

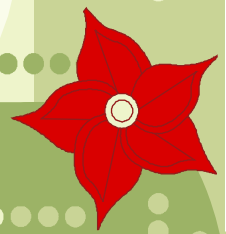
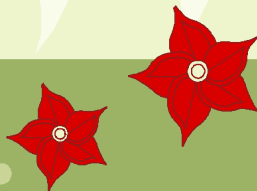
KENAI PENINSULA BOROUGH

Assembly Meeting Packet

December 4, 2012

7:00 P.M.

ASSEMBLY CHAMBERS
KENAI PENINSULA BOROUGH ADMINISTRATION BUILDING
144 NORTH BINKLEY STREET, SOLDOTNA



December 2012

Monthly Planner

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
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<i>2</i>	<i>3</i> 6:00 PM AFHP Task Force 7:00 PM KPB School Board 7:00 PM Seward-Bear Creek Flood SA	<i>4</i> 7:00 PM Anchor Point APC <div style="border: 1px solid black; padding: 2px; text-align: center; width: fit-content; margin: auto;"> 7:00 PM Assembly Meeting </div>	<i>5</i> 6:00 PM Cooper Landing APC	<i>6</i> 7:00 PM Hope/Sunrise APC	<i>7</i>	<i>8</i>
<i>9</i>	<i>10</i> 5:30 PM Plat Committee & Planning Commission 7:30 PM Planning Commission	<i>11</i> 5:30 PM Nikiski Senior SA 7:30 PM Bear Creek FSA	<i>12</i> 7:30 PM Nikiski Fire SA	<i>13</i> 6:30 PM South Pen Hospital SA 7:00 PM KESA	<i>14</i>	<i>15</i>
<i>16</i>	<i>17</i> 5:30 PM Central Pen Hosp SA 7:00 PM Seward-Bear Creek Flood SA	<i>18</i>	<i>19</i> 6:00 PM Anchor Point Fire	<i>20</i>	<i>21</i> 7:00 PM Anchor Point APC	<i>22</i>
<i>23</i>	<i>24</i>	<i>25</i>	<i>26</i>	<i>27</i>	<i>28</i>	<i>29</i>
<i>30</i>	<i>31</i>	Borough Holidays: Christmas				

January 2013

Monthly Planner

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday																																																								
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December 2012 - January 2013

Assembly Yearly Planner

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DECEMBER

- 4 Assembly Meeting
- 24 Borough Holiday: Christmas Eve
- 25 Borough Holiday: Christmas

JANUARY

- 1 Borough Holiday: New Year's Day
- 8 Assembly Meeting
- 21 Borough Holiday: Martin Luther King Day

FEBRUARY

- 5 Assembly Meeting
- 12 02/12-02/14 AML Legislative Conf.

MARCH

- 18 Borough Holiday: President's Day
- 19 Assembly Meeting
- 2 03/02-03/06 NACo Legislative Meeting

APRIL

- 19 Assembly Meeting
- 2 Assembly Meeting
- 16 Assembly Meeting (Seward)

MAY

- 7 Assembly Meeting
- 21 Assembly Meeting
- 27 Borough Holiday: Memorial Day

JUNE

- 4 Assembly Meeting
- 18 Assembly Meeting

JULY

- 2 Assembly Meeting
- 4 Borough Holiday: Independence Day

AUGUST

- 6 Assembly Meeting
- 20 Assembly Meeting

SEPTEMBER

- 2 Borough Holiday: Labor Day
- 3 Assembly Meeting
- 17 Assembly Meeting (Homer)

OCTOBER

- 8 Assembly Meeting
- 22 Assembly Meeting

NOVEMBER

- 5 Assembly Meeting
- 11 Borough Holiday: Veterans Day
- 18 11/18-11/22 AML Annual Conf.

- 28 Borough Holiday: Thanksgiving

- 29 Borough Holiday: Thanksgiving

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TUESDAY, DECEMBER 4, 2012

- 2:00 PM Assembly Photographs**
- 3:00 PM Finance Committee**
- 3:50 PM Policies and Procedures Committee**
- 4:00 PM Legislative Committee**
- 4:15 PM Lands Committee**
- 7:00 PM Regular Assembly Meeting**

Above listed meetings will be held in:

Assembly Chambers
George A. Navarre Kenai Peninsula Borough Administration Building
144 North Binkley Street, Soldotna, Alaska

December 4, 2012	3:00 PM	Assembly Chambers George A. Navarre Kenai Peninsula Borough Administration Building, Soldotna
Charlie Pierce, Chair	Bill Smith, Vice Chair	Kelly Wolf

AGENDA

ITEMS NOT APPEARING ON THE REGULAR MEETING AGENDA

1. Comprehensive Annual Financial Report for the Year Ended June 30, 2012”, Mikunda Cottrell & Company (30 minutes)

M. PUBLIC HEARINGS ON ORDINANCES

1. Ordinance 2012-19-36: Accepting Emergency Response Equipment from the Southern Region Emergency Medical Services Council, Inc., and Appropriating Matching Funds in the Amount of \$9,976.32 on behalf of Kachemak Emergency Service Area (Mayor)24
2. Ordinance 2012-19-37: Accepting an Ambulance from the Southern Region Emergency Medical Services Council, Inc. and Appropriating Matching Funds in the Amount of \$10,000 on Behalf of Kachemak Emergency Services (Mayor)29
3. Ordinance 2012-19-38: Appropriating \$400,000 from the General Fund for Flood Response Under the Declared Local Disaster Emergencies within the Kenai Peninsula Borough (Mayor)36
4. Ordinance 2012-19-39: Accepting and Appropriating \$70,148 from the State of Alaska Department of Military and Veterans Affairs, Division of Homeland Security and Emergency Management to Purchase Equipment, Supplies and to Conduct Training (Mayor)39

O. NEW BUSINESS

1. Resolutions

- *a. Resolution 2012-091: Providing for the Issuance and Sale of General Obligation Bonds of the Kenai Peninsula Borough in the Aggregate Principal Amount of Not to Exceed One Million Four Hundred Thousand Dollars (\$1,400,000) to Pay the Costs of Capital Improvements in the Bear Creek Fire Service Area, Fixing Certain Detail of Such Bonds, and Pledging the Full Faith and Credit of the Bear Creek Fire Service Area to the Payment Thereof (Mayor)44
- *b. Resolution 2012-092: Approving Seldovia Recreational Service Area’s Fee Schedule for the Sea Otter Community Center Facility and Adding it to the Borough’s Schedule of Rates, Charges and Fees (Mayor).....61
- *c. Resolution 2012-093: Authorizing a Reduction of the Administrative Fee on the Purchase of the Aerial Fire Apparatus for Nikiski Fire Service Area (Mayor).....68

2. Ordinances

- *a. Ordinance 2012-19-40: Appropriating Supplemental Funding of \$25,000 to the Assessing Department to Cover the Cost of Purchasing and Implementing the Field Worker Software Application (Mayor) (Hearing on 01/08/13).....80
- *b. Ordinance 2012-19-41: Authorizing the Acquisition of Two Properties and Business Assets for Hospital Purposes, Appropriating \$3,591,500 from the CPGH, Inc. Plant Replacement and Expansion Fund for the Purchase and Remodeling Costs, and Authorizing an Amendment to the CPGH, Inc. Lease and Operating Agreement (Mayor) (Hearing on 01/08/13).....85

*Consent Agenda Items

Policies and Procedures Committee

December 4, 2012

3:50 PM

Assembly Chambers
George A. Navarre Kenai Peninsula
Borough Administration Building, Soldotna

Mako Haggerty, Chair

Brent Johnson, Vice Chair

Hal Smalley

AGENDA

O. NEW BUSINESS

1. Resolutions

- *d. Resolution 2012-094: Approving the 2013 Labor Negotiation Procedures for a New Collective Bargaining Agreement (Mayor)71

*Consent Agenda Items

December 4, 2012

4:00 PM

Assembly Chambers
George A. Navarre Kenai Peninsula
Borough Administration Building, Soldotna

Kelly Wolf, Chair

Hal Smalley, Vice Chair

All Assembly Members

AGENDA

ITEMS NOT APPEARING ON THE REGULAR MEETING AGENDA

1. Review Draft of Legislative Priorities

*Consent Agenda Items

December 4, 2012	4:15 PM	Assembly Chambers George A. Navarre Kenai Peninsula Borough Administration Building, Soldotna
Ray Tauriainen, Chair	Sue McClure, Vice Chair	Brent Johnson

AGENDA

ITEMS NOT APPEARING ON THE REGULAR MEETING AGENDA

- 1. Municipal Entitlement Finalization Process and 4-A Selections, John Mohorcich and Marcus Mueller, KPB Land Management (30 minutes)

O. NEW BUSINESS

- 2. Ordinances
 - *c. Ordinance 2012-39: Enacting KPB 21.04.020 and Amending KPB 21.11.030 to Require Notice by Mail to Owners of Property Located in a Zoning District Proposed to be Created, Amended or Abolished (Tauriainen) (Hearing on 01/08/13)118
- 3. Other
 - a. Petition to Vacate Portions of Sprucewood Drive a 60-Foot Right-Of-Way Located Northeast of Tract A, Block 2, and Any Associated Utility Easements with These Portions of Sprucewood Drive, Dedicated and Granted by Mountain Park Subdivision (Plat HM 78-10); Within Section 14, Township 6 South, Range 14 West, Seward Meridian, City of Homer and Within the Kenai Peninsula Borough, Alaska. KPB File 2012-175. Note: The Adjacent Existing Roadway is to be Dedicated with the Recording of This Plat. Petitioners: Robert Archibald and Roberta Highland of Homer, Alaska. Location: City of Homer123

[Clerk's Note: Petition to Vacate will be heard at the November 26, 2012 Planning Commission Meeting. Additional documentation will be forthcoming.]

*Consent Agenda Items

Assembly Agenda

*Linda Murphy
Assembly President
Seat 4 - Soldotna
Term Expires 2013*

*Hal Smalley
Assembly Vice President
Seat 2 - Kenai
Term Expires 2014*

*Mako Haggerty
Assembly Member
Seat 9 - South Peninsula
Term Expires 2015*

*Brent Johnson
Assembly Member
Seat 7 - Central
Term Expires 2013*

*Sue McClure
Assembly Member
Seat 6 - East Peninsula
Term Expires 2015*

*Charlie Pierce
Assembly Member
Seat 5-Sterling/Funny
River
Term Expires 2014*

*Bill Smith
Assembly Member
Seat 8 - Homer
Term Expires 2014*

*Ray Tauriainen
Assembly Member
Seat 3 - Nikiski
Term Expires 2013*

*Kelly Wolf
Assembly Member
Seat 1 - Kalifornsky
Term Expires 2015*

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. APPROVAL OF MINUTES

- *1. November 20, 2012 Regular Assembly Meeting Minutes 1

H. COMMENDING RESOLUTIONS AND PROCLAMATIONS

I. PRESENTATIONS WITH PRIOR NOTICE (20 minutes total)

- 1. Kenai Peninsula Borough School District Quarterly Report (10 minutes)
- 2. South Peninsula Hospital Quarterly Report (10 minutes)

J. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA (3 minutes per speaker; 20 minutes aggregate)

K. MAYOR'S REPORT 10

- 1. Assembly Requests/Responses – None.

2.	Agreements and Contracts	
a.	Authorization to Award Contract for Borough Administration Building Planning / Assessing Departments Office Remodel to B&T Enterprises, Inc., Eagle River, Alaska	11
b.	Authorization to Award Contract for Kenai Central High School Vo-Tech Building Awning 2012 to SR Bales Construction, Inc., Anchorage, Alaska.....	13
c.	Authorization to Award Contract for purchase of ITB 13-017 Industrial Forklift to Totem Equipment and Supply, Anchorage, Alaska	15
3.	Other	
a.	Investment Portfolio Report ~ September 30, 2012	17
b.	Budget Revisions ~ October 2012	19
c.	Revenue-Expenditure Report ~ October 2012.....	21

L. ITEMS NOT COMPLETED FROM PRIOR AGENDA – None.

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

1.	<u>Ordinance 2012-19-36</u> : Accepting Emergency Response Equipment from the Southern Region Emergency Medical Services Council, Inc., and Appropriating Matching Funds in the Amount of \$9,976.32 on behalf of Kachemak Emergency Service Area (Mayor) (Referred to Finance Committee)	24
2.	<u>Ordinance 2012-19-37</u> : Accepting an Ambulance from the Southern Region Emergency Medical Services Council, Inc. and Appropriating Matching Funds in the Amount of \$10,000 on Behalf of Kachemak Emergency Services (Mayor) (Referred to Finance Committee)	29
3.	<u>Ordinance 2012-19-38</u> : Appropriating \$400,000 from the General Fund for Flood Response Under the Declared Local Disaster Emergencies within the Kenai Peninsula Borough (Mayor) (Referred to Finance Committee)	36

- 4. Ordinance 2012-19-39: Accepting and Appropriating \$70,148 from the State of Alaska Department of Military and Veterans Affairs, Division of Homeland Security and Emergency Management to Purchase Equipment, Supplies and to Conduct Training (Mayor) (Referred to Finance Committee)39

N. UNFINISHED BUSINESS - None.

O. NEW BUSINESS

1. Resolutions

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- *c. Resolution 2012-093: Authorizing a Reduction of the Administrative Fee on the Purchase of the Aerial Fire Apparatus for Nikiski Fire Service Area (Mayor) (Referred to Finance Committee)68
- *d. Resolution 2012-094: Approving the 2013 Labor Negotiation Procedures for a New Collective Bargaining Agreement (Mayor) (Referred to Policies and Procedures Committee).....71
- *e. Resolution 2012-095: Supporting the Naming of the Kenai Peninsula Borough as a Purple Heart Borough (Mayor) (Referred to Legislative Committee).....77

2. Ordinances

- *a. Ordinance 2012-19-40: Appropriating Supplemental Funding of \$25,000 to the Assessing Department to Cover the Cost of Purchasing and Implementing the Field Worker Software Application (Mayor) (Hearing on 01/08/13) (Referred to Finance Committee)80

- *b. Ordinance 2012-19-41: Authorizing the Acquisition of Two Properties and Business Assets for Hospital Purposes, Appropriating \$3,591,500 from the CPGH, Inc. Plant Replacement and Expansion Fund for the Purchase and Remodeling Costs, and Authorizing an Amendment to the CPGH, Inc. Lease and Operating Agreement (Mayor) (Hearing on 01/08/13) (Referred to Finance Committee).....85
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3. Other

- a. Petition to Vacate Portions of Sprucewood Drive a 60-Foot Right-Of-Way Located Northeast of Tract A, Block 2, and Any Associated Utility Easements with These Portions of Sprucewood Drive, Dedicated and Granted by Mountain Park Subdivision (Plat HM 78-10); Within Section 14, Township 6 South, Range 14 West, Seward Meridian, City of Homer and Within the Kenai Peninsula Borough, Alaska. KPB File 2012-175. Note: The Adjacent Existing Roadway is to be Dedicated with the Recording of This Plat. Petitioners: Robert Archibald and Roberta Highland of Homer, Alaska. Location: City of Homer (Referred to Lands Committee)123

[Clerk's Note: Petition to Vacate will be heard at the November 26, 2012 Planning Commission Meeting. Additional documentation will be forthcoming.]

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

Q. ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

- 1. January 8, 2013 Regular Assembly Meeting 7:00 PM Soldotna

R. ASSEMBLY COMMENTS

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

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 January 8, 2013, at 7:00 P.M. in the Borough Assembly Chambers, Soldotna, Alaska.

This meeting will be broadcast on KDLL-FM 91.9 (Central Peninsula), KBBI-AM 890 (South Peninsula), K201AO-FM 88.1 (East Peninsula).

Copies of agenda items are available at the Borough Clerk's Office in the Meeting Room just prior to the meeting. For further information, please call the Clerk's Office at 714-2160 or toll free within the Borough at 1-800-478-4441, Ext. 2160. Visit our website at www.borough.kenai.ak.us for copies of the agenda, meeting summaries, ordinances and resolutions.

Kenai Peninsula Borough

Assembly Meeting Minutes

November 20, 2012

Regular Meeting - Soldotna, Alaska

CALL TO ORDER

A Regular Meeting of the Kenai Peninsula Borough Assembly was held on November 20, 2012, in the Borough Assembly Chambers, Soldotna, Alaska. President Murphy 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 John Rysdyk from the Soldotna Bible Chapel.

There were present:

Linda Murphy, Presiding
Brent Johnson
Sue McClure
Charlie Pierce

Hal Smalley
Bill Smith
Ray Tauriainen
Kelly Wolf

comprising a quorum of the assembly.

Absent:

Mako Haggerty

Also in attendance were:

Colette Thompson, Borough Attorney
Johni Blankenship, Borough Clerk
Shellie Saner, Deputy Clerk

COMMITTEE REPORTS

(07:02:42)

Assembly Member Pierce said the Finance Committee met and discussed its agenda items.

[Clerk's Note: David Kalugin spoke in support of Resolution 2012-087 during the committee meeting.]

Assembly Member Tauriainen said the Lands Committee met and discussed its agenda items.

Assembly Member Johnson said the Policies and Procedures Committee met and discussed its agenda items.

MOTION: Assembly Member Wolf moved to authorize our National Association of Counties' (NACo) representative, Assembly Member Hall Smalley and Assembly President Linda Murphy to attend the NACo Fall Board Meeting in Memphis, Tennessee December 5, 2012 - December 8, 2012.

MOTION PASSED: Without objection.

APPROVAL OF THE AGENDA AND CONSENT AGENDA

(07:19:52)

MOTION TO APPROVE AGENDA: Smalley moved for the approval of the agenda and consent agenda.

