali Commission that they had reviewed our response and determined them to be acceptable. They will be funding the project at \$993,000. Copies of both Denali Commission letters are attached.

Another requirement by the Denali Commission is that funds must be committed by August 1, 2003. The Commission has informed the Borough that having a grant agreement in place by August 1 is sufficient to meet this requirement. In order to meet this condition, an ordinance accepting the grant and authorizing the mayor to enter into an agreement must be enacted by the July 8, 2003, assembly meeting. For this reason, a shortened hearing date has been requested.

Attachment

Ordinance

Notifications from Denali Commission dated 6-3-03 and 6-6-03.



DENALI COMMISSION
510 'L' Street, Suite 410
Anchorage, Alaska 99501

(907) 271-1414
Fax (907) 271-1415
Toll Free (888) 480-4321
www.denali.gov

June 3, 2003

Ms. Mary Griswold
Administrative Assistant
Kachemak Emergency Service Area
P.O. Box 1849
Homer, AK 99603

RE: Multi Use Facility Proposal

Dear Ms. Griswold,

This letter is to advise you of the status of your request for multi use facility funding from the Denali Commission. An independent Multi-Disciplinary Review Panel (review panel) has reviewed the project proposal for the Kachemak Emergency Service Area and has issued its recommendation to the Denali Commission after accepting the community's population exception based on the fact that the service area does not exceed the limit. The review panel recommended funding the community's request for a multi use facility housing a fire station and community hall with the following contingencies:

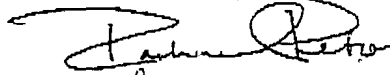
- The grant request must be amended in a letter from the community to request \$948,251 instead of \$993,000 or the community must demonstrate why the original request of \$993,000 is necessary for project completion.
- The community must forward a copy of its comprehensive community plan including the portion addressing the proposed facility.

Specifically the panel was concerned that the project cost included \$64,000 of in kind services from the Kenai Peninsula Borough Public Works office. The proposal correctly includes all project costs in its estimation, but the in-kind services not yet rendered, should reduce the amount being requested by the community to \$948,251 since the in kind services are included in the total project cost.

Total Cost of Project:	\$ 1,352,610 *
Local Cash Match:	\$ 339,949 (39,949 already expended *) * does not include land donated for project
Maximum Available from Commission:	\$ 1,000,000
Minimum Local Match:	\$ 250,000
Cash needed to complete project:	\$ 948,251

This funding approval is contingent upon meeting the above requirements. Please contact Rachael Petro at 907.271.1425 or rpetro@denali.gov to begin addressing these issues as soon as possible in preparation for a financial assistance award. Please note that any Commission funds not committed by 1 August 2003 will be rescinded.

Sincerely,



For:
Al Ewing
Chief of Staff

Cc: Mayor Dale Bagley, Kenai Peninsula Borough Mayor, copy sent via fax 907.262.8616
Gene Kane, Director, Division of Community and Business Development, DCED
Jo Grove, Program Coordinator, Division of Community and Business Development, DCED



DENALI COMMISSION
510 'L' Street, Suite 410
Anchorage, Alaska 99501

(907) 271-1414
Fax (907) 271-1415
Toll Free (888) 480-4321
www.denali.gov

June 6, 2003

Ms. Mary Griswold
Administrative Assistant
Kachemak Emergency Service Area
P.O. Box 1849
Homer, AK 99603

RE: Multi Use Facility Proposal

Dear Ms. Griswold,

This letter is to advise you of the status of your request for multi use facility funding from the Denali Commission. As you know an independent Multi-Disciplinary Review Panel (review panel) has reviewed the project proposal for the Kachemak Emergency Service Area and has recommended the Denali Commission fund your project pending satisfactory response to several contingency factors. Staff has reviewed your response to the contingency factors and has determined they are acceptable and has recommended funding your request of \$993,000 for construction of a fire and community hall facility.

This award will be administered by the Alaska Department of Community and Economic Development (DCED) Division of Business Partnerships. Your main contact for this award will be Jo Grove. Please contact her directly to begin the award process.

Jo Grove
Program Coordinator
DCED
209 Forty Mile Avenue
Fairbanks, AK 99701-3110
Phone: (907) 452-7126
Fax: (907) 451-7251
E-mail: Jo_Grove@dced.state.ak.us

If you have any other questions or concerns please contact Rachael Petro at 907-271-1425 or email her at rpetro@denali.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Al Ewing".