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

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

- October 23, 2012 Regular Assembly Meeting Minutes
- Commending the Soldotna High School Football Team as the Alaska School Activities Association Medium Schools State Champions for the Year 2012 (Pierce, Murphy)
- Resolution 2012-081: Forming the Woods Drive Road Improvement Assessment District and Proceed with the Improvement (Mayor) (Referred to Finance Committee)
- Resolution 2012-085: Authorizing Community Revenue Sharing Program Expenditures for Unincorporated Communities (Mayor) (Referred to Finance Committee)
- Resolution 2012-086: Amending the Borough's Finance Cash Management Records Retention Schedule (Murphy at the Request of the Borough Clerk) (Referred to Policies and Procedures Committee)
- Resolution 2012-087: Authorizing Participation in the Community Development Block Grant Program Provided by the State of Alaska Department of Commerce, Community and Economic Development Division of Community and Regional Affairs for a Public School Facility Project (Mayor) (Referred to Finance Committee)
- Resolution 2012-088: Adopting an Alternate Allocation Method for the FY13 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in the Cook Inlet Fisheries Management Area (Mayor) (Referred to Finance Committee)

- Resolution 2012-089: Postponing the Energy Audit Requirement for the Bear Creek Fire Service Area Fire Station (Mayor) (Referred to Policies and Procedures Committee)

[Clerk's Note: A technical amendment was made to Resolution 2012-089 as follows: Section 1 to read, "That pursuant to KPB 16.06.030(A) the assembly hereby authorizes the administration to delay obtaining an energy audit for the Bear Creek Fire Service Area station until [ONE YEARS] 24 months after construction of the new fire station is completed."]

- Resolution 2012-090: Authorizing an Agreement for Bear Creek Fire Service Area to Loan a Water Pumper Truck to Cooper Landing Emergency Services, Inc. (Mayor) (Referred to Policies and Procedures Committee)

[Clerk's Note: Technical amendments were made to Resolution 2012-090 as follows: The ninth whereas to read, "at its meeting of November [13] 20, 2012, the BCFSA board recommended approval by unanimous consent;"]

- Ordinance 2012-19-36: Accepting Emergency Response Equipment from the Southern Region Emergency Medical Services Council, Inc., and Appropriating Matching Funds in the Amount of \$9,976.32 on behalf of Kachemak Emergency Service Area (Mayor) (Shortened Hearing on 12/04/12) (Referred to Finance Committee)

- Ordinance 2012-19-37: Accepting an Ambulance from the Southern Region Emergency Medical Services Council, Inc. and Appropriating Matching Funds in the Amount of \$10,000 on Behalf of Kachemak Emergency Services (Mayor) (Shortened Hearing on 12/04/12) (Referred to Finance Committee)

- Ordinance 2012-19-38: Appropriating \$400,000 from the General Fund for Flood Response Under the Declared Local Disaster Emergencies within the Kenai Peninsula Borough (Mayor) (Shortened Hearing on 12/04/12) (Referred to Finance Committee)

- Ordinance 2012-19-39: Accepting and Appropriating \$70,148 from the State of Alaska Department of Military and Veterans Affairs, Division of Homeland Security and Emergency Management to Purchase Equipment, Supplies and to Conduct Training (Mayor) (Shortened Hearing on 12/04/12) (Referred to Finance Committee)

- Approval of the 2013 Assembly Meeting Schedule (Murphy) (Referred to Policies and Procedures Committee)

- Confirmation of New Department Head, Scott Griebel, Maintenance Department (Mayor) (Referred to Policies and Procedures Committee)

- Petition to Vacate Portions of the 60-Foot Public Right-of-Way Easement Known as Woods Drive Shown on Plat KN 2007-84; Vacate Portions of the 60-Foot Transportation and Utility Corridor within Book 229 Pages 14 - 20; Vacate ADL 226364 Recorded within Book 456 Page 806; and Vacate a Portion of the 15-Foot Wide ADL 223797 Utility Easement (Retaining Easement within Lots 1 and 7 Block 4) of Widgeon Woods Phase Two: All

within Section 13, Township 5 North, Range 11 West, Seward Meridian, Alaska and within the Kenai Peninsula Borough; KPB File 2012-037; Location: On Woods Drive, Soldotna Area (Referred to Lands Committee)

[Clerk's Note: The Planning Commission approved the referenced vacation by unanimous consent at its regularly scheduled meeting of October 22, 2012.]

- Petition to Vacate a Portion of Wren Drive, a 60-Foot Right-of-Way Centered Between Tracts A2 and A3; and Vacate Any Utility Easements Associated with this Portion of Wren Drive as Granted by Diamond Willow Estates Subdivision Part 10 (Plate KN 2008-135); Within Section 24, Township 5 North, Range 11 West, Seward Meridian, Alaska and Within the Kenai Peninsula Borough; KPB File 2012-159; Location: On Virginia Drive Off Ciechanski Road (Referred to Lands Committee)

[Clerk's Note: The Planning Commission approved the referenced vacation by unanimous consent at its regularly scheduled meeting of November 5, 2012.]

- Petition to Vacate a Portion of the Cul-De-Sac Within Lot 7-A Block 3 at the West End of Amy Lane and Any Associated Utility Easement Granted by M.D. Buckman Homestead Subdivision 1990 Addition (Plat KN 90-65); Within Section 26, Township 5 North, Range 11 West, Seward Meridian, Alaska and Within the Kenai Peninsula Borough; KPB File 2012-144; Location: West of Kalifornsky Beach Road, Soldotna Area (Referred to Lands Committee)

[Clerk's Note: The Planning Commission approved the referenced vacation by unanimous consent at its regularly scheduled meeting of November 5, 2012.]

President Murphy called for public comment.

The following person spoke in support of Resolution 2012-081.

Bill Fenske, PO Box 2305, Kenai

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

AGENDA APPROVED AS AMENDED: Without objection.

COMMENDING RESOLUTIONS AND PROCLAMATIONS

(7:30:28)

President Murphy presented a resolution commending the Soldotna High School Football Team as the Alaska School Activities Association Medium Schools State Champions for the Year 2012.

PRESENTATIONS WITH PRIOR NOTICE

(07:39:24)

Debi Fowler and **Bryan Zak** from the Alaska Small Business Development Center gave a presentation on, "FY12 Results and Overview of Services."

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

(07:50:09)

President Murphy called for public comment.

The following people addressed the Assembly regarding animal abuse and the Spay/Neuter Clinic within the Kenai Peninsula Borough:

Dave Wachsmuth, 19709 2nd Street, Eagle River

Judy Fundrei, P.O. Box 1612, Soldotna

Glenda Hunt, Mile 90 Sterling Highway

Bradyn Holly, Soldotna

Peg Schneider, K-Beach Road, Soldotna

The following person addressed the Assembly regarding the 2008 Central Peninsula Hospital tragedy and the need for an Anti-Bullying Policy:

Ray Southwell, P.O. Box 6881, Nikiski

The following person introduced himself as the Business Representative for General Teamsters Local 959:

Mike Petrovich, P.O. Box 3150, Soldotna

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

MAYOR'S REPORT

(08:19:14)

1. Assembly Requests/Responses - None.
2. Agreements and Contracts
 - a. Authorization to Award Contract for Nikiski Fire Station #1 Bunkroom Remodel to Holden Company
 - b. Authorization to Award Contract for Borough Administration Building Planning/Assessing Departments Office Carpet to Eastside Carpet Company, LLC, Anchorage, Alaska
 - c. Authorization to Award Contract for Central Peninsula Landfill Recycle Hauling to JCM Inc., Anchorage, Alaska
 - d. Authorization to Award Contract for Central Emergency Services Station #1 Roof Replacement to Christiansen Construction, LLC, Wasilla, Alaska
 - e. Authorization to Award Contract for North Peninsula Recreation Service Area Trails Improvement to A&A Enterprises, Inc.

- f. Request for Waiver of Formal Bidding - Central Peninsula Landfill C&D Cell Expansion and Fill Plan to HDR Alaska, Inc.
 - g. Request for Waiver of Formal Bidding Procedures for the Purchase of Office Furnishings for the Planning and Assessing Remodel Project to U.S. Communities Purchasing Group
 - h. Amending Citizen Corps Program Grant 10CCP-GR34065. The Amendment Allocates \$2,165.75 to the Planning Category, Increasing the Total Award to \$32,076.33
3. Other
- a. FY13 ~ First Quarter Senior Grant Narrative Reports
 - b. FY13 ~ First Quarter Non-Department Grant Reports
 - c. Recap of 2012 Tax Foreclosure Auction as Authorized by Ordinance 2012-23
 - d. Project Reports ~ September 30, 2012
 - e. Budget Revisions ~ September 2012
 - f. Revenue-Expenditure Report ~ September 2012

ITEMS NOT COMPLETED FROM PRIOR AGENDA - None.

PUBLIC HEARING ON ORDINANCES

(08:26:09)

Ordinance 2012-19-34: Appropriating \$293,069.52 to the Special Assessment Fund for the Woods Drive Road Improvement Special Assessment District (Mayor) (Referred to Finance Committee)

MOTION: Pierce moved to enact Ordinance 2012-19-34.

President Murphy called for public comment with none being offered.

MOTION: Pierce moved to amend Ordinance 2012-19-34 as follows:

The third whereas to read, “the assembly adopted Resolution 2012-081 on November 20, 2012, to form the Woods Drive Road Improvement Assessment District and proceed with the improvement; and”

MOTION TO AMEND PASSED: Without objection.

VOTE ON MOTION TO ENACT AS AMENDED:

Yes: Johnson, McClure, Pierce, Smalley, Smith,
Tauriainen, Wolf, Murphy

No: None

Absent: Haggerty

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

(08:27:52)

Ordinance 2012-19-35: Appropriating \$50,000 from the General Fund to be Granted to the City of Seldovia for Completion of Seldovia's Comprehensive Plan (Mayor) (Referred to Finance Committee)

MOTION: Pierce moved to enact Ordinance 2012-19-35.

President Murphy called for public comment with none being offered.

MOTION: Pierce moved to amend Ordinance 2012-19-35 as follows:

The eighth whereas to read, "the Kenai Peninsula Borough Planning Commission at its regularly scheduled meeting of November 5, 2012, recommended enactment by unanimous consent;"

MOTION TO AMEND PASSED: Without objection.

VOTE ON MOTION TO ENACT AS AMENDED:

Yes: Johnson, McClure, Pierce, Smalley, Smith,
Tauriainen, Wolf, Murphy

No: None

Absent: Haggerty

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

(08:30:13)

Ordinance 2012-38: Amending KPB 5.10.0940(A)(13) to Increase the Amount the Borough Can Invest in Special Assessments of the Borough or One of its Political Subdivisions (Mayor) (Referred to Finance Committee)

MOTION: Pierce moved to enact Ordinance 2012-38.

President Murphy called for public comment with none being offered.

Assembly Members Johnson spoke in support of Ordinance 2012-38.

VOTE ON MOTION TO ENACT:

Yes: Johnson, McClure, Pierce, Smalley, Smith,
Tauriainen, Wolf, Murphy
No: None
Absent: Haggerty
MOTION TO ENACT PASSED: 8 Yes, 0 No, 1 Absent

UNFINISHED BUSINESS - None.

NEW BUSINESS - None.

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

(08:33:35)

President Murphy called for public comment.

The following person addressed the assembly regarding pet rescue.

Tim Colbath, P.O. Box 7545, Nikiski

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

(08:35:09)

The next Anadromous Fish Habitat Protection Task Force was scheduled for December 3, 2012, at 6:00 p.m. in the Gilman River Center Conference Room, Soldotna, Alaska.

The next meeting of the Kenai Peninsula Borough Assembly was scheduled for December 4, 2012, at 7:00 p.m. in the Borough Assembly Chambers, Soldotna, Alaska.

ASSEMBLY COMMENTS

(08:35:33)

Assembly Member Johnson thanked Central Emergency Services, Fire Chief Chris Mokracek for making sure that the Kasilof polling site, Kasilof Fire Station, had plenty of lighting for the voters on election day. He wanted to clarify that Resolution 2012-082 was brought forward independently and radio station KMJG did not ask him to sponsor the resolution. He wished everyone a Happy Thanksgiving.

Assembly Member McClure thanked everyone who attended the meeting, especially those who traveled from Eagle River. She reminded the residents of Seward about the upcoming holiday festivities, and that all communities would have holiday musical presentations. She reminded everyone to be cautious in the winter weather. She said not to forget all of the things we have to be thankful for.

Assembly Member Smith thanked everyone who attended the meeting and spoke about animals. He wished everyone a Happy Thanksgiving.

Assembly Member Tauriainen thanked the people who brought forward the animal abuse issue, the problem could not just be wished away, and he felt it would be nice if something could be done. He said the Peninsula Human Society Spay/Neuter Clinic was a great program. He wished everyone a Happy Thanksgiving and noted that he had a lot to be thankful for living in this country and borough.

Assembly Member Wolf thanked the people who spoke regarding animal cruelty, and stated that animal abuse should not be tolerated. He noted that we were all giving thanks this week for what we have, his son was leaving in three hours for basic training in the Air Force and he asked everyone to give thanks for what our military was doing for us.

Assembly Member Pierce wished everyone Happy Holidays, and stated if you are traveling keep it between the ditches.

Vice President Smalley thanked everyone for their testimony. He noted that the animals in his home were rescue animals. He congratulated the Soldotna High School Football Team, school and parents, and congratulated Scott Griebel for his appointment as Maintenance Department Head, and Borough Clerk, Johni Blankenship for becoming President of Alaska Association of Municipal Clerks. He wished everyone a Happy Thanksgiving.

President Murphy congratulated Borough Clerk, Johni Blankenship for becoming President of the Alaska Association of Municipal Clerks. She thanked everyone who spoke regarding animal abuse and thanked Mayor Navarre for looking into the options available to the borough regarding animal abuse. She wished everyone a Happy Thanksgiving.

ADJOURNMENT

With no further business to come before the assembly, President Murphy adjourned the meeting at 8:42 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of November 20, 2012.

Johni Blankenship, MMC, Borough Clerk

Approved by Assembly: _____




KENAI PENINSULA BOROUGH

144 North Binkley St. Soldotna, Alaska 99669-7520
Toll-Free within the Borough 1-800-478-4441
Phone 907-714-2150 • Fax 907-714-2377
www.borough.kenai.ak.us

**MIKE NAVARRE
BOROUGH MAYOR**

MAYOR'S REPORT TO THE ASSEMBLY

TO: Linda Murphy, Assembly President
Members of the Kenai Peninsula Borough Assembly

FROM: Mike Navarre, Kenai Peninsula Borough Mayor 

DATE: December 4, 2012

Assembly Requests/ Response

None

Agreements and Contracts

- a. Authorization to Award Contract for Borough Administration Building Planning / Assessing Departments Office Remodel to B&T Enterprises, Inc., Eagle River, Alaska.
- b. Authorization to Award Contract for Kenai Central High School Vo-Tech Building Awning 2012 to SR Bales Construction, Inc., Anchorage, Alaska.
- c. Authorization to Award Contract for purchase of ITB 13-017 Industrial Forklift to Totem Equipment and Supply, Anchorage, Alaska.

Other

- a. Investment Portfolio Report ~ September 30, 2012
- b. Budget Revisions ~ October 2012
- c. Revenue-Expenditure Report ~ October 2012



KENAI PENINSULA BOROUGH
 144 North Binkley Street • Soldotna, Alaska 99669-7520
 Toll-free within the Borough: 1-800-478-4441, Ext. 2260
 www.borough.kenai.ak.us

MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Mike Navarre, Mayor

THRU: Mark Fowler, Purchasing & Contracting Director *[Signature]*

FROM: Kevin Lyon, Capital Projects Director *[Signature]*

DATE: November 8, 2012

SUBJECT: Authorization to Award Contract for Borough Administration Building Planning / Assessing Departments Office Remodel

The Purchasing and Contracting Office formally solicited and received bids for the Borough Administration Building Planning / Assessing Departments Office Remodel. Bid packets were released on October 19, 2012 and the Invitation to Bid was advertised in the Peninsula Clarion on October 19, and October 21, 2012.

The project consists of dismantling demountable partitions and salvage partitions, doors and framing for re-use in new office partitions. Remove and replace carpet. Remove and replace suspended ceiling grid and tiles. Paint existing surfaces and provide and install custom casework.

On the due date of November 1, 2012 three (3) bids were received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$73,641.00 was submitted by B&T Enterprises, Inc., Eagle River, AK.

Your approval for this bid award is hereby requested. Funding for this project is in account number 407.19010.13RML.49125.

for *Paul Osteh*
 Mike Navarre, Mayor

11/9/12
 Date

RECEIVED

NOV 07 2012

KPB
 FINANCE DEPT ACCOUNTING

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>407.19010.13RML.49125</u>	
Amount <u>\$73,641.00</u>	
By: <u><i>[Signature]</i></u>	Date: <u>11/7/12</u>

**KENAI PENINSULA BOROUGH
PURCHASING & CONTRACTING**

BID TAB FOR: ITB13-018 BAB Planning/Assessing Department Office Remodel

CONTRACTOR	BASE BID
B&T Enterprises	\$73,641.00
Holden Company	\$94,799.00
SR Bales Construction	\$117,000.00

DUE DATE: November 1, 2012 @ 2:00 PM



KPB OFFICIAL: Mark Fowler, Purchasing & Contracting Director



KENAI PENINSULA BOROUGH

Maintenance Department
47140 East Poppy Lane, Soldotna Alaska
phone (907) 262-4011 fax (907) 262-5882
www.borough.kenai.ak.us

MIKE NAVARRE
MAYOR

MEMORANDUM

TO: Mike Navarre, Mayor

THRU: Mark Fowler, Purchasing & Contracting Director *[Signature]*

FROM: Scott Griebel, Maintenance Director *[Signature]*

DATE: November 8, 2012

SUBJECT: Authorization to Award Contract for Kenai Central High School Vo-Tech Building Awning 2012

The Purchasing and Contracting Office formally solicited and received bids for the "Kenai Central High School Vo-Tech Building Awning 2012" project. Bid packets were released on July 3, 2012 and the Invitation to Bid was advertised in the Peninsula Clarion on July 3, 2012.

The project at Kenai Central High School, Kenai, Alaska, consists of furnishing all materials, equipment and labor to construct a 24' x 50' awning adjacent to the existing building, as shown and specified in the bid documents.

On the due date of November 6, 2012, six (6) bids were received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$43,000.00 was submitted by SR Bales Construction, Inc., 1200 East 76th Suite 1223, Anchorage, AK 99518.

Your approval for this bid award is hereby requested. Funding for this project is in account numbers 700.11237.A087M.43999.