Al Ewing
Chief of Staff

Cc: Mayor Dale Bagley, Kenai Peninsula Borough Mayor, copy sent via fax 907.262.8616
Gene Kane, Director, Division of Community and Business Development, DCED
Jo Grove, Program Coordinator, Division of Community and Business Development, DCED

Introduced by: Mayor
Date: 06/17/03
Hearing: 08/05/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2002-19-44**

**AN ORDINANCE APPROPRIATING \$14,700,000 IN GENERAL OBLIGATION
SCHOOL BOND PROCEEDS TO THE SCHOOL BOND FUND FOR COSTS
ASSOCIATED WITH DESIGN AND CONSTRUCTION OF THE NEW
SEWARD MIDDLE SCHOOL**

WHEREAS, A majority of borough voters voting in the October 1, 2002 election, approved Proposition No. 3 which authorized the issuance of up to \$14,700,000 in General Obligation bonds to pay the costs associated with the design and construction of the Seward Middle School; and

WHEREAS, the borough assembly adopted Resolution 2003-072 on June 17, 2003 which authorized the issuance of \$14,700,000 in bonds through the Alaska Municipal Bond Bank; and

WHEREAS, pursuant to Resolution 2003-072, the bonds will be sold in late July and the bond proceeds received in early August 2003;

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

SECTION 1. That bond proceeds of \$14,700,000 are appropriated to the School Bond Fund Seward Middle School Project, account number 401.75030.03SEW.49101 for costs associated with design and construction of the new Seward Middle School.

SECTION 2. 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

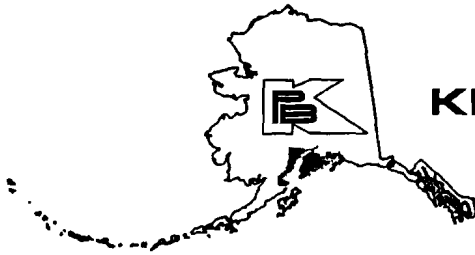
SECTION 3. This ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2003.

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



KENAI PENINSULA BOROUGH

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BUSINESS (907) 262-4441 FAX (907) 262-1892

DALE BAGLEY
MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President

Members, Kenai Peninsula Borough Assembly

THRU: *DLB* Dale Bagley, Mayor

FROM: *JS* Jeffrey Sinz, Finance Director

DATE: June 5, 2003

SUBJECT: Ordinance 2002-19-44 Appropriating General Obligation School Bond Proceeds for the Seward Middle School Project

The attached ordinance appropriates \$14,700,000 in general obligation bond proceeds to the borough's school bond fund for costs associated with design and construction of the new Seward Middle School.

As provided in Resolution 2003-~~072~~ the bonds are expected to be sold through the Alaska Municipal Bond Bank in Late July. The results of the sale will be reported at the August 5th assembly meeting when this ordinance is scheduled or public hearing and assembly action

Introduced by:
Date:
Hearing:
Action:
Vote:

Mayor
06/17/03
08/05/03

**KENAI PENINSULA BOROUGH
ORDINANCE 2002-19-45**

**AN ORDINANCE APPROPRIATING \$584,840.44 FROM THE DIVISION OF
EMERGENCY SERVICES TO REIMBURSE THE BOROUGH FOR COST INCURRED
IN RESPONDING TO FLOODING OCCURRING FROM OCTOBER 23, 2002 TO
NOVEMBER 12, 2002.**

WHEREAS, the Borough was hit by a number of fall storms between the dates of October 23, 2002 and November 12, 2002 causing flooding; and

WHEREAS, the Road Service Area provided emergency access for Borough citizens and incurred costs totaling \$565,119.54 associated with road and bridge wash-outs; and

WHEREAS, the Maintenance Department repaired damage at Homer area schools caused by flooding and mud slides totaling \$4062.29; and

WHEREAS, the South Peninsula Hospital repaired damage to its facility associated with the flooding totaling \$15,658.61; and

WHEREAS, a disaster was declared by the Borough Mayor on October 25, 2002, by the State of Alaska on November 6, 2002, and signed by the President on December 4, 2002; and

WHEREAS, the costs incurred by the Borough are eligible for reimbursement from FEMA (Federal Emergency Management Agency) through the State of Alaska, Division of Emergency Services;

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

SECTION 1. That \$584,840.44 in costs incurred by all Borough Departments and Service Areas in response to these storms be appropriated to the Disaster Relief Fund, 260.11262.3FLDX.49999.

SECTION 2. That this ordinance takes effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS *
DAY OF *, 2003.**

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



**KENAI PENINSULA BOROUGH – OFFICE OF EMERGENCY
MANAGEMENT**

To: Pete Sprague, Assembly President
Members of the Kenai Peninsula Borough Assembly

Thru: *DLB* Dale Bagley, Borough Mayor
Jed Jeff Sinz, Finance Director

From: David Gibbs, Emergency Management Coordinator *(DAG)*

Date: June 5, 2003

SUBJECT: Ordinance 2002-19-~~45~~ Appropriating funds to be received from the State of Alaska Division of Emergency Services to Reimburse the Borough for costs incurred in responding to the flooding occurring between October 23, 2002 and November 12, 2002.