Approved:

[Signature: Mike Navarre]

Mike Navarre Mayor

[Signature: 11/16/12]

Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct #700.11237.A087M.43999 - \$43,000.00	
BY: <i>[Signature]</i>	DATE: <u>11/14/12</u>

**KENAI PENINSULA BOROUGH
PURCHASING & CONTRACTING**

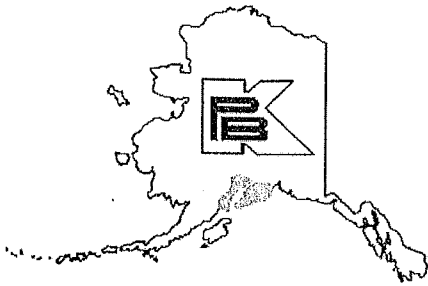
BID TAB FOR: ITB13-019 KCHS Vo-Tech Building Awning 2012

CONTRACTOR	BASE BID
TC Construction	\$71,500.00
SR Bales Construction	\$43,000.00
Endries Company	\$55,000.00
B&T Enterprises	\$54,795.00
Sterchi Construction	\$46,313.00
Wolverine Supply	\$47,000.00

DUE DATE: November 6, 2012 @ 2:00 PM

KPB OFFICIAL:  Mark Fowler, Purchasing & Contracting Director

CCNK -



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144 North Binkley Street • Soldotna, Alaska 99669-7520
Toll free within the Borough (800) 498-4441 • Fax (907) 714-2373
www.borough.kenai.ak.us/purchasing

**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

TO: Mike Navarre, Mayor
THRU: Mark Fowler, Purchasing & Contracting Director
Jack Maryott, Director – Solid Waste Department
FROM: Brian Conrad, Manager – Central Peninsula Landfill BC
DATE: November 14, 2012
SUBJECT: Authorization to Award Contract for ITB13-017 Industrial Forklift

The Purchasing and Contracting Office formally solicited and received bids for the purchase of an industrial forklift. Bid packets were released on October 18, 2012 and the Invitation to Bid was advertised in the Peninsula Clarion on October 18, 2012.

On the due date of November 7, 2012 two (2) bids were received and reviewed to ensure that all the specifications and delivery schedules were met. The low bid of \$29,330.00 was submitted by Totem Equipment and Supply from Anchorage, Alaska.

Your approval for this bid award is hereby requested. Funding for this project is in account number 705.18420.



Mike Navarre, Mayor

11/19/12

Date

RECEIVED

NOV 15 2012

KPB
FINANCE DEPT ACCOUNTING

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>705.18420</u>	
Amount <u>\$29,330.00</u>	
By: <u>C. Chagnon</u>	Date: <u>11/10/2012</u>

**KENAI PENINSULA BOROUGH
PURCHASING & CONTRACTING**

BID TAB FOR: ITB13-017 Industrial Forklift

CONTRACTOR	BASE BID
Totem Equipment	\$29,330.00
Northwest Handling	\$38,600.00

DUE DATE: November 7, 2012 @ 2:00 PM

KPB OFFICIAL:



Mark Fowler, Purchasing & Contracting Director



KENAI PENINSULA BOROUGH - FINANCE DEPARTMENT

TO: Linda Murphy, President
Kenai Peninsula Borough Assembly Members

THRU: Mike Navarre, Mayor *MN*

FROM: Craig C. Chapman, Finance Director *C Chapman*

DATE: 11/16/2012

SUBJECT: Investment Portfolio Report

Attached is a report on the Borough's investment portfolio as of September 30, 2012. The report shows the type of securities owned, percentage of each type, maturity of the securities, and average yield.

Investment Portfolio

Securities

Agencies	\$ 52,798,686	33.65%
Corporate Bonds	33,521,181	21.36%
Municipal Bonds	20,787,084	13.25%
U.S. Treasury	11,448,964	7.30%
Total Securities	118,555,915	75.55%

Cash and Cash Equivalents

Repurchase Account	28,536,574	18.19%
Money Market Sweep	2,910,336	1.85%
AMLIP	28,350	0.02%
2010 Solid Waste Bonds	839,019	0.53%
2011 School Bonds	5,564,186	3.55%
Total Cash and Cash Equivalents	37,878,465	24.14%

USAD's / RIAD's

K-Beach Subdivision	6,687	0.0043%	6.25%
Inglebrook	2,794	0.0018%	7.00%
Tote Road and Echo Lake Road	1,627	0.0010%	6.25%
Char Subdivision	5,755	0.0037%	6.75%
Tustamena Subdivision	20,586	0.0131%	7.75%
Westbrook Subdivision	17,252	0.0110%	9.25%
Pollard Loop	19,716	0.0126%	9.25%
Scooter Landing	11,008	0.0070%	9.25%
Moose Range Subdivision	10,133	0.0065%	10.25%
Chinula Drive	21,774	0.0139%	7.00%
Moose Range Meadows South	155,876	0.0993%	5.25%
Cardwell Subdivision	18,017	0.0115%	5.25%
Ashton Park/Burmlow Park	73,469	0.0468%	5.25%
Poppy Ridge Subdivision	121,162	0.0772%	5.25%
Total USAD's / RIAD's	485,856	0.31%	5.98%

Total Investment Portfolio

\$ 156,920,236	100.00%
-----------------------	----------------

Maturity

Less than one year	59,132,174	37.68%	0.31%
One to five years	97,302,206	62.01%	1.23%
USAD's	485,856	0.31%	5.98%

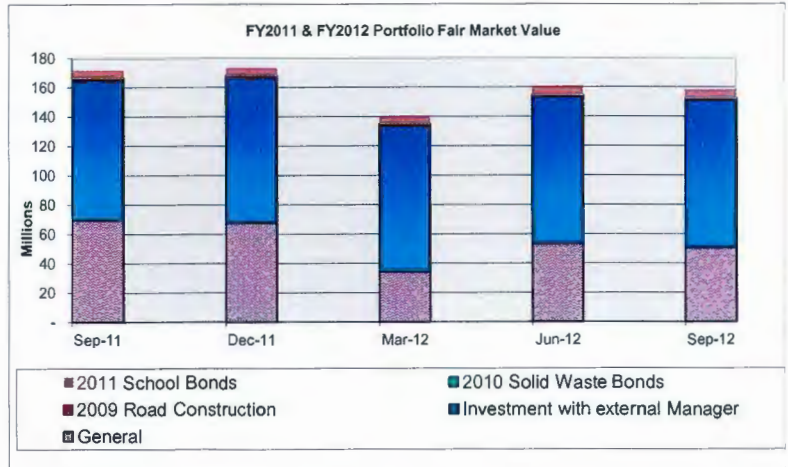
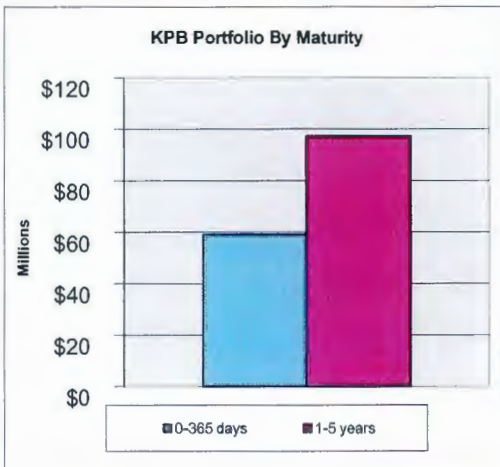
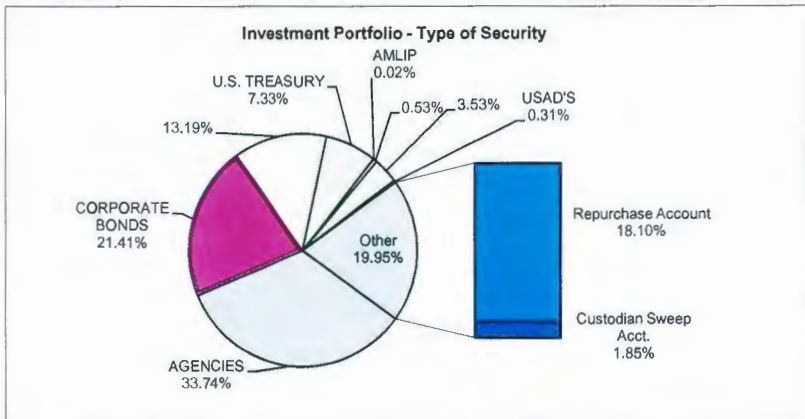
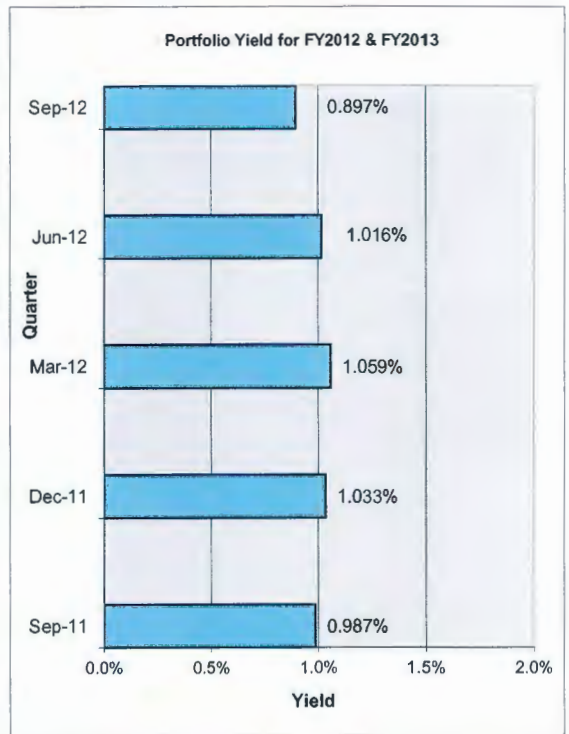
TOTAL

\$ 156,920,236	100.00%	0.897%
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INVESTMENT PORTFOLIO
September 30, 2012

	Par Value	Purchase Price	Fair Value 9/30/12
Investments by Borough Finance Director			
CORPORATE - less than 1 year	0.00	0.000	0.00
AGENCY - less than 1 year	14,650,000.00	14,793,130.420	14,697,658.00
AGENCY - 1 to 5 years	4,000,000.00	4,048,554.360	4,044,560.00
US TREASURY - less than 1 year	0.00	0.000	0.00
US TREASURY - 1 to 5 years	0.00	0.000	0.00
Total Investment by Borough Finance Director:	18,650,000.00	18,841,684.780	18,742,218.00
Investment with External manager:			
CORPORATE - less than 1 year	5,090,000.00	5,469,027.900	5,246,666.30
CORPORATE - 1 to 5 years	27,465,000.00	28,052,152.950	28,497,053.30
MUNICIPAL - less than 1 year	525,000.00	525,000.000	527,031.75
MUNICIPAL - 1 to 5 years	19,570,000.00	20,262,084.150	20,261,151.15
AGENCY - less than 1 year	447,530.68	466,550.760	455,366.94
AGENCY - 1 to 5 years	32,932,723.61	33,490,450.650	33,985,765.32
US TREASURY - less than 1 year	0.00	0.000	0.00
US TREASURY - 1 to 5 years	11,500,000.00	11,448,964.290	11,553,905.00
MONEY MARKET less than 1 year	104,102.51	104,102.510	104,102.51
Total Investment with External manager:	97,634,356.80	99,818,333.210	100,631,042.27
TOTAL SECURITY INVESTMENTS & MM EXTERNAL MGR	116,284,356.80	118,660,017.99	119,373,260.27

Investment Portfolio - Purchase Price	\$ 118,660,017.99
Investment Portfolio - Fair Value 9/30/12	119,373,260.27
Fair Value Adjustment - 9/30/12	713,242.28
Fair Value Adjustment - 6/30/12	479,774.68
Change in Fair Value FY2013	\$ 233,467.60





KENAI PENINSULA BOROUGH

Finance Department

144 North Binkley Street • Soldotna, Alaska 99669-8250

PHONE: (907) 714-2170 • **FAX:** (907) 714-2376

MIKE NAVARRE
BOROUGH MAYOR

To: Linda Murphy, Assembly President
Members of the Kenai Peninsula Borough Assembly

Thru: Mike Navarre, Borough Mayor *MN*

Thru: Craig C. Chapman, Finance Director *C Chapman*

From: Brandi Harbaugh, Controller *BH*

Date: November 15, 2012

Subject: Budget Revisions – October 2012

Attached is a budget revision listing for October 2012. The attached list contains budget revisions between major expenditure categories (i.e., maintenance & operations and capital outlay). Other minor transfers were processed between object codes within major expenditure categories.

	<u>INCREASE</u>	<u>DECREASE</u>
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GENERAL SERVICES - HUMAN RESOURCES: Transfer required to cover shortage in office supplies account, additional funds included to cover cost of new-hire folders.

100.11230.00000.43210 (Transportation/Subsistence)		500.00
100.11230.00000.42110 (Office Supplies)	500.00	

GIS: Transfer funds to cover cost of new computer to replace one that crashed. The wages account has sufficient funds due to the fact that one position has not been filled in the department.

100.11232.00000.40110 (Regular Wages)		8,379.04
100.11232.00000.48120 (Office Machines)	8,379.04	

GENERAL SERVICES: Transfer funds to cover cost of a salary survey.

100.11230.00000.43011 (Contract Services)	10,000.00	
100.11230.00000.40110 (Regular Wages)		10,000.00

GENERAL SERVICES - HUMAN RESOURCES: Transfer funds to cover shortage in office supplies.

100.11230.00000.42110 (Office Supplies)	1,200.00	
100.11230.00000.40120 (Temporary Wages)		1,200.00

IT: Transfer funds to cover cost of additional staffing to perform network infrastructure upgrades and Borough Admin Building and to make additional training available to a newly hired developer.

100.11231.00000.40120 (Temporary Wages)	7,000.00	
100.11231.00000.43260 (Training)	15,000.00	
100.11231.00000.40110 (Regular Wages)		22,000.00



KENAI PENINSULA BOROUGH

Finance Department

144 North Binkley Street • Soldotna, Alaska 99669-8250

PHONE: (907) 714-2170 • FAX: (907) 714-2376

MIKE NAVARRE
BOROUGH MAYOR

To: Linda Murphy, Assembly President
Members of the Kenai Peninsula Borough Assembly

Thru: Mike Navarre, Borough Mayor *MN*

Thru: Craig C. Chapman, Finance Director *C Chapman*

From: Brandi Harbaugh, Controller *BH*

Date: November 15, 2012

Subject: Revenue-Expenditure Report – October 2012

Attached is the Revenue-Expenditure Report of the General Fund for the month of October, 2012. Please note that 33.33% of the year has elapsed, 30.22% of budgeted expenditures have been made, and 57.73% of budgeted revenues have been collected.

KENAI PENINSULA BOROUGH
REVENUE REPORT
FOR THE PERIOD
OCTOBER 1
THROUGH OCTOBER 31, 2012

ACCOUNT NUMBER	DESCRIPTION	ESTIMATED REVENUE	YTD RECEIPTS	PTD RECEIPTS	VARIANCE	% COLLECTED
31100	TOTAL REAL TAX	\$ 25,388,631	\$ 20,271,786	\$ 8,203,064	\$ (5,116,845)	79.85%
31200	TOTAL PERS TAX	1,564,154	1,286,973	280,835	(277,181)	82.28%
31300	TOTAL OIL TAX	3,645,293	3,645,284	9,854	(9)	100.00%
31400	MOTOR VEHICLE TAX	700,000	102,617	102,617	(597,383)	14.66%
31510	PROPERTY TAX PENALTY & INTEREST	507,192	82,647	54,317	(424,545)	16.30%
31610	SALES TAX	30,064,593	11,865,679	3,338,594	(18,198,914)	39.47%
33110	IN LIEU PROPERTY TAX	2,222,144	-	-	(2,222,144)	0.00%
33117	OTHER FEDERAL REVENUE	71,600	-	-	(71,600)	0.00%
34110	SCHOOL DEBT REIMBURSEMENT	1,792,872	775,647	-	(1,017,225)	43.26%
34221	ELECTRICITY AND TELEPHONE REVENUE	170,000	-	-	(170,000)	0.00%
34222	FISH TAX REVENUE SHARING	750,000	2,078	2,078	(747,922)	0.28%
34210	REVENUE SHARING	3,046,996	3,066,445	-	19,449	100.64%
37350	INTEREST ON INVESTMENTS	1,250,000	124,787	33,583	(1,125,213)	9.98%
39000	OTHER LOCAL REVENUE	250,000	103,521	45,566	(146,479)	41.41%
	SOLID WASTE REVENUE	777,000	353,277	11,319	(423,723)	45.47%
TOTAL REVENUES		\$ 72,200,475	\$ 41,680,741	\$ 12,081,827	\$ (30,519,734)	57.73%