Ordinance 2002-19-~~45~~ appropriates the money the Borough has received notice of award for from the State of Alaska Division of Emergency Services. Funding sources consist of 75% passed-through funds from FEMA (Federal Emergency Management Agency) and a 25% State match. The revenue received will reimburse the Borough for costs incurred in responding to the flooding occurring between October 23, 2002 and November 12, 2002.

The ordinance includes funding for costs incurred by the Roads Service Area, South Peninsula Hospital, and the Maintenance Department in responding and repairing Borough infrastructure damaged by flooding. The Borough has identified \$1,146,646.62 of costs incurred responding and recovering from the flooding. To date projects totaling \$584,840.44 have been approved and awarded with \$561,806.18 awaiting final approval and award.

The intent is to appropriate by Ordinance 2002-19-~~45~~ \$584,840.44, the projects currently approved and awarded, and propose an amendment to Ordinance 2002-19-~~45~~ should any of the pending \$561,806.18 of costs be approved and awarded prior to Assembly action on this ordinance. Should no additional costs be approved and awarded before assembly action on this ordinance, a separate ordinance shall be prepared and brought forward at the time of approval and award.

Introduced by: Sprague
Date: 06/17/03
Shortened Hearing: 07/08/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2003-25**

**AN ORDINANCE AMENDING KPB 4.30.010 TO REQUIRE SCHOOL BOARD
MEMBERS TO BE ELECTED FROM THEIR RESPECTIVE DISTRICTS**

WHEREAS, in Ordinance 2002-16, the assembly placed on the ballot two plans for school board membership structure, including possible districting; and

WHEREAS, in the October 1, 2002 regular election, the voters approved districting school board membership and requiring members to be elected from their respective districts; and

WHEREAS, while KPB 1.20.100 was amended to provide that board members shall be elected from the nine election districts that match assembly districts, the candidate provision of the election code should also be revised to clarify that board members must be a resident of the district from which the candidate seeks election;

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

SECTION 1. That KPB 4.30.010 is hereby amended as follows:

4.30.010. Candidate qualifications.

- A. A candidate for borough mayor must be a qualified voter of the State of Alaska and a resident of the Kenai Peninsula Borough for 180 days immediately preceding filing for office. A person who has served as mayor for two consecutive full terms may not be reelected to that office until 180 days has intervened.
- B. A candidate for borough assembly must be a qualified voter of the State of Alaska and a resident of the district from which the candidate seeks election for at least 180 days immediately preceding filing for office.
- C. A candidate for school board must be a qualified voter of the State of Alaska and a resident of the [KENAI PENINSULA BOROUGH] district from which the candidate seeks election for 180 days immediately preceding filing for office.

- D. A candidate for a service area board must be a qualified voter of the State of Alaska and a resident of the service area for at least 180 days immediately preceding filing for office.

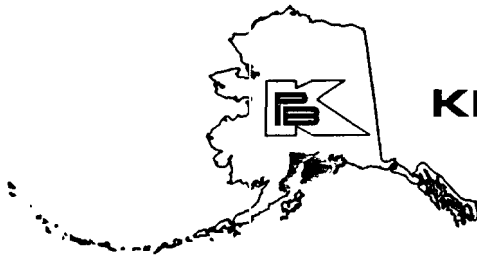
SECTION 2. That this ordinance takes effect immediately upon its enactment and upon receipt of a letter of nonobjection by the U.S. Department of Justice.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS *
DAY OF * 2003.**

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk




KENAI PENINSULA BOROUGH



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DALE BAGLEY
MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU:  Pete Sprague, Assembly President

FROM:  Linda S. Murphy, Borough Clerk
 Colette Thompson, Borough Attorney

DATE: June 5, 2003

SUBJECT: Ordinance 2003-25, amending KPB 4.30.010 to require school board members to be elected from their respective districts

While beginning preparations for the upcoming October regular election, it was discovered that the candidate qualification provision in the borough code should be revised to reflect the requirement that school board members reside in the district from which they were elected. This revision is consistent with the proposition approved by the borough voters October 1, 2002, providing for election of school board members from election districts rather than areawide, and is needed to remove any inconsistencies between the approved proposition and the code. Because this change should be made before the notice of offices to be filled is advertised for candidates for the election, hearing on shortened time is requested.

Introduced by: Mayor
Date: 06/17/03
Shortened Hearing: 07/08/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2003-26**

**AN ORDINANCE EXTENDING THE DEADLINE IN ORDINANCE 2001-16
REGARDING CERTAIN GRAZING LEASES**

WHEREAS, in Ordinance 2001-16 the assembly authorized the mayor to renew or extend seven grazing leases for no more than a 27.5 year period based on certain terms and conditions; and

WHEREAS, in Section 2 of that ordinance the assembly required that the following three items be completed within two years of expiration of the grazing leases:

1. Lessee shall prepare a development plan in cooperation with the Soil and Water Conservation District which shall be approved by the borough mayor, and which shall provide for reasonable use and development of the grazing lease property and shall be attached and incorporated by reference to the grazing lease.
2. The mayor shall determine the survey status of each lease and may, in the best interests of the borough, either conduct, or require the lessee to conduct; a survey if reasonably necessary to establish boundaries;
3. Pursuant to KPB 17.10.100(I) authorizing negotiated leases, the mayor shall charge an annual fee for the lease based either upon animal unit months or other recognized industry standards, or an appraisal done either by the assessing department or by a fee appraiser to determine the current fair market value of the lease, with rate adjustments to be made every five years based upon reappraisals or other relevant information; and

WHEREAS, the two-year period expires July 11, 2003; and

WHEREAS, although the Lessees prepared development plans in cooperation with the Soil and Water Conservation District and submitted them to the borough the plans did not satisfy borough requirements and final development plans have not yet been approved; and

WHEREAS, the borough administration requires additional time to work with the Lessees and the Soil and Water Conservation District to complete acceptable development plans; and

WHEREAS, the administration has not completed its analysis to determine if a survey is reasonably necessary to establish boundaries on any portion of the subject grazing leases; and

WHEREAS, the assessor has determined an annual fee for the lease based upon a recognized industry standard and the majority of the Lessees are current with their lease payments; and

WHEREAS, this project has been in part delayed as a result of legal issues surrounding the lease agreements with the borough as opposed to those with the State of Alaska; and

WHEREAS, all outstanding issues are expected to be resolved at the latest within the next year; and

WHEREAS, new personnel have been hired who will significantly help the borough to complete this project;

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

SECTION 1. The two-year deadline in Section 2 of Ordinance 2001-16 is hereby extended for one year until July 11, 2004.

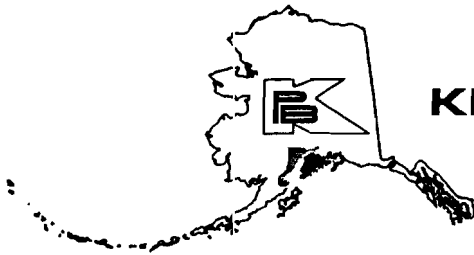
SECTION 2. This ordinance will take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2003.

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



KENAI PENINSULA BOROUGH

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DALE BAGLEY
MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: *DLB* Dale Bagley, Mayor

FROM: *CT* Colette Thompson, Borough Attorney
MB Max Best, Planning Director
P.O. Paul Ostrander, Land Management Officer
MM Marcus Mueller, Land Management Agent

DATE: June 5, 2003

SUBJECT: Ordinance 2003-26, An Ordinance extending the deadline in Ordinance 2001-16 regarding certain grazing leases

The assembly adopted Ordinance 2001-16 on June 19, 2001, which authorized the mayor to renew or extend for 27.5 years seven grazing leases in the southern area of the Kenai Peninsula. The State of Alaska originally issued these leases under a program designed to encourage grazing use of state lands. The Kenai Peninsula Borough selected the lands subject to these grazing leases several years ago pursuant to the Municipal Land Grant program.

These leases were for an initial term of 27.5 years and provided lessees with an option to apply for a renewal lease upon certain terms and conditions for an additional period of 27.5 years. The initial 27.5 years expired in July 2001, and all of the subject lessees applied for the 27.5-year renewal with the borough.

In the two years since enactment of ordinance 2001-16 the lessees have submitted development plans after working with the Soil and Water Conservation District, but those plans were not consistent with some borough code requirements and require modification. The lessees' attorney has also claimed that the renewal leases must contain the same terms as the original state leases, which would result in numerous problems. The administration researched these matters and hopes to resolve them in the near future.

Regarding the survey status of these lands, many of the leased properties may not have been surveyed. The administration is reviewing the properties to determine whether

any improvements are sufficiently close to a boundary line that a partial survey may be required to ensure no encroachments exist. This process should be completed within the next few months.

An additional year is respectfully requested to enable the administration to finalize this process and renew these leases in an appropriate manner. Due in part to borough personnel shortages and changes, and legal issues, this project has taken longer to complete than originally expected. As vacant positions have now been filled, the administration has made this a priority. While it is expected that these requirements and leases will be formally completed in less than one year, a year is requested in the event that unanticipated problems arise.