KENAI PENINSULA BOROUGH
EXPENDITURE REPORT
FOR THE PERIOD
OCTOBER 1
THROUGH OCTOBER 31, 2012

DESCRIPTION	REVISED BUDGET	YTD EXPENDED	PTD EXPENDED	AMOUNT ENCUMBERED	AVAILABLE BALANCE	%
						EXPENDED
ASSEMBLY ADMINISTRATION	\$ 836,528	\$ 126,057	\$ 23,763	\$ 64,920	\$ 645,551	15.07%
ASSEMBLY CLERK	519,324	139,729	40,077	27,175	352,420	26.91%
ASSEMBLY ELECTIONS	116,500	96,725	58,416	7,283	12,492	83.03%
ASSEMBLY RECORDS MANAGEMENT	259,248	74,625	19,317	10,631	173,992	28.79%
MAYOR ADMINISTRATION	771,970	191,479	48,584	2,595	577,896	24.80%
PURCHASING AND CONTRACTING	299,375	67,134	17,464	2,659	229,582	22.42%
GENERAL SERVICES	633,813	151,684	37,791	16,935	465,194	23.93%
GENERAL SERVICES - MIS	1,842,578	485,666	143,283	24,905	1,332,007	26.36%
GENERAL SERVICES - GIS	554,657	163,009	26,361	11,620	380,028	29.39%
GENERAL SERVICES - PRINT/MAIL	226,259	47,674	14,442	38,181	140,404	21.07%
GENERAL SERVICES - CUSTODIAL MAINT	129,154	35,878	9,802	4,646	88,630	27.78%
EMERGENCY MANAGEMENT	676,911	155,076	44,038	218,525	303,310	22.91%
LEGAL ADMINISTRATION	933,794	251,024	55,892	63,767	619,003	26.88%
FINANCE - ADMINISTRATION	513,243	169,428	43,236	8,242	335,573	33.01%
FINANCIAL SERVICES	922,201	246,604	70,605	3,819	671,778	26.74%
FINANCE - PROPERTY TAX AND COLLECTION	964,006	308,421	59,140	31,212	624,373	31.99%
FINANCE - SALES TAX	608,986	177,027	32,863	46,739	385,220	29.07%
ASSESSING ADMINISTRATION	1,296,981	403,321	85,764	6,773	886,887	31.10%
ASSESSING APPRAISAL	1,709,112	451,177	124,465	3,292	1,254,643	26.40%
RESOURCE PLANNING ADMINISTRATION	1,182,490	373,520	92,938	33,615	775,355	31.59%
THE RIVER CENTER	769,827	208,569	48,373	21,483	539,775	27.09%
MAJOR PROJECTS - ADMINISTRATION	277,877	104,448	64,728	5,740	167,689	37.59%
SENIOR CITIZENS GRANT PROGRAM	608,969	-	-	575,924	33,045	0.00%
SCHOOL DISTRICT OPERATIONS	46,621,245	15,979,183	3,670,834	-	30,642,062	34.27%
SOLID WASTE TRANSFER	9,063,960	1,357,439	371,453	1,905,378	5,801,143	14.98%
NON-DEPARTMENTAL	2,006,692	706,079	92,244	519,238	781,375	35.19%
TOTAL EXPENDITURES	\$74,345,700	\$ 22,470,976	\$ 5,295,873	\$ 3,655,297	\$48,219,427	30.22%

Introduced by: Mayor
Date: 11/20/12
Shortened Hearing: 12/04/12
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2012-19-36**

**AN ORDINANCE ACCEPTING EMERGENCY RESPONSE EQUIPMENT FROM THE
SOUTHERN REGION EMERGENCY MEDICAL SERVICES COUNCIL, INC., AND
APPROPRIATING MATCHING FUNDS IN THE AMOUNT OF \$9,976.32 ON BEHALF
OF KACHEMAK EMERGENCY SERVICE AREA**

- 1 **WHEREAS**, Kachemak Emergency Service Area (KESA) submitted an application to the
2 Southern Region Emergency Medical Services Council, Inc. (Southern Region)
3 for an equipment grant; and
- 4 **WHEREAS**, Southern Region notified KESA that the application for emergency response
5 equipment has been approved; and
- 6 **WHEREAS**, the total equipment purchase is \$66,508.94, which includes two defibrillators with
7 monitors and support equipment and one power gurney; and
- 8 **WHEREAS**, Southern Region has purchased the equipment using federal and state funding
9 sources to pay for 85 percent of the total cost; and
- 10 **WHEREAS**, KESA is required to provide the 15 percent local matching funds,; and
- 11 **WHEREAS**, KESA requests a supplemental appropriation in the amount of \$9,976.32 from its
12 Capital Fund, fund balance to meet the required match; and
- 13 **WHEREAS**, at its regularly scheduled meeting held November 8, 2012, the KESA Board
14 recommended _____;

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

3 **SECTION 1.** That the Mayor is authorized to accept the emergency response equipment valued
4 at \$66,508.94 from the Southern Region Emergency Medical Services Council,
5 Inc., on behalf of the Kachemak Emergency Service Area.

6 **SECTION 2.** That matching funds in the amount of \$9,976.32 are appropriated from the KESA
7 Capital Projects Fund, fund balance to account 446.51810.13BLU.48311 for the
8 match funds needed for this purchase of this equipment.

9 **SECTION 3.** That due to the length and nature of this project, the appropriations established
10 through this ordinance shall not lapse at the end of any particular fiscal year.

11 **SECTION 4.** This ordinance shall become effective immediately upon enactment.

12 **ENACTEDED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS ***
13 **DAY OF * 2012.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



KENAI PENINSULA BOROUGH

Kachemak Emergency Service Area

MEMORANDUM

TO: Linda Murphy, Assembly President
Members of the Kenai Peninsula Borough Assembly

MIKE NAVARRE
BOROUGH MAYOR

THRU: Mike Navarre Mayor *MN*
Craig Chapman, Director of Finance *C Chapman*
Brenda Ahlberg, Community & Fiscal Projects Manager *B Ahlberg*

FROM: Bob Ciccarella, KESA Fire Chief *BC for RWC*

DATE: November 7, 2012

SUBJECT: Ordinance 2012-19-36, accepting equipment from Southern Region Emergency Medical Services Council, Inc. and appropriating matching funds in the amount of \$9,976.32 on behalf of Kachemak Emergency Service Area

Southern Region Emergency Medical Services Council, Inc., (“Southern Region”) is a nonprofit corporation that serves as a resource center for emergency medical response agencies located in low to moderate income, rural communities. Kachemak Emergency Service Area (KESA) submitted an application to Southern Region for two monitor/defibrillators with support equipment and for a power gurney.

Southern Region approved KESA’s application for the equipment grant and has purchased the equipment on behalf of KESA. KESA is required to provide a 15 percent match. Funds are available in the service area’s capital fund, fund balance to meet the match requirement. On November 8, 2012, the KESA board will consider receipt of the equipment and expenditure of the matching funds.

Equipment Awarded	Qty	Amount	15% Match
Monitor/defibrillator and support equipment	2	\$54,414.32	\$8,162.16
Power gurney	1	\$12,094.62	1,814.16
		\$66,508.94	\$9,976.32

Shortened hearing is requested which will allow KESA to pay Southern Region the 15 percent match for the equipment that has been delivered to the service area.

Attachments: SREMSC invoices

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	446.00000.00000.27910
Amount	\$9,976.32
By:	<i>pc</i> Date: 11/7/12

SOUTHERN REGION EMS COUNCIL, INC.

INVOICE

Invoice Number: 31078 CB11 K

Invoice Date: Jun 30, 2012

Page: 1

Duplicate

6130 Tuttle Place
Suite B
Anchorage, AK 99507
Phone: (907) 562-6449
Fax: (907) 562 9893
Web: www.sremsc.org

Bill To:
Kachemak Emergency Services 53048 Ashwood Ave Homer, AK 99603 907-235-9811

Ship to:
53048 Ashwood Ave Homer, AK 99603

Customer ID	Customer PO	Payment Terms	
KACHES		Net 30 Days	
Sales Rep ID	Shipping Method	Ship Date	Due Date
	UPS Ground		7/30/12

Quantity	Item	Description	Unit Price	Amount
		CODE BLUE Program, Phase 11 Enerspect; Invoice #6667 06/21/12 - Defibrillator		8,162.16
		BILLED:		
		State 65C-12-265 \$46,252.16		
		Community Match \$8,162.16		
		TOTAL: \$54,414.32		

Check/Credit Memo No:	Freight	
	Total Invoice Amount	8,162.16
	Payment/Credit Applied	
	TOTAL	8,162.16

SOUTHERN REGION EMS COUNCIL, INC.

6130 Tuttle Place
Suite B
Anchorage, AK 99507
Phone: (907) 562-6449
Fax: (907) 562 9893
Web: www.sremsc.org

INVOICE

Invoice Number: 31385 CB11 K
Invoice Date: Sep 30, 2012
Page: 1

Duplicate

Bill To:
Kachemak Emergency Services 53048 Ashwood Ave Homer, AK 99603 907-235-9811

Ship to:
53048 Ashwood Ave Homer, AK 99603

Customer ID	Customer PO	Payment Terms	
KACHES		Net 30 Days	
Sales Rep ID	Shipping Method	Ship Date	Due Date
	UPS Ground		10/30/12

Quantity	Item	Description	Unit Price	Amount
		CODE BLUE PH11 - Kachemak Arctic Fire & Safety Inv #A12742 09/26/12		1,814.16
		BILLED:		
		State 65c-12-265	\$10,280.46	
		Com. Match 15%	\$1,814.16	
		TOTAL:	\$12,094.62	

Check/Credit Memo No:	Freight	
	Total Invoice Amount	1,814.16
	Payment/Credit Applied	
	TOTAL	1,814.16

Introduced by: Mayor
Date: 11/20/12
Shortened Hearing: 12/04/12
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2012-19-37**

**AN ORDINANCE ACCEPTING AN AMBULANCE FROM THE SOUTHERN REGION
EMERGENCY MEDICAL SERVICES COUNCIL, INC. AND APPROPRIATING
MATCHING FUNDS IN THE AMOUNT OF \$10,000 ON BEHALF OF KACHEMAK
EMERGENCY SERVICES**

- 1 **WHEREAS**, Kachemak Emergency Service Area (KESA) was formed to provide fire
2 suppression and emergency medical services to the areas surrounding Homer and
3 Kachemak City; and
- 4 **WHEREAS**, KESA submitted an application to the Southern Region Emergency Medical
5 Services Council, Inc. (Southern Region) for an ambulance at a cost of \$180,000;
6 and
- 7 **WHEREAS**, the Southern Region notified KESA that its request for the ambulance had been
8 approved, and purchase of an ambulance will be made through the Code Blue
9 program; and
- 10 **WHEREAS**, Southern Region will provide funds from the U.S. Department of Agriculture and
11 State of Alaska, which requires KESA to match the remaining balance of
12 \$10,000; and
- 13 **WHEREAS**, Southern Region will purchase the ambulance upon receipt of the required
14 matching funds; and
- 15 **WHEREAS**, KESA requires a supplemental appropriation of \$10,000 to meet the matching
16 obligation; and

1 **WHEREAS**, at its regularly scheduled meeting of _____, the KESA Board
2 recommended _____; and

3 **WHEREAS**, it is in the best interest of the residents of KESA that the best possible equipment
4 be made available to them;

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

7 **SECTION 1.** That the mayor is authorized to accept an ambulance valued at \$180,000 from the
8 Southern Region Emergency Medical Services Council, Inc., on behalf of
9 Kachemak Emergency Service Area, and is authorized to execute any documents
10 deemed necessary to accept the ambulance and to fulfill the intents and purposes
11 of this ordinance.

12 **SECTION 2.** That matching funds in the amount of \$10,000 are appropriated from the KESA
13 Capital Projects Fund, fund balance to account 446.51810.13AMB.48514.

14 **SECTION 3.** That due to the length and nature of this project, the appropriations established
15 through this ordinance shall not lapse at the end of any particular fiscal year.

16 **SECTION 4.** This ordinance shall become effective immediately upon enactment.

17 **ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS ***
18 **DAY OF * 2012.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, Borough Clerk

Yes:

No:

Absent:



KENAI PENINSULA BOROUGH

Kachemak Emergency Service Area

MEMORANDUM

MIKE NAVARRE
BOROUGH MAYOR

TO: Linda Murphy, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Mike Navarre Mayor *MN*
Craig Chapman, Director of Finance *C Chapman*
Brenda Ahlberg, Community & Fiscal Projects Manager *B Ahlberg*

FROM: Bob Cicciarella, KESA Chief *Bob for RWC*

DATE: November 08, 2012

SUBJECT: Ordinance 2012-19-37, accepting an ambulance from the Southern Region Emergency Medical Services Council, Inc. and appropriating supplemental funds in the amount of \$10,000 on behalf of the Kachemak Emergency Service Area

Southern Region Emergency Medical Services Council, Inc. ("Southern Region") is a nonprofit corporation that serves as a resource center for emergency medical service systems. After it receives a request for equipment or vehicles, and if the request is approved, it identifies funding sources to purchase the requested item. Kachemak Emergency Service Area (KESA) submitted an application to Southern Region for a new ambulance. Notice was received from Southern Region that KESA's application has been approved and that funding is available from a USDA Rural Development grant and from the State of Alaska. Southern Region will purchase the ambulance and deliver it to KESA. Southern Region requires KESA to provide a \$10,000 match before the ambulance can be purchased.

The KESA Board will consider receipt of the ambulance and the need to transfer funds from its capital reserve to meet the require match of \$10,000 and the board's action will be reported to the assembly before final hearing. Shortened hearing is requested so that Southern Region can purchase the ambulance over a month sooner than it could if the hearing is held on the regular hearing date of January 8, 2013, allowing construction of the ambulance to begin that much sooner.

Bob Cicciarella, KESA Chief, shall provide grant oversight and project completion.

Attachment: Award notification

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Acct. No.	<u>446.00000.00000.27910</u>
Amount	<u>\$10,000</u>
By:	<u>pc</u> Date: <u>11/7/12</u>

From: [Susan Hecks](#)
To: [Ahlberg, Brenda](#)
Cc: [Cicciarella, Bob](#)
Subject: Kachemak Code Blue Ambulance
Date: Friday, November 02, 2012 6:08:44 PM
Attachments: [CBPhase10-Kachemak Emergency Services State Funding Approval.xlsx](#)
[KESA Code BluePhase 10 ambulance award letter 5-20-10.pdf](#)

Brenda,

Here are some supporting documents for the KESA ambulance project. I've attached the original award letter where it indicates the local match is \$9,000. I have also attached a copy of the State Code Blue Steering Committee approved list of transportation project for Phase 10 which shows that there was \$1,000 under the "Other/Unmet" column. What that means is the allocated funding was \$1,000 short and which increases the local match to \$10,000.

Please note that the USDA-RD funding for this project is approved for 75% of the total project cost up to \$135,000 maximum. The State funding is capped at \$35,000. The amount initially budgeted for this project is \$180,000. If there are change orders or additional costs added to this project during the pre-build conference at the Braun Northwest factory, or during the construction (through change orders approved by all parties) the cost may change effecting the local match.

I fully understand that we need to follow the municipal guidelines and process and I thank you for all of your help with this! If you need anything else from me please let me know.

Sue Hecks

Executive Director
Southern Region EMS Council, Inc.
6130 Tuttle Place Suite B
Anchorage, AK 99507
(907) 562-6449
(907) 562-9893 FAX
Email: shecks@sremsc.org

"Never doubt that a small group of thoughtful committed citizens can change the world; indeed, it's the only thing that ever has." - Margaret Mead

Southern Region
EMERGENCY
Medical Services Council, Inc.

May 20, 2010

Robert Cicciarella, Fire Chief
Kachemak Emergency Services
53048 Ashwood Ave.
Homer, AK 99603

Dear Chief Cicciarella,

The Code Blue Phase 10 equipment requests submitted by your agency for consideration in November 2009 have gone through a rigorous review process over the last several months. There have been multiple review steps along the way, which include Southern Region staff, Board of Directors Equipment Review Committee, the Southern Region Board of Directors, and then the Statewide Code Blue Steering Committee.

During these steps, items have been considered based on many established criteria, including whether they are essential EMS equipment, whether they meet minimum criteria, reasonableness of the request, application to the community setting, documentation of need, costs, how they fit into regional and statewide priorities, and a host of others. In addition, there are always more requests than can ultimately be funded, so some simply do not make the list or their funding is capped.

At this time we developed a well reviewed and thoroughly vetted list of equipment on which to focus our energies over the next year.

The portion of funding we receive from the State via the Governor's Capital Equipment bill is awaiting the Governor's signature at this time. We don't anticipate any problems with that funding and anticipate that when all the paperwork is completed, it will be available by mid August.

We have submitted a grant request to the USDA – Rural Development office and are waiting on the results of that application. We usually receive notification in late August on these grants. If we are awarded funding through the USDA-RD, we anticipate all paperwork should be completed and funds released by November 2010. If this grant application is not successful, we will then look for other grant sources.

If you submitted requests for items that were not approved, do not loose heart. Perhaps next year's application can be strengthened, more data supplied or reformatted to be clearly stated. Perhaps Code Blue just is not the right source and you can look elsewhere for funding better suited to your individual equipment or high cost, high tech item.

COPY

If your item is listed below as *approved*, when all funding is secured, we will start working towards the purchase of this equipment. You will be contacted when we start the process. If it is *changed*, it was altered within the review process and an explanation will be detailed below. If it is listed as *dropped*, it will not be considered in this Code Blue phase.

<u>Item</u>	<u>Status</u>	<u>Your Match Amount</u>	<u>Total Amount</u>
Ambulance Type I	Approved	\$9,000.00	\$180,000.00
SimMan	Not Approved / Dropped		

Notes:

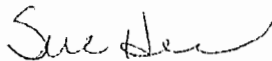
Ambulance Type I: This was approved. If all grant sources are approved (including your local match) the following funding will be available for this project: USDA – 135,000; Local - \$9,000; State - \$35,000; unmet shortfall of funding \$1,000.

The State of Alaska caps their funding for ambulances at \$35,000, which was increased this year from \$30,000 by the State Code Blue Steering Committee.

SimMan: The Southern Region Capital Equipment Committee and Board of Directors did not approve this request and it was dropped from the Code Blue Phase 10 list. The Code Blue grant program is designed for essential EMS equipment and this was not considered essential training equipment.

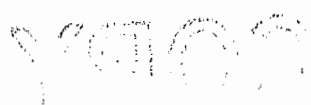
Thank you for all you do for EMS in Alaska. At Southern Region, we are working hard to support you in every way that we can.