Hearing on shortened time is requested as the two-year period in ordinance 2001-16 will expire July 11, 2003, and only one assembly meeting is scheduled for July 2003. The requirements in ordinance 2001-16 cannot properly be completed before July 11, 2003. If the ordinance is introduced on June 17, 2003, there will be adequate time for the Planning commission to consider it at the Planning Commission meeting of June 23, 2003. No advisory planning commissions in the affected areas have meetings scheduled during this time.

Introduced by: Mayor at request of Central Peninsula General Hospital
Date: 06/17/03
Hearing: 08/05/03
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2003-27**

AN ORDINANCE PROVIDING FOR SUBMISSION TO THE QUALIFIED VOTERS OF THE CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA THE QUESTION OF AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS IN AN AMOUNT NOT TO EXCEED FORTY NINE MILLION NINE HUNDRED THOUSAND DOLLARS (\$49,900,000) TO PAY THE COSTS OF HOSPITAL CAPITAL IMPROVEMENTS, AT A REGULAR ELECTION IN AND FOR THE CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA ON OCTOBER 7, 2003

- WHEREAS,** the Kenai Peninsula Borough (the "Borough") has entered into a lease and operating agreement with Central Peninsula General Hospital, Inc., to provide acute and long term care; and
- WHEREAS,** the lease provides that the Borough may make capital improvements to the hospital facilities; and
- WHEREAS,** the lease is scheduled to terminate on December 30, 2007, with an option to extend for another five years; and
- WHEREAS,** the Central Peninsula General Hospital is located in the Central Kenai Peninsula Hospital Service Area (the "Service Area"); and
- WHEREAS,** the Central Peninsula General Hospital continues to expand its health services to meet community needs; and
- WHEREAS,** due to continued demand for additional services and increased space, the Central Peninsula General Hospital sought professional assistance to evaluate and recommend expansion options; and
- WHEREAS,** a conceptual design has been approved by the Central Peninsula General Hospital board with an estimated cost of \$49.9 million; and
- WHEREAS,** the Central Kenai Peninsula Hospital Service Area Board has approved this project and requested that the Assembly place this question on the October 7, 2003 ballot; and

WHEREAS, the Assembly finds it necessary that the hospital capital improvements be funded through the issuance of bonds issued by the borough on behalf of the service area, subject to voter approval.

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

SECTION 1. It is hereby determined to be for a public purpose and in the public interest of the Kenai Peninsula Borough, Alaska (the “Borough”) that the Borough incur bonded indebtedness in an amount not to exceed Forty Nine Million Nine Hundred Thousand Dollars (\$49,900,000), for the purpose of paying the costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping the Central Peninsula General Hospital (the “Project”) located within the Central Kenai Peninsula Hospital Service Area (the “Service Area”).

SECTION 2. The sum of not to exceed Forty Nine Million Nine Hundred Thousand Dollars (\$49,900,000) shall be borrowed by the Borough for the aforesaid hospital capital improvements and shall be evidenced by the issuance of bonds of the Borough. The bond proceeds shall be used only for capital improvements and costs of issuance of the bonds. Payment of the indebtedness shall be derived from taxes levied within the Service Area, and such other revenues as may be properly pledged for such payment. The full faith and credit of only the Service Area are pledged for the payment of the principal of and interest on the bonds, and ad valorem taxes upon all taxable property in the Service Area shall be levied without limitation as to rate or amount as necessary to pay the principal of and interest on the bonds when due.

SECTION 3. The bonds shall be issued upon such terms and conditions and in such form as the mayor finds to be in the best interests of the borough.

SECTION 4. In accordance with the requirements of KPB 4.10.050 A, a regular election is to be held on October 7, 2003. A bond proposition shall be submitted to the qualified voters of the Service Area for approval or rejection. The proposition must receive a majority vote of those in the Service Area voting on the question to be approved. The proposition shall be substantially in the following form:

PROPOSITION NO. _____

HOSPITAL CAPITAL IMPROVEMENT BONDS

Shall the Kenai Peninsula Borough incur indebtedness and issue up to \$49,900,000 of bonds for capital improvements related to the Central Peninsula General Hospital?

The bond proceeds of \$49,900,000 will be used to pay the costs of planning, designing, acquiring property for, site preparation, constructing, acquiring, renovating, installing and equipping the Central Peninsula General Hospital located within the Central Kenai Peninsula Hospital Service Area.

The indebtedness will be repaid from revenues generated by the Central Peninsula General Hospital and from ad valorem taxes levied on all taxable property located within the Central Kenai Peninsula Hospital Service Area. The Central Kenai Peninsula Hospital Service Area will pledge its full faith and credit for repayment of the indebtedness.

Voter approval for this proposition authorizes for each \$100,000 of assessed real and personal property value in the Central Kenai Peninsula Hospital Service Area (based on the estimated 2003 tax year assessed valuation) an annual tax of approximately \$121 to retire the proposed indebtedness.

(Ordinance No. 2003-27)

SECTION 5. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other propositions, and the following words shall be added as appropriate and next to a square provided for marking the ballot or voting by a machine.

PROPOSITION NO.

____ YES
____ NO

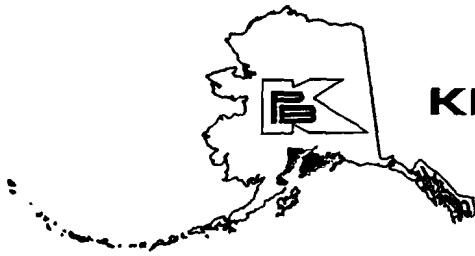
SECTION 6. Sections 2 and 3 of this Ordinance shall become effective only if the proposition described in Section 4 is approved by a majority of the qualified voters voting on the proposition at the regular election on October 7, 2003. The remaining sections of this Ordinance shall become effective upon passage and approval.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS * DAY OF *, 2003.

Pete Sprague, Assembly President

ATTEST:

Linda S. Murphy, Borough Clerk



KENAI PENINSULA BOROUGH

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BUSINESS (907) 262-4441 FAX (907) 262-1892

DALE BAGLEY
MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: DLB Dale Bagley, Borough Mayor

FROM: JS Jeffrey Sinz, Finance Director

DATE: June 5, 2003

SUBJECT: Ordinance 2003-27, PROVIDING FOR SUBMISSION TO THE QUALIFIED VOTERS OF THE CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA THE QUESTION OF AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS IN AN AMOUNT NOT TO EXCEED FORTY NINE MILLION NINE HUNDRED THOUSAND DOLLARS (\$49,900,000) TO PAY THE COSTS OF HOSPITAL CAPITAL IMPROVEMENTS, AT A REGULAR ELECTION IN AND FOR THE CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA ON OCTOBER 7, 2003

The attached ordinance, if approved, would ask voters within the Central Kenai Peninsula Hospital Service Area to consider authorizing the issuance of up to \$49,900,000 in general obligation bonds to fund the expansion and improvement of the Central Peninsula General Hospital. CPGH, Inc. in conjunction with the service area board has been working for several years on the development of a long-term facilities master plan including programmatic design. This ordinance if approved would allow service area voters to decide if the plan should become a reality.

Representatives of the Service Area Board and CPGH, Inc. will be providing the assembly with information about the project at the July 17th assembly meeting. If the assembly enacts the ordinance, CPGH, Inc. and the Service Area Board will conduct an extensive public informational campaign between enactment and the October general election. This effort will be intended to provide service area voters access to information necessary to make an informed decision regarding this very significant and important service area project.

Central Peninsula General Hospital Expansion and Renovation Project

What: Central Peninsula General Hospital, Inc. is asking the Kenai Borough Assembly to approve an ordinance, that will allow the Central Peninsula Service Area voters the opportunity to vote on the question of authorizing a General Obligation Bond, of \$49.9 million, to pay for expansion and renovation of Central Peninsula General Hospital. (During the regular October 7, 2003 election.)

Why the Project:

- **The current facility has not kept pace with growing demands.**

The current Central Peninsula General Hospital facility was built in 1971. The last major expansion was in 1986, when the Emergency Department and a wing for the Family Recovery Center were added. In the 1990's, the hospital expanded to add CT and MRI diagnostic technology.

Between 1972 and 2001, Central Peninsula General Hospital went from 3,185 patient visits to 51,944 patient visits. Annual growth as averaged about 7 percent.

Seventy-nine percent (79%) of physicians surveyed in May 2002, said they consider the hospital's current size and configuration inadequate for meeting the full range of community healthcare needs, and 92% support expansion for future needs.

- **Population growth on the Peninsula:**

The service area population has increased by 21.8% between 1990 and 2000. The hospital's primary service area population is projected to increase an additional nine percent by the year 2005.

- **The aging of the population:**

Aging of the population in Central Peninsula General Hospital's market area will increase demand for health care services in future years, beyond what would be generated by population growth alone. The highest population growth will occur in the 45 to 64 age group – a population using medical services more than younger age groups. This age group makes up about 22 percent of the service area population and the percentage is expected to increase to 25 percent by 2005. In addition, the percentage of the service area population age 65+ is also expected to increase by 2005. This age group is the highest user of hospital services.

- **Service Area residents want more medical service locally:**

Fifty-seven percent (57%) of the respondents in a community survey have had to leave the Peninsula for hospital services in the past five years. Sixty-two percent of respondents said they would be less likely to go elsewhere for care, if services

were available locally. More than three quarters (76%) of survey respondents who had gone elsewhere for hospital services made the journey because services or specialties were not available locally. This project will allow an increase in inpatient and outpatient services and the addition of needed services that are not now offered.