Sincerely,



Sue Hecks,
Executive Director

CC: Jane Shultz, Subarea Coordinator



Introduced by: Mayor
Date: 11/20/12
Shortened Hearing: 12/04/12
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2012-19-38**

**AN ORDINANCE APPROPRIATING \$400,000 FROM THE GENERAL FUND FOR
FLOOD RESPONSE UNDER THE DECLARED LOCAL DISASTER
EMERGENCIES WITHIN THE KENAI PENINSULA BOROUGH**

- 1 **WHEREAS**, in response to flooding in the Kenai Peninsula Borough during September 2012,
2 the borough mayor declared a local disaster; and
- 3 **WHEREAS**, Ordinance 2012-19-33 appropriated \$500,000 to provide funding for response,
4 recovery, and assessment of the disaster which has been substantially expended;
5 and
- 6 **WHEREAS**, as part of the emergency response approximately 20,000 to 30,000 cubic yards of
7 bed load/debris were removed from the Lost Creek stream bed and accumulated
8 on the Old Mill subdivision land that was previously purchased by the borough
9 using grant funds through Ordinance 2008-19-18; and
- 10 **WHEREAS**, the grant funds contained conditions, including a prohibition against storing the
11 bed load/debris on the property; and
- 12 **WHEREAS**, the cost to remove the bed load/debris is estimated to be between \$8 and \$12 per
13 cubic yard and should be eligible for reimbursement from the Federal Emergency
14 Management Agency (FEMA) under the declared disaster; and
- 15 **WHEREAS**, the borough's best interests would be served by providing advance funding for the
16 removal of the bed load/debris in order to expedite its removal;

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

3 **SECTION 1.** That the sum of \$400,000 is hereby appropriated from the general fund balance
4 and transferred to account no. 260.11251.13FLO.49999 for costs associated with
5 disposing of the bed load/debris that has accumulated on borough-owned Old Mill
6 subdivision land.

7 **SECTION 2.** That this ordinance shall take effect immediately upon its enactment.

8 **ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS ***
9 **DAY OF * 2012.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7520
Toll-free within the Borough: 1-800-478-4441
PHONE: (907) 262-4441 • FAX: (907) 262-1892
www.borough.kenai.ak.us

MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Linda Murphy, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*

FROM: Scott Walden, OEM Director *Swalden*
Marcus Mueller, Disaster Response Coordinator *Mueller*
Craig Chapman, Director of Finance *C Chapman*

DATE: November 8, 2012

SUBJECT: Ordinance 2012-19-38, appropriating \$400,000 for flood response under the declared local disaster related to damages from flooding in the Kenai Peninsula Borough

Heavy rainfall during the month of September 2012 resulted in significant damages and flooding in many areas of the borough. A local emergency disaster was declared by the mayor on September 21, 2012 and Governor Sean Parnell declared a state disaster for the Kenai Peninsula Borough.

Ordinance 2012-19-33 appropriated \$500,000 to provide funding for response, recovery, and assessment of the disaster which has been substantially expended. As part of the emergency response, approximately 20,000 to 30,000 cubic yards of bed load/debris that was removed from the Lost Creek stream bed was accumulated on the Old Mill subdivision land that was previously purchased through ordinance 2008-19-18(Substitute). The covenants of the grant funds used to purchase the Old Mill subdivision land do not allow the bed load/debris to be stored on the property.

The cost to remove the bed load/debris is estimated to be between \$8 and \$12 per cubic yard and should be eligible for reimbursement from FEMA under the declared disaster. In order to expedite removal of the bed load/debris and avoid problems with the grant fund covenants, the borough administration recommends proceeding quickly to remove the bed load/debris and shortened hearing is requested.

This ordinance would appropriate \$400,000 for the removal of the bed load/debris.

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>100. 27910 FB</u>
Amount	<u>\$ 400,000.00</u>
By:	<u>pc</u> Date: <u>11/7/12</u>

Introduced by: Mayor
Date: 11/20/12
Shortened Hearing: 12/04/12
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2012-19-39**

**AN ORDINANCE ACCEPTING AND APPROPRIATING \$70,148 FROM THE STATE
OF ALASKA DEPARTMENT OF MILITARY AND VETERANS AFFAIRS,
DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT TO
PURCHASE EQUIPMENT, SUPPLIES AND TO CONDUCT TRAINING**

1 **WHEREAS**, the State of Alaska Department of Military and Veterans Affairs, Division of
2 Homeland Security & Emergency Management (DHS&EM) provides funds to
3 enhance the capability of local governments to prevent, deter, respond to and
4 recover from all-hazard incidents and to enhance regional preparedness efforts;
5 and

6 **WHEREAS**, the DHS&EM State Homeland Security Program is a federal grant pass through
7 program with the Federal Emergency Management Agency which provides
8 funding for planning, equipment, training and exercises; and

9 **WHEREAS**, the borough applied for funding to purchase Community Emergency Response
10 Team supplies, to conduct training and to purchase communication equipment;
11 and

12 **WHEREAS**, award notification in the amount of \$70,148 has been received from DHS&EM to
13 be used for equipment, supplies and training; and

14 **WHEREAS**, it is in the best interest of the borough to accept the grant funds;

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

1 **SECTION 1.** That the mayor is authorized to accept \$70,148 from the State of Alaska
2 Department of Military and Veteran Affairs, Division of Homeland Security and
3 Emergency Management and to execute a grant agreement and any other
4 documents deemed necessary to accept and to expend the grant funds and to
5 fulfill the intents and purposes of this ordinance.

6 **SECTION 2.** That grant funds in the amount of \$70,148 are appropriated to account
7 271.11250.34077.49999.

8 **SECTION 3.** This ordinance shall become effective immediately upon its enactment.

9 **ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS ***
10 **DAY OF * 2012.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



KENAI PENINSULA BOROUGH

Office of Emergency Management

MEMORANDUM

MIKE NAVARRE
BOROUGH MAYOR

TO: Linda Murphy, Assembly President
Members of the Kenai Peninsula Assembly

THRU: Mike Navarre, Mayor *MN*
Craig Chapman, Director of Finance *C Chapman*
Brenda Ahlberg, Community & Fiscal Projects Manager *B Ahlberg*

FROM: Scott Walden, Emergency Management Director *Swalden*

DATE: November 8, 2012

SUBJECT: Ordinance 2012-19-39, accepting and appropriating \$70,148 from the Alaska Department of Military and Veteran Affairs, Division of Homeland Security and Emergency Management to purchase equipment, supplies and to conduct training

The borough has received award notification from the Alaska Division of Homeland Security and Emergency Management (DHS&EM) in the amount of \$70,148 through the State Homeland Security Program grant (SHSP) to purchase equipment, supplies and to conduct training.

Prior to submitting applications, project evaluations were based upon forecasted needs by departments as well as based upon input generated from meetings held prior to the release of SHSP applications. The KPB applications that received award notification were as follows:

Community Emergency Response Team (CERT) equipment/supplies	\$18,745
CERT training and supplies	12,050
Recording system equipment for SPSCC dispatch center	33,625
2014 AK Shield Exercise planning	<u>5,728</u>
TOTAL AWARDED	\$70,148

The intent to accept funds must be completed before December 21, 2012, therefore, shortened hearing of December 04, 2012 is requested. Scott Walden, OEM Director, shall be the project manager for the grant funds. The performance period ends March 31, 2014.

Attachment: Award letter

FINANCE DEPARTMENT ACCOUNT VERIFIED	
Acct. No. <u>271.11250.34077.4999</u>	
Amount <u>N/A</u>	
By: <u>pc</u>	Date: <u>11/6/12</u>

P.O. Box 5750
JBER, AK 99505-5750
Phone: (907) 428-7000
Fax: (907) 428-7009
Toll Free: (800) 478-2337
www.ready.alaska.gov

**DEPARTMENT OF MILITARY
AND VETERANS AFFAIRS
DIVISION OF HOMELAND SECURITY
AND EMERGENCY MANAGEMENT**

October 10, 2012

The Honorable Mike Navarre, Mayor
Kenai Peninsula Borough
144 N Binkley Street
Soldotna AK 99669

RE: 2012 State Homeland Security Program, EMW-2012-SS-00127
State Grant No.: 12SHSP-GR34077

Dear Mayor Navarre:

The Alaska Division of Homeland Security and Emergency Management (DHS&EM) is pleased to award the Kenai Peninsula Borough the amount of \$70,148.00 under the 2012 State Homeland Security Program for the performance period of October 1, 2012 through March 31, 2014.

Funding from this program is provided to enhance the ability of states, territories, and urban areas to prepare for, prevent, and respond to terrorist attacks and all-hazards events.

The performance period of this grant is 18 months. If a project cannot be operational within the first reporting quarter, the sub-grantee should provide notice to DHS&EM, stating the implementation delay and expected starting date. At the discretion of DHS&EM, the grant award is subject to cancellation and funds may be de-obligated and reallocated to other projects if project implementation is unjustifiably delayed.

Attached are two pre-signed Obligating Award Documents. Please review the information for accuracy and review the Special Conditions. Sign the obligating documents, keep one original for your records, and return the other original within 30 days of jurisdiction receipt to:

State Administrative Agency (SAA) Point of Contact
PO Box 5750
JBER, AK 99505

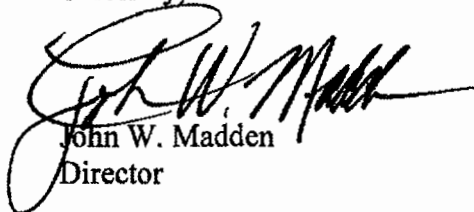
If the Obligating Award Documents cannot be returned within 30 days due to local jurisdiction policies, a Notice of Intent to Accept Grant Award form and instructions is available for download on DHS&EM's Grants website, <http://ready.alaska.gov/grants.htm>.

Mayor Navarre
RE: 2012 State Homeland Security Program
October 10, 2012
Page 2 of 2

If signatory points of contacts have changed since submittal of the application, please complete and return a Signatory Authority Form with the signed Obligating Award Document. The Signatory Authority Form is available for download on DHS&EM's Grants website. If needed, Electronic Payment (EDI) enrollment forms are also available upon request.

If you have questions, or need further assistance, the DHS&EM project manager for this grant, Adrian Avey, may be contacted at 907-428-7027, toll-free at 800-478-2337, or by email at adrian.avey@alaska.gov.

Sincerely,



John W. Madden
Director

jwm:ama:cas

Enclosures: Obligating Award Document (2 originals)
Project Budget Details
Environmental and Historical Preservation (EHP) Statement of Work Request Form
**Only provided to applicable jurisdictions*

CC: Scott Walden, Jurisdiction Project Manager
Craig C. Chapman, Jurisdiction Chief Financial Officer

Introduced by:

Mayor

Date:

12/04/12

Action:

Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2012-091**

**A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL
OBLIGATION BONDS OF THE KENAI PENINSULA BOROUGH IN THE
AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED ONE MILLION
FOUR HUNDRED THOUSAND DOLLARS (\$1,400,000) TO PAY THE COSTS
OF CAPITAL IMPROVEMENTS IN THE BEAR CREEK FIRE SERVICE
AREA, FIXING CERTAIN DETAIL OF SUCH BONDS, AND PLEDGING THE
FULL FAITH AND CREDIT OF THE BEAR CREEK FIRE SERVICE AREA TO
THE PAYMENT THEREOF**

1 **WHEREAS**, pursuant to Ordinance 2007-24 of the Kenai Peninsula Borough (the "Borough")
2 passed and approved on August 7, 2007, and as further clarified by the assembly
3 on August 21, 2007, the following question, referred to at the election held on
4 October 2, 2007, as Proposition No. 4, ("Proposition 4") was passed and
5 approved:

6 **PROPOSITION NO. 4**

7 **BEAR CREEK FIRE SERVICE AREA CAPITAL IMPROVEMENT PROJECT AND**
8 **ISSUANCE OF GENERAL OBLIGATION BONDS**

9 Shall the Kenai Peninsula Borough spend \$3,500,000 for capital
10 improvements related to the Bear Creek Fire Service Area and
11 issue up to \$1,400,000 of general obligation bonds to provide
12 funding for the project?

13 The bond proceeds of \$1,400,000 will be used to pay the costs of
14 planning, designing, acquiring property for, site preparation,
15 financing, constructing, acquiring, renovating, expanding,
16 installing and equipping the Bear Creek Fire Service Area facility
17 located within the Bear Creek Fire Service Area. Issuance of the
18 bonds is subject to availability of grant funds for the remaining

1 costs of the project; if the grant funding is not received the bonds
2 will not be issued.

3 The general obligation bond debt will be paid from operating
4 revenues generated by the Bear Creek Fire Service Area and from
5 ad valorem taxes on all taxable property levied and collected in the
6 Bear Creek Fire Service Area. The Bear Creek Fire Service Area
7 will pledge its full faith and credit for payment of the general
8 obligation bond debt.

9 Voter approval of this bond proposition authorizes for each
10 \$100,000 of assessed real and personal property value in the Bear
11 Creek Fire Service Area (based on the estimated 2007 tax year
12 assessed valuation) an annual tax of approximately \$100.00 (an
13 amount equal to approximately 1.0 mill) to retire the proposed
14 general obligation bond debt.

15 YES [A Yes vote approves the sale of the bonds
16 and construction of a new fire and
17 emergency services facility – based on
18 receiving \$2,100,000 of additional grant
19 funding.]

20 NO [A No vote prohibits the issuance of the
21 bonds and the construction project.]

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

25 **WHEREAS,** it is necessary and in the best interest of the Borough and its residents that the
26 Borough proceed to plan, design, do site preparation for, construct, acquire,
27 renovate, install, and equip the capital improvements within the Borough
28 described in Proposition 4 (the "Project"), and issue not to exceed \$1,400,000

1 principal amount of the general obligation bonds referred to in Proposition 4,
2 constituting all of the unsold general obligation bonds referred to therein, to pay a
3 portion of costs of the Project; and

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

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

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

13 (a) "Acquired Obligations" means and includes any of the following securities, if
14 and to the extent the same are at the time legal for investment of funds of the
15 Borough: any noncallable bonds or other noncallable obligations which as to
16 principal and interest constitute direct obligations of, or are unconditionally
17 guaranteed by, the United States of America.

18 (b) "Assembly" means the Assembly of the Borough, as the general legislative
19 authority of the Borough, as the same shall be duly and regularly constituted
20 from time to time.

21 (c) "Bond" or "Bonds" means any of the Bonds of the Borough, the issuance and
22 sale of which are authorized herein as the evidence of the indebtedness
23 referred to in Proposition 4.

24 (d) "Bond Bank" means the Alaska Municipal Bond Bank.

25 (e) "Bond Register" means the registration books maintained by the Registrar,
26 which include the names and addresses of the owners or nominees of the
27 Registered Owners of the Bonds.

1 (f) "Borough" means the Kenai Peninsula Borough, a municipal corporation of
2 the State of Alaska, organized as a second class borough under Title 29 of the
3 Alaska Statutes.

4 (g) "Code" means the Internal Revenue Code of 1986, as amended from time to
5 time, together with all regulations applicable thereto.

6 (h) "Cost" or "Costs" means the cost of planning, designing, site preparation,
7 constructing, acquiring, renovating, installing, and equipping the Project,
8 including interest on the Bonds during the period of planning, designing, site
9 preparation, constructing, acquiring, renovating, installing, and equipping the
10 Project, the cost whether incurred by the Borough, the Service Area, or by
11 another of field surveys and advance planning undertaken in connection with
12 the Project properly allocable to the Project, the cost of acquisition of any land
13 or interest therein required as the site or sites of the Project or for use in
14 connection therewith, the cost of any indemnity and surety bonds and
15 premiums on insurance incurred in connection with the Project prior to or
16 during construction thereof, all related direct administrative and inspection
17 expenses whether incurred by the Borough, the Service Area, or by another in
18 connection with the Project prior to or during construction thereof, and
19 allocation of portions of direct costs of the Borough or the Service Area, legal
20 fees, costs of issuance of the Bonds by the Borough, including financing
21 charges and fees and expenses of bond counsel, financial advisors, and
22 consultants in connection therewith, the cost of any bond insurance premium,
23 the cost of audits, the cost of all machinery, apparatus, and equipment, cost of
24 engineering, architectural services, designs, plans, specifications, and surveys,
25 estimates of cost, the reimbursement of all moneys advanced from whatever
26 source for the payment of any item or items of cost of the Project, and all
27 other expenses necessary or incidental to determining the feasibility or
28 practicability of the Project, and such other expenses not specified herein as
29 may be necessary or incidental to the acquisition and development of the
30 Project, the financing thereof and the putting of the same in use and operation.

1 (i) "Loan Agreement" means the Loan Agreement between the Borough and the
2 Bond Bank, dated as of the first day of the month in which the Bonds are
3 delivered.

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

6 (k) "Registrar" means the Finance Director of the Borough, or any successor that
7 the Borough may appoint by resolution.

8 (l) "Service Area" means the Bear Creek Fire Service Area located within the
9 Borough.

10 **SECTION 2. Authorization of Bonds and Purpose of Issuance.** For the purpose of providing
11 the funds required to pay a portion of the Costs of the Project, to provide for
12 original issue premium or discount, if any, and to pay all costs incidental thereto
13 and to the issuance of the Bonds, the Borough hereby authorizes and determines
14 to issue and to sell the Bonds in the aggregate principal amount of not to exceed
15 \$1,400,000. The Bonds shall be designated "Kenai Peninsula Borough, Alaska
16 Bear Creek Fire Service Area General Obligation Bonds."

17 The Borough has ascertained and hereby determines that each and every matter
18 and thing as to which provision is made in this resolution is necessary in order to
19 carry out and effectuate the purpose of the Borough in accordance with the
20 Constitution and the statutes of the State of Alaska and to incur the indebtedness
21 and issue the Bonds as referred to in Proposition 4.

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

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

7 The Bonds shall bear interest from the date thereof, payable and semiannually on
8 such dates as may be determined by the Mayor or Finance Director. Interest shall
9 be computed on the basis of a 360-day year composed of twelve 30-day months.
10 The Mayor or Finance Director is authorized to fix and determine the maturity
11 dates and the rate of interest on each principal installment of the Bonds, provided
12 that (i) no rate of interest on a principal installment shall exceed the rate of
13 interest on the corresponding maturity of the bonds of the Bond Bank issued to
14 provide funds to purchase the Bonds; (ii) the true interest cost of the Bonds shall
15 not exceed 6.0% unless approved by resolution of the Assembly; and (iii) all of
16 the Bonds shall mature on or before December 31, 2033.