• **The results of independent analyses:**

Over the past five years the Board of Directors of CPGH, Inc. has been involved in facility planning. The Board commissioned a number of studies to look at the health care needs of Borough residents over the next 20 to 30 years.

Independent analyses by several firms confirmed the need for improvements to the current hospital facility, if we are to meet both the near and long-term health care needs of Borough residents.

In the Spring of 2001, CPGH, Inc. contracted with American Health Facilities LLC to prepare a facility master plan. The plan was updated in the fall of 2002, to reflect demographic and other changes. In January 2003, the Kenai Peninsula Borough funded a programmatic study and schematic design for a facility expansion project. Soderstrom Architects/Mills, John & Rigdon, Inc. was awarded a contract to evaluate the current structure for code issues and to consider the cost benefits of remodeling the existing facility vs. replacement. Throughout the process the contractor was directed to take a conservative approach.

• **A fiscally conservative approach:**

As a result of these studies, the CPGH Inc. Board concluded that facility improvements must be made. The Board looked at several options including construction of a brand new hospital. However, a new hospital would cost approximately 90 million dollars. A previous plan called for expanding the existing facility, but did not offer a plan for using nearly half of the existing space. Additionally, the current designer, Soderstrom Architects, provided an initial design, which cost over 55 million dollars. Because of the high cost, the Steering Committee asked the architects to reduce the scope of this project to make it more affordable, but still meet our needs. As a result, Soderstrom Architects delivered a plan for 49.9 million dollars that is conservative and still meets the needs of the community. For example, some departments will remain in the existing facility with some renovation, at significant cost savings. Also, the renovation of the existing facility was reduced to approximately 46% of gross space.

What the project looks like: The current project includes renovation of more than 52,100 square feet and expands the facility by 74,500 square feet. New construction would include a two-story addition on the north side of the existing

facility with a relocated Operating Room and Recovery area, ICU, Lab and Med/Surg Ward. The project will be completed in three phases as follows:

- Phase 1: Site Prep, \$.9M
- Phase 2: New Construction, \$32.4M
- Phase 3: Renovation, \$16.6M

Why a mil increase: Projected revenues will be insufficient to fund this \$49.9 million project in its entirety. Conservative hospital revenue estimates show a need for a mil increase of approximately 0.5, to help fund this project, assuming a 20-year term at current interest rates at General Obligation Bonds.

Why now:

- Hospital desperately needs additional clinical space.
- Patients will continue to have to travel outside of this community, if we don't expand.
- Interest rates are at an all time 44-year low.
- According to Soderstrom Architects, a delay of even one year would boost the cost of this project to over 1 million dollars, just due to inflation.

KENAI PENINSULA BOROUGH CLERK'S OFFICE

Linda Murphy, MMC, Borough Clerk

Sherry Biggs, Deputy Clerk


144 North Binkley Street
Soldotna, Alaska 99669

☎ 907-262-3608

Fax 907-262-8615

MEMORANDUM

TO: Assembly President Pete Sprague
Members of the Assembly

FROM: Borough Clerk Linda Murphy 

DATE: June 9, 2003

SUBJECT: Approval of July 1, 2003 Special Election Canvass Board

Pursuant to KPB 4.50.010, approval of those people who have consented to serve as canvass board members for the upcoming July 1, 2003 Special Election is respectfully requested.

Barbara Winkler, Chair
Carla Marshall
Linda Cusack
Sue Krizer


KENAI PENINSULA BOROUGH
Office of the Borough Clerk

144 N. Binkley Street
Soldotna, AK 99669
907-262-8608
Fax: 907-262-8615

Linda Murphy, MMC
Borough Clerk

MEMORANDUM

To: Assembly President Pete Sprague
Members of the Assembly

From: Borough Clerk Linda Murphy 

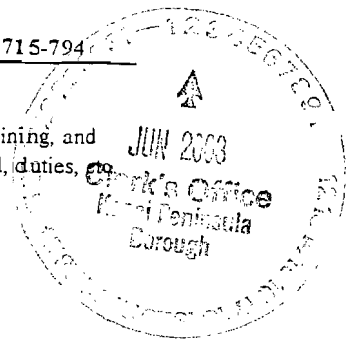
Date: June 9, 2003

Subj: Application for Restaurant Designation Permit
Golden Dragon Restaurant

Kenai Peninsula Borough Code § 7.10.010 provides for mandatory Assembly review of application for a restaurant designation permit at locations within the borough. Accordingly, the attached applications for a restaurant designation permit as filed by the Golden Dragon Restaurant, located in Soldotna, Alaska, is being submitted to you for review and action.

RECOMMENDATION: That the Assembly authorize the issuance of the restaurant designation permit requested by Golden Dragon Restaurant.