17 **SECTION 5. Place and Medium of Payment.** Both principal of and interest on the Bonds shall
18 be payable in lawful money of the United States of America which, on the
19 respective dates of payment thereof, shall be legal tender for the payment of
20 public and private debts. For so long as all outstanding Bonds are registered in
21 the name of the Alaska Municipal Bond Bank, payments of principal and interest
22 thereon shall be made as provided in the Loan Agreement. In the event that the
23 Bonds are no longer owned by the Alaska Municipal Bond Bank, payments of
24 principal and interest on the Bonds will be made by check or draft mailed by first
25 class mail to the Registered Owners of the Bonds at the addresses for such
26 Registered Owners appearing on the Bond Register on or before the payment
27 date, provided that the final installment of principal and interest on the Bonds will
28 be payable upon presentation and surrender of the Bonds by the Registered Owner
29 at the principal office of the Registrar.

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

3 **SECTION 7. Form of Bond.** Each Bond shall be in substantially the following form, subject to
4 the provisions of the Loan Agreement:

5 UNITED STATES OF AMERICA

6 STATE OF ALASKA

7 KENAI PENINSULA BOROUGH

8 (A Municipal Corporation of the State of Alaska)

9 NO. _____ \$ _____

10 KENAI PENINSULA BOROUGH, ALASKA BEAR CREEK FIRE

11 SERVICE AREA GENERAL OBLIGATION BONDS

12 REGISTERED OWNER:

13 PRINCIPAL AMOUNT:

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

20	<u>Year</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
21	_____	_____	_____

1 For so long as this Bond is owned by the Alaska Municipal Bond Bank (the "Bank"),
2 payment of principal and interest shall be made as provided in the Loan Agreement between the
3 Bank and the Borough (the "Loan Agreement"). In the event that this Bond is no longer owned
4 by the Bank, payment of principal of and interest on this Bond will be made by check or draft
5 mailed by first class mail to the registered owner at the address appearing on the bond register of
6 the Borough on or before the payment date, provided that the final installment of principal and
7 interest on this Bond will be payable at the office of the Borough Finance Director (the
8 "Registrar") upon surrender of this Bond. Interest shall be computed on the basis of a 360-day
9 year composed of twelve 30-day months. Both principal of and interest on this bond are payable
10 in lawful money of the United States of America which, on the respective dates of payment
11 thereof, shall be legal tender for the payment of public and private debts.

12 This Bond is one of the Bear Creek Fire Service Area General Obligation Bonds of like
13 tenor and effect except as to interest rate, serial number, and maturity, aggregating \$ _____
14 in principal amount, and constituting bonds authorized for the purpose of paying the cost of the
15 educational capital improvements in the Borough, and is issued under Resolution 2012-091 of
16 the Borough entitled:

17 A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF
18 GENERAL OBLIGATION BONDS OF THE KENAI PENINSULA BOROUGH
19 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED ONE
20 MILLION FOUR HUNDRED THOUSAND DOLLARS (\$1,400,000) TO PAY
21 THE COSTS OF CAPITAL IMPROVEMENTS IN THE BEAR CREEK FIRE
22 SERVICE AREA, FIXING CERTAIN DETAIL OF SUCH BONDS, AND
23 PLEDGING THE FULL FAITH AND CREDIT OF THE BEAR CREEK FIRE
24 SERVICE AREA TO THE PAYMENT THEREOF

25 (herein called the "Resolution").

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

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

10 The full faith and credit of the Bear Creek Fire Service Area are pledged for the payment
11 of the principal of and interest on the Bond as the same shall become due.

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

17 IN WITNESS WHEREOF, THE KENAI PENINSULA BOROUGH, ALASKA, has
18 caused this Bond to be signed in its name and on its behalf by its Mayor and its corporate seal to
19 be hereunto impressed or otherwise reproduced and attested by its Clerk, all as of the ____ day
20 of _____, 2012.

21 _____
22 Mike Navarre, Mayor

23 ATTEST:

24 _____
25 Johni Blankenship, MMC, Borough Clerk

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

8 **SECTION 9. Registration.**

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

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

21 (c) Bonds shall be transferred only upon the Bond Register kept by the Registrar.
22 Upon surrender for transfer or exchange of any Bond at the office of the
23 Registrar, with a written instrument of transfer or authorization for exchange
24 in form and with guaranty of signature satisfactory to the Registrar, duly
25 executed by the registered owner or its duly authorized attorney, the Borough
26 shall execute and the Registrar shall deliver an equal aggregate principal
27 amount of Bonds of the same maturity of any authorized denominations,

1 subject to such reasonable regulations as the Registrar may prescribe and
2 upon payment sufficient to reimburse it for any tax, fee or other
3 governmental charge required to be paid in connection with such transfer or
4 exchange. All Bonds surrendered for transfer or exchange shall be canceled
5 by the Registrar. The Registrar shall not be required to transfer or exchange
6 any Bond after the Bond has been called for redemption.

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

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

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

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

10 **SECTION 13. Sale of the Bonds; Loan Agreement.** The sale of for not to exceed \$1,400,000
11 aggregate principal amount of the Bonds, as provided in the Loan Agreement and
12 this resolution, is hereby authorized and approved. The Mayor or Borough
13 Finance Director is hereby authorized to execute and deliver the Loan Agreement,
14 and a Continuing Disclosure Certificate and such other documents as may be
15 necessary to effectuate issuances of the Bonds on behalf of the Borough.

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

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

1 **SECTION 16. Amendatory and Supplemental Resolutions.**

2 (a) The Assembly from time to time and at any time may adopt a resolution or
3 resolutions supplemental hereof, which resolution or resolutions thereafter
4 shall become a part of this resolution, for any one or more of the following
5 purposes:

6 (i) To add to the covenants and agreements of the Borough in this
7 resolution, other covenants and agreements thereafter to be observed, or
8 to surrender any right or power herein reserved to or conferred upon the
9 Borough.

10 (ii) To make such provisions for the purpose of curing any ambiguities or
11 of curing, correcting or supplementing any defective provision
12 contained in this resolution or in regard to matters or questions arising
13 under this resolution as the Assembly may deem necessary or desirable
14 and not inconsistent with this resolution and which shall not adversely
15 affect the interest of the Registered Owner of the Bonds.

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

19 (b) With the consent of a bond insurer, if any, or the Registered Owners of
20 not less than 60 percent in aggregate principal amount of the Bonds at
21 the time outstanding, the Assembly may adopt a resolution or
22 resolutions supplemental hereto for the purpose of adding any
23 provisions to or changing in any manner or eliminating any of the
24 provisions of this resolution or of any supplemental resolution;
25 provided, however that no such supplemental resolution shall:

1 (i) extend the fixed maturity of any of the Bonds, or reduce the rate of
2 interest thereon, or reduce the amount or change the date of any
3 sinking fund installment, or extend the time of payments of interest
4 from their due date, or reduce the amount of the principal thereof,
5 or reduce any premium payable on the redemption thereof, without
6 the consent of the owners of each Bond so affected; or

7 (ii) reduce the aforesaid percentage of owners of Bonds required to
8 approve any such supplemental resolution without the consent of
9 the owners of all the Bonds then outstanding.

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

14 (c) Upon the adoption of any supplemental resolution under this section,
15 this resolution shall be deemed to be modified and amended in
16 accordance therewith, and the respective rights, duties and obligations
17 under this resolution of the Borough and all Registered Owners of
18 outstanding Bonds shall thereafter be subject in all respects to such
19 modification and amendment, and all the terms and conditions of the
20 supplemental resolution shall be deemed to be part of the terms and
21 conditions of this resolution for any and all purposes.

22 (d) Bonds executed and delivered after the execution of any supplemental
23 resolution adopted under this section may bear a notation as to any
24 matter provided for in such supplemental resolution, and if such
25 supplemental resolution shall so provide, new Bonds modified so as to
26 conform, in the opinion of the Borough, to any modification of this
27 resolution contained in any such supplemental resolution may be
28 prepared by the Borough and delivered without cost to the Registered

1 Owner of the Bonds then outstanding, upon surrender for cancellation
2 of such Bonds in equal aggregate principal amounts.

3 **SECTION 17. Miscellaneous.**

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

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

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

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

1 **ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS**
2 **4TH DAY OF DECEMBER, 2012.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



KENAI PENINSULA BOROUGH

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**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

TO: Linda Murphy, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*

FROM: Craig Chapman, Director of Finance *C Chapman*

DATE: November 21, 2012

SUBJECT: Resolution 2012-091, providing for the issuance and sale of general obligation bonds for capital improvement projects in the Bear Creek Fire Service Area

The attached resolution authorizes the issuance of up to \$1,400,000 in general obligation bonds through the Alaska Municipal Bond Bank Authority. A majority of service area residents voting in the October 2, 2007, election approved the issuance of these bonds. As described in the proposition, the total amount is authorized to pay the costs of planning, designing, site preparation, constructing, acquiring, renovating, installing, and equipping the Bear Creek Fire Service Area facility.

The resolution authorizes the Borough Mayor, Finance Director and Clerk to execute the documents and agreements necessary to complete the sale of the bonds. The resolution limits the term of the bonds to twenty years and the interest rate to no more than 6.0 percent. Based on current interest rates for tax-exempt municipal debt, it is anticipated that the true interest rate of the bonds will be between 3.5 percent and 4.5 percent. The actual rate of interest is subject to market conditions as of the actual sale date.

I will keep the assembly informed as we progress through the bond issuance process.

Introduced by:
Date:
Action:
Vote:

Mayor
12/04/12

**KENAI PENINSULA BOROUGH
RESOLUTION 2012-092**

**A RESOLUTION APPROVING SELDOVIA RECREATIONAL SERVICE AREA'S FEE
SCHEDULE FOR THE SEA OTTER COMMUNITY CENTER FACILITY AND
ADDING IT TO THE BOROUGH'S SCHEDULE OF RATES, CHARGES AND FEES**

1 **WHEREAS,** on September 20, 2011, Ordinance 2011-32(Sub) established KPB Chapter 1.26
2 Schedule of Rates, Charges and Fees which lists all fees and charges imposed by
3 the borough and its service areas; and

4 **WHEREAS,** the Seldovia Recreational Service Area (SRSA) was established through
5 Ordinance 2011-28 and ratified by the voters on October 4, 2011, to provide
6 recreational services within the SRSA; and

7 **WHEREAS,** the SRSA board provides for management of the Sea Otter Community Center
8 facility through which services are delivered to service area residents; and

9 **WHEREAS,** the SRSA intends to offer the facility for use to other individuals and entities and
10 has established a fee schedule for these purposes; and

11 **WHEREAS,** at its meeting of November 6, 2012, the SRSA board unanimously approved the
12 fee schedule attached to this resolution;

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

1 **SECTION 1.** That the Seldovia Recreational Service Area's fee schedule for use of the Sea
2 Otter Community Center, attached hereto and incorporated by reference, is
3 approved and incorporated into the borough's Schedule of Rates, Charges and
4 Fees authorized by KPB Chapter 1.26.

5 **SECTION 2.** That this resolution takes effect immediately upon its adoption.

6 **ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 4TH**
7 **DAY OF DECEMBER, 2012.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



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**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

TO: Linda Murphy, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Mike Navarre, Mayor *MN*
Craig Chapman, Director of Finance *C Chapman*

COPY: Vivian Rojas, Seldovia Recreational Service Area Board Chair

DATE: November 21, 2012

SUBJECT: Resolution 2012-092, approving Seldovia Recreational Service Area's fee schedule for the Sea Otter Community Center facility

The Seldovia Recreational Service Area board provides for the management of the Sea Otter Community Center facility. During its meeting of November 6, 2012, the board unanimously approved a fee schedule to be charged for various uses of the facility. A copy of the fee schedule is attached to the resolution. These fees are intended to help offset costs incurred in operating the facility. Your support of this resolution would be appreciated.

SEA OTTER COMMUNITY CENTER: Fee Schedule

Seldovia Recreational Service Area / PO Box 154 / Seldovia, AK / 99663

WAIVERS: Fee waivers possible on a case-by-case basis through SRSA Board Approval.

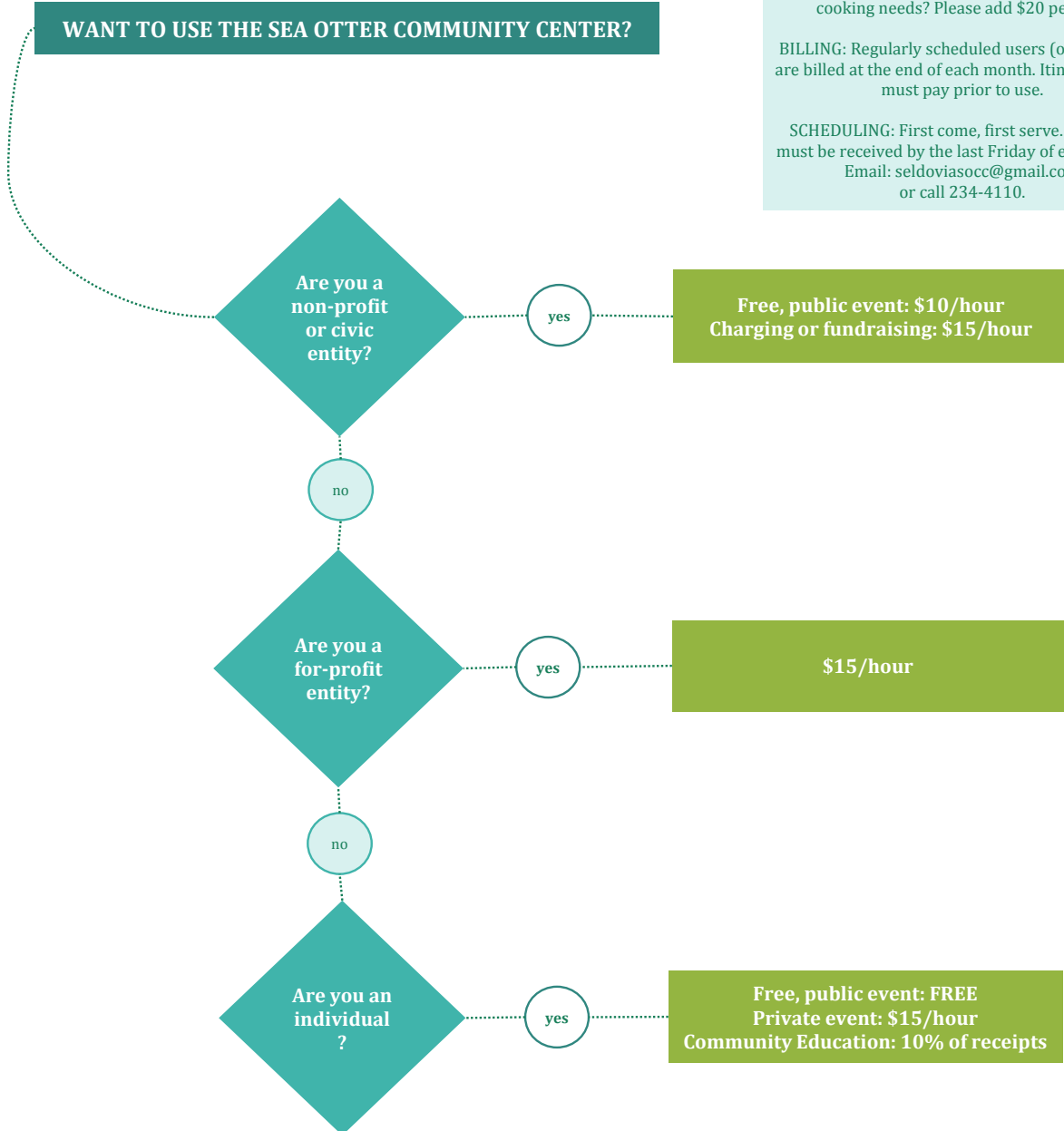
CLEANING FEE: \$50 minimum if building is left untidy after use. Follow the checklist.

KITCHEN USE: Basic use of the kitchen is allowed at no additional cost. Do you have extensive cooking needs? Please add \$20 per day.

BILLING: Regularly scheduled users (once/week) are billed at the end of each month. Itinerant users must pay prior to use.

SCHEDULING: First come, first serve. Requests must be received by the last Friday of each month.
Email: seldoviasocc@gmail.com
or call 234-4110.

WANT TO USE THE SEA OTTER COMMUNITY CENTER?



SELDOVIA RECREATIONAL SERVICE AREA

Mark Janes
Seat A
Term Expires 10/13

Sheryl Hingley
Seat B
Term Expires 10/14

Sandra R. Murray
Seat C
Term Expires 10/15

Vivian Rojas
Seat D
Term Expires 10/13

Ila Dillon
Seat E
Term Expires 10/14

Board Meeting Minutes

Tuesday, November 6, 2012

I. Call to Order

The meeting was called to order by the Chair, Vivian Rojas, at 5:04 pm.

II. Roll Call

All Board members were present. Public present included Monte Hingley, Tim Dillon, the City Manager, and Jere Murray.

III. Approval of the Agenda

MOTION: Made by Mark Janes and Seconded by Sheryl Hingley that the agenda be approved. Tim Dillon presented the Board with a management agreement for the Sea Otter Community Center that he had just this afternoon received from the KPB. It was added as 6B.

Under 7E. Items to be added are a. Additional signer b. Board positions, Pres and Sec/Treas. MOTION: To approve agenda as amended by Mark Janes and seconded by Sheryl Hingley. Motion passed. Vote was unanimous.

IV. Reports

5A. SOCC Coordinator Update

Monte Hingley is the new janitor for the building. He has been very helpful and has put up the drapes, the towel hangers etc.

October Report.

A reminder that next weekend is the gear swap. Volunteers are needed. People can drop off items on Friday with price tags on them. 11-3 gear swap. Chili will be sold for lunch. A ski movie will be shown at 7 p.m.

The energy audit for the building will be tomorrow.

Other topics discussed: Capital Improvement Request, purchase of tables and chairs, need for another signer and possibility of the Board meeting every other month for 2013.

5B. Quarterly Budget Report

Went over and looked over the Borough budget report ending October 31, 2012. There were some questions that Damara will follow-up with the Borough and get back to us.

VI. Unfinished Business

6A. Fee Schedule for Assembly

MOTION: Made by Mark Janes, Seconded by Ila Dillion. Motion was that we approve as displayed on page 8 the Sea Otter Community Center: Fee Schedule.

Vote: Unanimous

This fee schedule will have to approved by the Borough Assembly before we can begin to charger

6B. Management Agreement for the Sea Otter Center between the City and the KPB

Since the Board has just received this agreement it was decided that board members look over the agreement and get back to Tim, the City Manager, with their thoughts. This will come back to us at our December meeting for a vote.

VII. New Business

7A. Rasmuson Request

Board Members looked over this application. There were a few questions. It was suggested that we use Peter Elvsaaas for freight.

Motion: Made by Mark Janes and Seconded by Ila Dillion that we approve the Rasmuson Foundation application as written.

Vote: Unanimous

7B. Building Use Form

The Building use Form was discussed. The following changes were to be made:

Add under important rules DRUG FREE ZONE. Check wording used for the school.

Remove from building check list Lower heat to.... The building now has a programmable thermostat.

Add a reminder: PLEASE DO NOT CHANGE THE TERMOSTAT.

Add a question regarding Insurance coverage. Damara is to check the school's wording of this.

Add to let Damara know if you see anything that needs attention or repair.

Otherwise form looked good.

7C. Purchase of larger projector screen and vacuum.

Discussed these. We need a vacuum. Monte suggested a plain Hoover that does the floors.

Nothing special. Damara will follow up on this. Damara will also price out a larger screen.

Need probably 12 x 9. Need to keep the 4:3 ratio. She will get back to us.

7D. 4th of July Event

Discussed this and the board decided that we will do a food booth for the 4th. Damara will notify the Chamber of this decision.

7E. Items added to the agenda

a. Additional signer

Sandy Murray will be the added signer.

b. Board Positions

Vivian Rojas will continue to be the Chair.

Sandy Murray will continue to be the Sec./Treas

VIII. Public Comments

None

IX. Board Comments

Mark: There is a nice letter from Rosanna in the packet. Did you see that? It is good to have Ila aboard.

Sheryl: no comment

Sandra: I just wanted to let you know that some people have commented on the tax they are having to pay for the Center. I told them that the Borough wanted to set it at 1 mil. But we were able to hold it at $\frac{3}{4}$ mil. We are just wanting enough to keep the Center open. The utility costs alone are quite high.

Vivian: I was hearing the same thing and pretty much telling them the same thing.

Ila: I'm still on a learning curve.

X Announcement of Next Meeting

The next meeting of the Board will be Tuesday, December 4th at 5 pm.

XI. Adjournment

Motion to adjourn by Mark Janes, seconded by Ila Dillon.

Vote Unanimous

Meeting adjourned at 6:40 pm.

Sandra R. Murray
Secretary

Minutes approved on _____

Introduced by:
Date:
Action:
Vote:

Mayor
12/04/12

**KENAI PENINSULA BOROUGH
RESOLUTION 2012-093**

**A RESOLUTION AUTHORIZING A REDUCTION OF THE ADMINISTRATIVE FEE
ON THE PURCHASE OF THE AERIAL FIRE APPARATUS FOR NIKISKI FIRE
SERVICE AREA**

1 **WHEREAS**, the Nikiski Fire Service Area (Service Area) received a grant in the amount of
2 \$975,000 from the State of Alaska, which was appropriated through Ordinance 2012-
3 19-06, for the purchase of an aerial fire apparatus (ladder truck); and

4 **WHEREAS**, a request for proposal (RFP) was issued, two bids were received, and an award in the
5 amount of \$944,391 was made to Pierce Manufacturing; and

6 **WHEREAS**, Service Area personnel have subsequently identified a number of changes they would
7 like to make to the ladder truck; and

8 **WHEREAS**, the administration recommends that the administrative service fee be reduced by
9 \$13,131 allowing enough funds for all the changes to be awarded;

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

12 **SECTION 1.** That the administrative service fee on the ladder truck for Nikiski Fire Service Area
13 appropriated through Ordinance 2012-19-06 be reduced by \$13,131.

14 **SECTION 2.** That this resolution takes effect immediately upon its adoption.

1 **ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 4TH**
2 **DAY DECEMBER, 2012.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



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**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

TO: Linda Murphy, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*

FROM: Craig Chapman, Director of Finance *cchapman*
James Baisden, NFSA Fire Chief *JB*

DATE: November 21, 2012

SUBJECT: Resolution 2012-093 authorizing a reduction of the administrative fee on the purchase of the aerial fire apparatus for Nikiski Fire Service Area

Nikiski Fire Service Area (Service Area) received a \$975,000 grant from the State of Alaska for purchase of an aerial fire apparatus (ladder truck). A request for proposal (RFP) was issued, two bids were received, and a contract to Pierce Manufacturing was issued in the amount of \$944,391.

Service Area personnel have identified a number of changes they would like to make to the ladder truck. The borough administration is recommending that the administrative fee be reduced by \$13,131 to \$15,634 which would leave sufficient funds for all the items included on the change order to be awarded.

Introduced by: Mayor
Date: 12/04/12
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2012-094**

**A RESOLUTION APPROVING THE 2013 LABOR NEGOTIATION
PROCEDURES FOR A NEW COLLECTIVE BARGAINING AGREEMENT**

1 **WHEREAS**, the current collective bargaining agreement between the Kenai Peninsula Borough
2 and the Kenai Borough Employees Association is due to expire on June 30, 2013;
3 and

4 **WHEREAS**, negotiations for a new contract are scheduled to commence on December 17,
5 2012; and

6 **WHEREAS**, a set of mutually acceptable negotiation procedures have been agreed upon by
7 both parties;

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

10 **SECTION 1.** That the attached 2013 labor negotiation procedures are approved and
11 incorporated by reference.

12 **SECTION 2.** That this resolution takes effect immediately upon its adoption.

1 **ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 4TH**
2 **DAY OF DECEMBER, 2012.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



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**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

TO: Linda Murphy, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Borough Mayor *MN*

FROM: Stormy Brown, Director of Human Resources *SB*

DATE: November 21, 2012

SUBJECT: Resolution 2012-094, a resolution approving labor negotiation procedures for a new collective bargaining agreement with the Kenai Borough Employee's Association

The current labor agreement with our employee's association will expire on June 30, 2013. Negotiations are scheduled to begin December 17, 2012. This resolution is submitted for the purpose of approval by the assembly of the negotiating procedures agreed upon between the association and borough administration.

Please note that the procedures allow for an observer from the assembly. In addition, the assembly has the final approval of the contract submitted, whether the final contract is successfully negotiated by parties or is a product of binding arbitration.

Kenai Peninsula Borough
and the
Alaska Public Employees Association/AFT
representing the
Kenai Borough Employees Association
Local # 6140

Negotiation Procedures

- I. The Kenai Borough Employees Association and the Kenai Peninsula Borough Administration agree that, to foster sound bargaining relationships and to establish a basis for good faith bargaining with respect to salaries, wages, hours, and other terms and conditions for employment, a mutually satisfactory set of guidelines to direct negotiations is necessary.
- II. The Association and the Administration agree that the following rules will be in force during the duration of the current collective bargaining sessions:
 1. Negotiation sessions shall be as mutually agreed to. The first meeting shall be Monday December 12, 2012. At that time, the parties will set the schedule for future negotiations. During the negotiations process, the parties shall first determine which articles neither party intends to change, and tentatively agree to their acceptance. The parties shall next exchange and discuss issues and proposals for non-economic articles. Economic issues shall be reserved for discussion after the parties have exhausted the discussion of the non-economic issues.
 2. All negotiations sessions shall be closed.
 3. Members of the Administration negotiation team will be: Stormy Brown, HR Director, Paul Ostrander, Chief of Staff; James Baisden, NFSA Chief; Craig Chapman, Finance Director. Members of the Association negotiation team will be: Dennis Geary, APEA, Jennifer Nicoletto, APEA Terry Bookey, Central Emergency Services, Don Pearce, Maintenance, Carrie Henson, Planning and Lynne Carter, MIS, alternate. The President of the KBEA, Ryan Marquis, may attend as an observer. A team member may be replaced because of illness, injury, termination, other similar emergency, or non-availability due to work. Either team, with at least one day's prior notice, may bring in a representative(s) from a department(s) for consultation and observation regarding specific items on the agenda. An Assembly member may be appointed to act as an observer.
 4. The Association and the Administration agree that it is in the best interests of the general public of the Kenai Peninsula Borough to reach a mutually satisfactory employee relations agreement as soon as possible. It is agreed that both parties will make every effort to reach such an agreement on or before Monday, March 18, 2013.
 5. Stormy Brown and Dennis Geary are the chief negotiators for their respective groups for the duration of the current bargaining session. They may designate

an authorized member of their respective team to act in their capacity provided reasonable notice is given.

6. All grievance proceedings will be suspended during the negotiation period.
7. A joint progress report shall be made available, through the Human Resource Specialist, Office of Human Resources, after each negotiation session. Such public notice is issued only to asking parties. Any member of either bargaining team making a statement not in conformity with the official statement may be considered in violation of good faith bargaining. Other parties attending the negotiating sessions are bound by the same rules as the bargaining teams.
8. No work stoppage on the part of the Association or lockout of personnel by the Administration will occur during the duration of the current contract.
9. Initialing of statements of intent by the chief negotiator of both parties denotes tentative agreement of a particular issue. No changes to the contract shall be recognized unless documented by a signed tentative agreement.
10. At the end of each bargaining meeting there shall be an agenda established for the next meeting in order to allow both parties to prepare for a meaningful exchange of ideas concerning designated topics.
11. After thorough discussion of any item has taken place, with both sides exhausting all arguments in favor of their proposal and no agreement having been reached, the sides may mutually agree to suspend discussion in order to further research and amend their proposals for discussion at a future agreed upon date and time. The negotiation process will then continue with the next item on the agenda.
12. The declaration of impasses is a vital portion of good faith bargaining which is necessary to provide a final resolution of items of disagreement.

The following steps shall lead to a declaration of impasse and arbitration of the contested items:

- A. If, after all items to be discussed have been considered, and each party contends it has presented its last best offer on each item and no agreement has been reached, an impasse exists.
- B. If an impasse is reached, either party may make a written request for arbitration.
- C. Each party will have three days to agree on an arbitrator or to request a list of arbitrators from the Federal Mediation Conciliation Service (FMCS).
- D. When a list of arbitrators is received, both parties shall have three days to appoint the arbitrator.
- E. Only the items under contention shall be submitted to the arbitrator for resolution. The arbitrator's decision shall be binding upon both parties.

F. The Association and the Borough shall equally share costs incurred for the arbitrator.

13. In order to preserve the concept of good faith bargaining, there shall be no discussion concerning the current negotiations between the members of the two parties except during a duly convened negotiation session.
14. Borough employees on the negotiation team shall be considered to be in an on-duty status while attending negotiation/arbitration sessions held during their scheduled work hours/days.
15. The provisions of this document shall govern all negotiation meetings to be conducted during current negotiations.
16. The parties agree that as soon as practical, any tentative agreement reached shall be submitted to the Association membership for ratification. Further, that upon receipt of the ratified agreement (or in the case of arbitration, the arbitrator's award), the agreement will be submitted by resolution at the next regular Assembly meeting for Assembly action.

Dennis Geary, Chief Negotiator
On behalf of the KBEA/APEA/AFT (AFL-CIO)

Date

Stormy Brown, Chief Negotiator
On behalf of the Kenai Peninsula Borough Administration

Date

Introduced by:
Date:
Action:
Vote:

Mayor
12/04/12

**KENAI PENINSULA BOROUGH
RESOLUTION 2012-095**

**A RESOLUTION SUPPORTING THE NAMING OF THE KENAI PENINSULA
BOROUGH AS A PURPLE HEART BOROUGH**

1 **WHEREAS**, the people of the Kenai Peninsula Borough have a great admiration and the
2 utmost gratitude for the men and women who have selflessly served their nation,
3 state and community in the Armed Forces; and

4 **WHEREAS**, our veterans have paid the high price of freedom by leaving their families and
5 communities and placing themselves in harm's way for the good of all; and

6 **WHEREAS**, contributions and sacrifices of men and women from the Kenai Peninsula
7 Borough who have served in the Armed Forces have been vital in maintaining the
8 freedoms and way of life enjoyed by our citizens; and

9 **WHEREAS**, many men and women in uniform have earned the Purple Heart Medal as a result
10 of being wounded or giving their lives in combat with an enemy force, recognized
11 as a singularly meritorious act of essential service; and

12 **WHEREAS**, the borough recognizes and honors the service and sacrifices of our nation's men
13 and women in uniform who have been wounded or killed by the enemy while
14 serving to protect freedoms enjoyed by all Americans;

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

1 **SECTION 1.** That the Kenai Peninsula Borough Assembly supports naming the Kenai
2 Peninsula Borough a Purple Heart Borough.

3 **SECTION 2.** That this resolution takes effect immediately upon its adoption.

4 **ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 4TH**
5 **DAY OF DECEMBER, 2012.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



KENAI PENINSULA BOROUGH

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**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

TO: Linda Murphy, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Mike Navarre, Mayor *MN*

DATE: November 21, 2012

SUBJECT: Resolution 2012-045 supporting naming the Kenai Peninsula Borough a Purple Heart Borough

The Military Order of the Purple Heart estimates that the Purple Heart has been awarded to more than 2.02 million military service men and women. In recognition of these service members a number of local governments have been named Purple Heart cities. In June 2012 the Matanuska-Susitna Borough assembly adopted a resolution supporting the naming of that borough as a Purple Heart borough. A local Purple Heart recipient recently approached the administration and requested that this borough support being named a Purple Heart borough. This resolution would support that designation.

Introduced by: Mayor
Date: 12/04/12
Hearing: 01/08/13
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2012-19-40**

**AN ORDINANCE APPROPRIATING SUPPLEMENTAL FUNDING OF \$25,000 TO
THE ASSESSING DEPARTMENT TO COVER THE COST OF PURCHASING AND
IMPLEMENTING THE FIELD WORKER SOFTWARE APPLICATION**

1 **WHEREAS**, the assessing department has identified a software application, Field Worker,
2 which is compatible with its Proval database software; and

3 **WHEREAS**, the Field Worker application will enable assessing staff to update property records
4 in the field electronically on a computer tablet device, rather than on paper; and

5 **WHEREAS**, Field Worker will enable the data changes collected electronically in the field to
6 be uploaded from the tablet device to the database upon return to the office; and

7 **WHEREAS**, the automated data upload enabled by Field Worker will reduce errors and will
8 save time in lieu of manual data entry; and

9 **WHEREAS**, the total cost of purchasing, programming and implementing the Field Worker
10 application, including annual software support services and contingency, is
11 \$51,750; and

12 **WHEREAS**, the assessing department's annual FY2013 budget included only \$26,750 for
13 computer software; and

14 **WHEREAS**, a supplemental appropriation of \$25,000 is needed to provide the necessary
15 funding for FY2013 to purchase and implement the Field Worker application;

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

3 **SECTION 1.** That \$25,000 is appropriated from the Borough's General Fund, fund balance to
4 the following accounts:

5 100.11520.00000.42210 \$19,050 computer software
6 100.11520.00000.43019 \$ 5,950 software licensing/support

7 for the additional funding needed to purchase and implement the Field Worker
8 software application.

9 **SECTION 2.** That this ordinance shall take effect immediately upon its enactment.

10 **ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS ***
11 **DAY OF * 2013.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



KENAI PENINSULA BOROUGH

Assessing Department

144 North Binkley Street • Soldotna, Alaska 99669-7520

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PHONE: (907) 714-2230 • FAX: (907) 714-2393

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Linda Murphy, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Borough Mayor *MR*
Craig Chapman, Director of Finance *C Chapman*

FROM: Tom Anderson, Borough Assessor *TCA*

DATE: November 21, 2012

SUBJECT: Ordinance 2012-19- 40, appropriating a supplemental appropriation of \$25,000 to purchase and implement Field Worker software for the assessing department

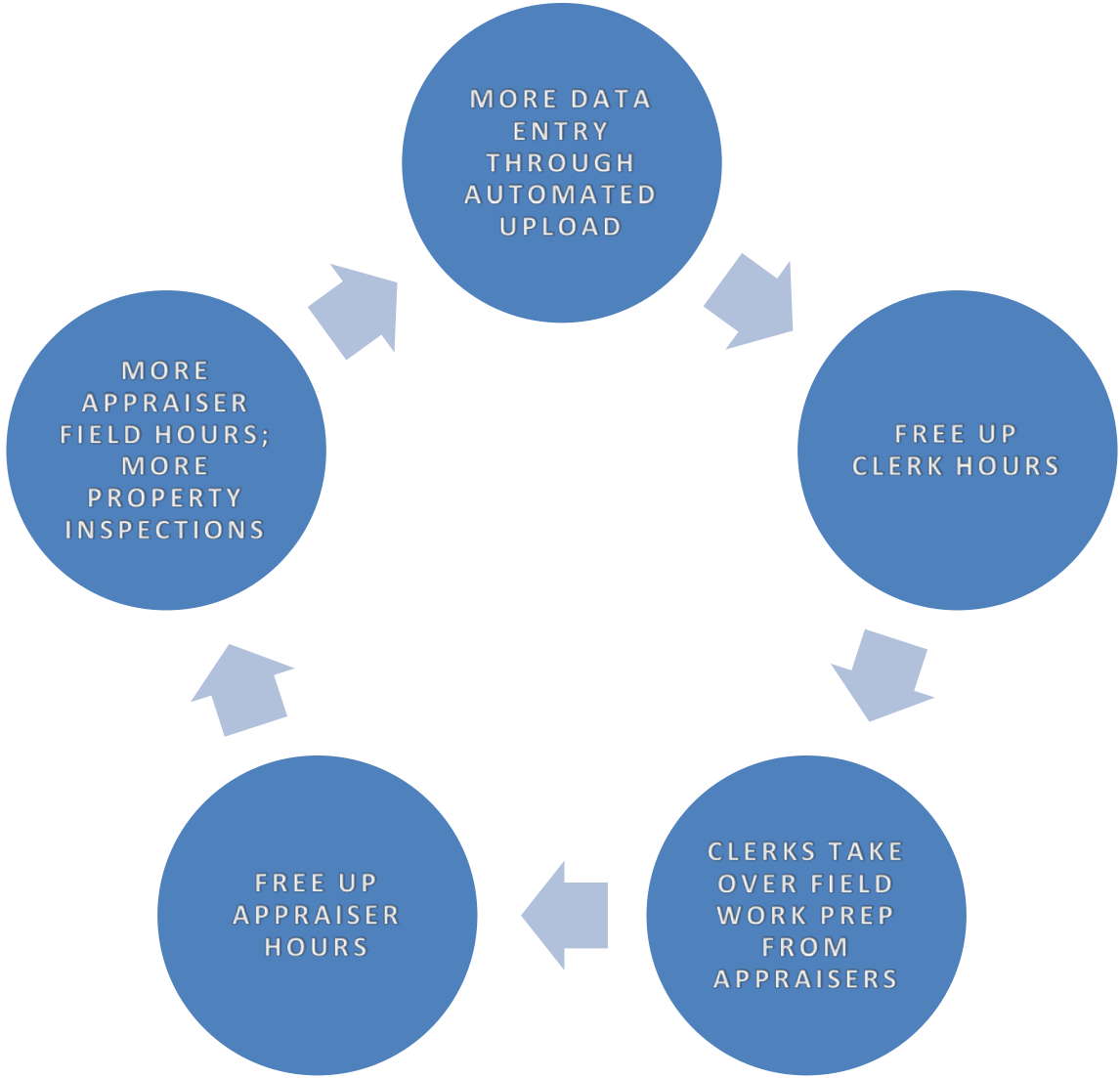
Assessing Department managers have identified a software application, Field Worker, which is compatible with its Proval database software and supported by its vendor, Thomsen Reuters (formerly Manatron). Implementation of the Field Worker application will enable appraisal staff in the field to update property records electronically using a computer tablet device, rather than using paper records as they currently do. Further, it enables upload of data changes to the database upon return to the office, which will reduce errors and save time over manual data entry.