STATE OF ALASKA
ALCOHOLIC BEVERAGE CONTROL BOARD
APPLICATION FOR RESTAURANT DESIGNATION PERMIT - AS 04.16.049 & 15 AAC 104.715-794
FEE: \$50.00



The granting of this permit allows access of persons under 21 years of age to designated licensed premises for purposes of dining, and persons under the age of 19 for employment. If for employment, please state in detail, how the person will be employed, duties, etc. (15 AAC 104.745).

This application is for designation of premises where: (please mark appropriate items).

- 1 Under AS 04.16.010(c) Bona fide restaurant/eating place.
- 2 Persons between 16 & 21 may dine unaccompanied.
- 3 Persons under 16 may dine accompanied by a person 21 years or older.
- 4 Persons between 16 and 19 years may be employed. (See note below).

LICENSEE: Chung Soon Cho

D/B/A: Golden Dragon Restaurant

ADDRESS: 36100 Spur Hwy., Soldotna, Alaska 99669

- 1. Hours of Operation: _____ to _____ Telephone # 907-262-6366
- 2. Have police ever been called to your premises by you or anyone else for any reason: Yes No
If yes, date(s) and explanation(s). _____

3. Duties of employment: Take food orders, clean tables, receive payment & clean dishes

4. Are video games available to the public on your premises? No

5. Do you provide entertainment: Yes No If yes, describe. _____

6. How is food served? Table Service Buffet Service _____ Counter Service _____ Other* _____

7. Is the owner, manager, or assistant manager always present during business hours? Yes No

*** A MENU AND A DETAILED LICENSED PREMISES DIAGRAM MUST ACCOMPANY THIS APPLICATION ***

This permit remains in effect until the liquor license is transferred OR at the discretion of the Alcoholic Beverage Control Board.
(15 AAC 104.795)

I certify that I have read AS 04.16.049, AS 04.16.060, 15 AAC 104.715-795 and have instructed my employees about provisions contained therein.

Chung Soon Cho

Applicant(s) signature

Subscribed and sworn to before me this

5th day of March, 2003

Thomas J. Justice
Notary Public in and for Alaska

Application approved (15 AAC 104.725(e))
Governing Body Official

My Commission expires

8-21-2004

Date: _____

Director, ABC Board

Date: _____

NOTE: AS 04.16.049(c) requires that written parental consent and an exemption by the Department of Labor must be provided to the licensee by the employee who is under 19 years of age. Persons 19 and 20 years of age are not required to have the consent or exemption.

* Describe how food is served on back of form.

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**Kenai Peninsula Borough Assembly Committees
2002-2003**

ASSEMBLY COMMITTEES

- **Finance Committee**
Chris Moss, Chair
Gary Superman, Vice Chair
Paul Fischer

- **Lands Committee**
Milli Martin, Chair
Grace Merkes, Vice Chair
Pete Sprague

- **Legislative Committee**
Ron Long, Chair
Pete Sprague, Vice Chair
All Assembly Members

- **Policies & Procedures Committee**
Betty Glick, Chair
Ron Long, Vice Chair
John Davis

- **President Pro Tem**
Chris Moss

- **Parliamentarian**
Linda Murphy

**OTHER BOROUGH & SCHOOL DISTRICT
COMMITTEES**

- **KPB Emergency Planning**
Betty Glick
Pete Sprague, Alternate

- **Planning Commission Representative**
John Davis
Gary Superman, Alternate

- **School Board**
Paul Fischer
Betty Glick, Alternate

- **KBEA Health Care**
Grace Merkes
Pete Sprague

- **Kenai Peninsula Schools Activities Assoc.**
Chris Moss

SERVICE AREA BOARD LIAISONS

- **Anchor Point Fire & EMS** - Milli Martin
- **Bear Creek Fire** - Ron Long
- **CES/CPEMS** - Paul Fischer
- **Central Peninsula General Hospital**
Grace Merkes
- **Kachemak Emergency Service Area**
Milli Martin
- **KPB Roads**
Grace Merkes, Chris Moss, Paul Fischer
- **Nikiski Seniors** - Gary Superman
- **Nikiski Fire** - Gary Superman
- **North Peninsula Recreation** - Gary Superman
- **South Peninsula Hospital** - Chris Moss

NON-BOROUGH COMMITTEES

- **Cook Inlet Aquaculture**
Chris Moss
Ron Long, Alternate

- **Cook Inlet R.C.A.C.**
Grace Merkes, Term 02/05

- **Economic Development District**
Ron Long Pete Sprague
Craig Chapman

- **Kenai Peninsula College Council**
Pete Sprague, Term Expires 06/30/05

- **Kenai River Special Management Area
Advisory Board**
Pete Sprague
John Davis, Alternate

- **Prince William Sound R.C.A.C.**
Blake Johnson, Term 01/05