Data entry time saved by administrative staff will be used to prepare property records into sets for inspection, which will be checked out to the field staff on the tablets. This will save preparation time for the appraisal manager and the field staff, which will enable more hours in the field and, in turn, more field inspections completed.

The assessing department's primary objective in making this change to its work flow process is to get more inspections done and data changes entered with existing staff. While assembly resolution 2003-008 requires the department to maintain a five year re-inspection cycle, the department has consistently fallen short of this mandate, and the current cycle is approximately seven years. Implementing Field Worker is the most cost effective way of speeding up the re-inspection cycle.

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>100.27910 FB</u>
Amount	<u>\$25,000</u>
By:	<u><i>pc</i></u> Date: <u>11/21/12</u>
	<i>C Chapman</i>

ASSESSING DEPARTMENT – EFFECT OF FIELD WORKER
IMPLEMENTATION ON WORKFLOWS



FIELD WORKER COST BREAKDOWN

Contract Price		HRS	
Field Worker Software			12,800
Professional Services			
Basic Programming	80		16,000
Custom Programming	40		8,000
Training	40		6,000
Total One-Time Charges			42,800
Software Support Services (Annual)			5,950
Contingency			3,000
Total			51,750

*

FY 2013 Budget	
Computer Software	26,750
Equipment Replacement Fund (Tablet Computer Installment)	7,734
Total	34,484

**

Supplemental Request	
*Total Contract Price less **Computer Software Budget amt	25,000

Introduced by: Mayor
Date: 12/04/12
Hearing: 01/08/13
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2012-19-41**

**AN ORDINANCE AUTHORIZING THE ACQUISITION OF TWO PROPERTIES AND
BUSINESS ASSETS FOR HOSPITAL PURPOSES, APPROPRIATING \$3,591,500
FROM THE CPGH, INC. PLANT REPLACEMENT AND EXPANSION FUND FOR
PURCHASE AND REMODELING COSTS, AND AUTHORIZING AN AMENDMENT
TO THE CPGH, INC. LEASE AND OPERATING AGREEMENT**

1 **WHEREAS,** the Kenai Peninsula Borough ("Borough") owns and provides for the operation of
2 Central Peninsula Hospital ("Hospital"), and for other health services and Medical
3 Facilities, through the Central Kenai Peninsula Hospital Service Area, ("Service
4 Area"); and

5 **WHEREAS,** the Borough has entered into a Lease and Operating Agreement with Central
6 Peninsula General Hospital, Inc. ("CPGH, Inc.") for the lease and operation of the
7 Hospital and other Medical Facilities, to operate these Medical Facilities on a
8 nonprofit basis in order to ensure the continued availability of the Medical
9 Facilities to the Service Area residents and visitors; and

10 **WHEREAS,** CPGH, Inc, provides physical therapy services to the residents of the Service Area
11 through the health care providers employed in its Physical Medicine Department,
12 including outpatient physical therapy services through its physical therapy line in
13 leased premises located in Soldotna and Kenai, Alaska; and

14 **WHEREAS,** Central Peninsula Hospital was approached by Denali-Mesa Corporation and
15 Denali Unlimited, LLC, the owners of Frontier Physical Therapy, with a desire to
16 sell their business assets and real property currently located at 108 East Corral
17 Street, Soldotna, Alaska and 260 Caviar Street, Kenai, Alaska; and

1 **WHEREAS**, purchase of those assets and real properties will allow CPGH, Inc. additional
2 space in Kenai, Alaska needed for expansion of physical therapy services in
3 Kenai, Alaska, will meet CPGH, Inc.'s need for additional space for its health care
4 providers in Soldotna, Alaska, and is reasonable and necessary to provide
5 additional services in the therapy services line; and

6 **WHEREAS**, the owners are currently asking \$2,867,500 for the business assets and properties;
7 and

8 **WHEREAS**, CPGH, Inc. estimates that an additional \$700,000 will be required for renovations
9 necessary to lease out the Soldotna property to medical service providers and
10 \$24,000 for closing costs; and

11 **WHEREAS**, CPGH, Inc., Denali-Mesa Corporation and Denali Unlimited, LLC have obtained
12 an independent business valuation of Frontier Therapy Service's assets and
13 business by a qualified independent firm to be used to establish the fair market
14 value of those assets and business in conjunction with the negotiations for CPGH,
15 Inc.'s and the Borough's acquisitions; and

16 **WHEREAS**, CPGH, Inc. Administration, Denali-Mesa Corporation and Denali Unlimited,
17 LLC have developed draft Purchase and Sale Agreements, with purchase price
18 and allocation of purchase price to assets being agreed upon at fair market value
19 in conjunction with the Independent Business Valuation and backed-up by a
20 property appraisal, with the Purchase and Sale Agreement for the business assets
21 to be between Denali-Mesa Corporation as Seller and CPGH, Inc. as Purchaser,
22 and with the Purchase and Sale Agreement for the buildings and real estate to be
23 between Denali Unlimited, LLC as Seller and Kenai Peninsula Borough as
24 Purchaser; and

25 **WHEREAS**, upon purchase it would be appropriate to amend the lease and operating
26 agreement with CPGH, Inc. to include these properties; and

1 **WHEREAS**, at its meeting of November 20, 2012, the CPGH, Inc. Executive Committee
2 considered CPGH, Inc. Resolution 2012-85 and voted to approve the purchase
3 and sale agreements and to recommend that the Kenai Peninsula Borough
4 Assembly approve them; and

5 **WHEREAS**, at its meeting of December 18, 2012, the CPGH, Inc. Board of Directors voted to
6 the Board's Executive Committee action of November 20, 2012; and

7 **WHEREAS**, the Central Kenai Peninsula Hospital Service Area Board, at its meeting of
8 December 17, 2012, recommended _____; and

9 **WHEREAS**, the KPB Planning Commission at its regularly scheduled meeting of January 7,
10 2013, recommended _____;

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

13 **SECTION 1.** That the Assembly finds that purchasing the following described real properties
14 pursuant to KPB 17.10.040 and associated business assets is in the best interest of
15 the borough as it furthers the purposes of the Central Kenai Peninsula Hospital
16 Service Area to provide health care services:

17 a) Lot 51A Binkley Street/Shady Lane ROW Dedication and Replat (Plat No.
18 KN 88-40), Kenai Recording District, Third Judicial District, State of Alaska.

19 b) Lot 7 Aleyeska Subdivision Part 1 (Plat No. K-1442), Kenai Recording
20 District, Third Judicial District, State of Alaska.

21 c) Assets of the business known as Frontier Therapy Services, including all
22 equipment and other tangible and intangible assets associated with the Kenai
23 and Soldotna branches as described in the business asset purchase and sale
24 agreement.

1 **SECTION 2.** That the purchase price shall be \$2,867,500.00, the closing costs are estimated to
2 be \$24,000, the renovation costs are estimated to be \$700,000 and all other terms
3 and conditions set forth in the purchase agreements attached to this ordinance are
4 hereby approved.

5 **SECTION 3.** That the acquisitions are for hospital purposes, and are pursuant to and subject to
6 the Lease and Operating Agreement between the Borough and CPGH, Inc.

7 **SECTION 4.** That the above-described lands are zoned as Central Mixed Use pursuant to City
8 of Kenai zoning code and Limited Commercial pursuant to City of Soldotna
9 zoning code and therefore are not proposed to be further classified under KPB
10 17.10.080.

11 **SECTION 5.** That CPGH, Inc. is authorized to purchase the assets of Denali-Mesa Corporation
12 d/b/a Frontier Physical Therapy as described in the accompanying purchase and
13 sale agreement.

14 **SECTION 6.** That the mayor is authorized to execute the purchase and sale agreement of real
15 property described above substantially in the form of the agreement
16 accompanying this ordinance, and any and all other documents necessary to
17 effectuate the intents and purposes of this ordinance.

18 **SECTION 7.** That the mayor is authorized to execute an amendment to the lease and operating
19 agreement with Central Peninsula General Hospital, Inc. substantially in the form
20 of the agreement attached hereto and incorporated herein by reference. This
21 agreement amends Section 2 of the lease and operating agreement to provide a
22 description of those real properties listed in Section 1.

23 **SECTION 8.** That \$3,591,500 is appropriated from the CPGH, Inc. Plant Replacement and
24 Expansion Fund to account no. 490.81110.13FRN.49999 for the purchase price,
25 renovation and estimated closing costs.

1 **SECTION 9.** That Sections 1, 2, 3, 4, 5, 6, and 8 of this ordinance shall take effect immediately
2 upon its enactment.

3 **SECTION 10.** That Section 7 of this ordinance shall take effect upon purchase of the properties
4 listed in Section 1 above.

5 **ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS ***
6 **DAY OF * 2013.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7520

Toll-free within the Borough: 1-800-478-4441

PHONE: (907) 262-4441 • FAX: (907) 262-1892

www.borough.kenai.ak.us

MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Linda Murphy, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Mike Navarre, Mayor ^{MN}
Craig Chapman, Director of Finance *C Chapman*

DATE: November 21, 2012

SUBJECT: Ordinance 2012-19-41, authorizing the acquisition of two properties and business assets for hospital purposes and appropriating \$3,591,500 from the CPGH, Inc. Plant Replacement and Expansion Fund

Central Peninsula General Hospital, Inc. (CPGH, Inc.) was approached by the owners of Frontier Physical Therapy who proposed to sell their business assets and real property located in Kenai and Soldotna. Central Peninsula Hospital is in need of additional medical office and physical therapy space in Soldotna and additional physical therapy space in Kenai. The parties have reached tentative agreements for the purchase and sale of these assets at fair market value subject to final CPGH, Inc. Board approval and KPBA Assembly approval. Additionally, remodeling will be required for the Soldotna property in order to make the space suitable to be leased to additional service providers. The estimated total purchase price is \$2,867,500 for the business assets and properties. An additional \$700,000 is estimated to be necessary to pay for the needed renovations. Funds for the purchase, renovations, and estimated closing costs of \$24,000 will be paid from the CPGH, Inc. plant replacement and expansion fund.

Additionally, if this is approved it is appropriate to amend the CPGH, Inc. lease and operating agreement to include the newly acquired property as being subject to the lease and operating agreement. The borough administration is conducting its own due diligence evaluation of this acquisition and will provide the assembly with any additional information prior to final hearing. Your consideration of this ordinance would be appreciated.

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>490-00000-00000-20602</u>
Amount	<u>\$3,591,500.00</u>
By:	<u><i>C Chapman</i></u> Date: <u>11/26/2012</u>



The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.

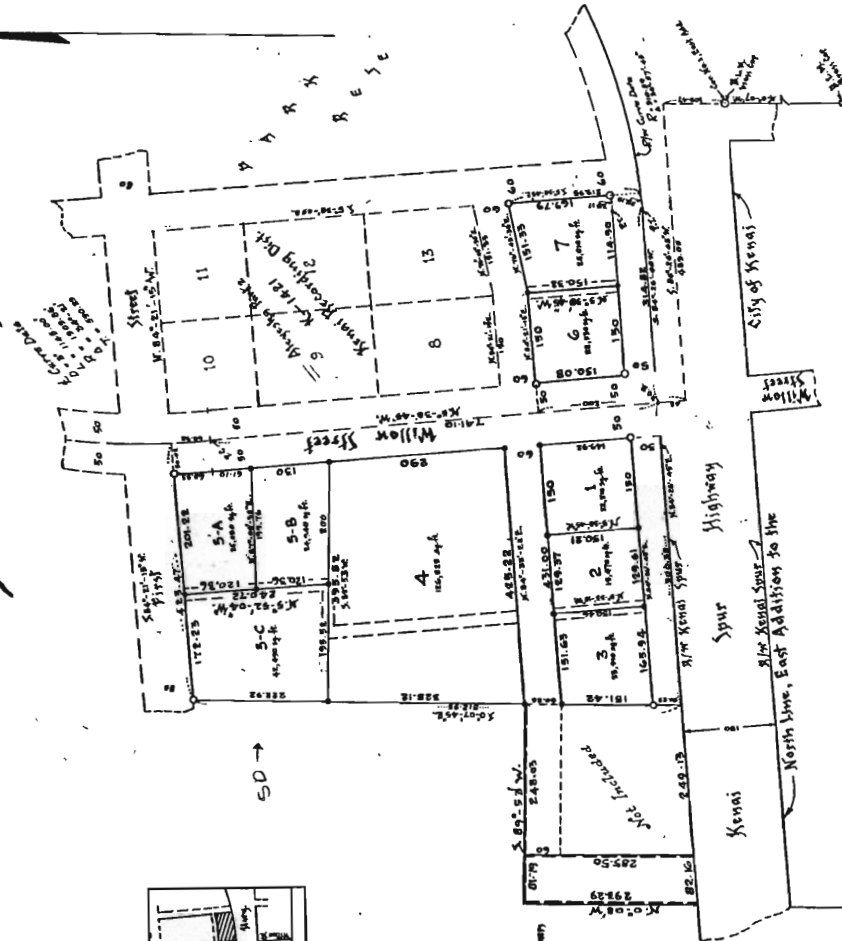
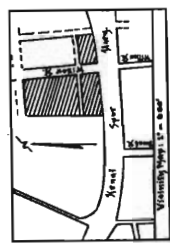
0 105 210 420 Feet

260 Caviar Street
 Kenai Alaska
 Frontier Physical Therapy



Printed on Jan 22, 2009

Aleyeska Subdivision (Part One) City of Kenai, Alaska



Description: Two certain tracts of land in the N.W. 1/4 Sec. 5, T. 2 N., R. 11 W. of S. M., City of Kenai, Alaska, said tracts to be known hereinafter as Tract "A" and Tract "B", and being more particularly described as follows:

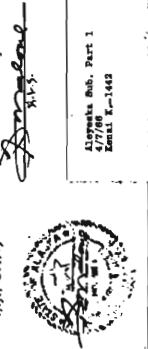
Tract "A": From Cor. No. 1, East Addition to Kenai, Alaska, according to the plat thereof approved April 4, 1951, and N. 0°-07'-45" W. on a projection of the East line of said addition for 105.47 feet to a point on the right-of-way of the Kenai Spur Hwy.; thence S. 84°-26'-45" W. for 489.05 feet to an intersection with the Southernly projection of the centerline of Willow St.; thence N. 5°-38'-45" W. along said projection for 45 feet to an intersection with the right-of-way of the Kenai Spur Hwy. and the Point of Beginning; thence continue N. 5°-38'-45" W. along said centerline for 741.10 feet to the P.C. of a curve concave to the East and having a radius of 1905.86 feet and a central angle of 54°-21'; thence along the arc of said curve for 68.92 feet; thence S. 84°-26'-45" W. for 423.47 feet; thence S. 0°-07'-45" E. for 82.95 feet to the right-of-way of Kenai Spur Hwy.; thence N. 84°-26'-45" E. along said right-of-way for 500.30 feet to the Point of Beginning.

Tract "B": From Cor. No. 1, East Addition to Kenai, Alaska, run N. 0°-07'-45" W. on a projection of the East line of said addition for 105.47 feet to a point on the right-of-way of the Kenai Spur Hwy.; thence S. 84°-26'-45" W. for 489.05 feet to an intersection with the Southernly projection of the centerline of Willow St.; thence N. 5°-38'-45" W. along said projection for 45 feet to an intersection with the right-of-way of the Kenai Spur Hwy. and the Point of Beginning; thence continue N. 5°-38'-45" W. along said centerline for 741.10 feet to the P.C. of a curve concave to the East and having a radius of 1905.86 feet and a central angle of 54°-21'; thence along the arc of said curve for 68.92 feet; thence S. 84°-26'-45" W. for 423.47 feet; thence S. 0°-07'-45" E. for 82.95 feet to the right-of-way of Kenai Spur Hwy.; thence N. 84°-26'-45" E. along said right-of-way for 500.30 feet to the Point of Beginning.

Legend

- Ditches with aluminum caps on both corners
- Ditches 1/2 meter on both corners
- ==== Denotes 20' Utility Eas.

Surveyor's Certificate:
I hereby certify that the plat shown hereon was surveyed under my direction and that reference monuments have been set and that all measurements and bearings are true and correct, to the best of my knowledge and belief.



Kenai City Planning Commission
Resolved 20 March 1966
Approved April 6, 1966
By Richard C. Clarke
By William A. Johnson

Kenai City Council
This is to certify that the within plat was duly submitted to and approved by the Council of Kenai City, Alaska, by resolution number 22 authenticated as passed this 2 day of April, 1966.

Charles J. Jorgensen
Mayor
Frances M. Johnson
City Clerk

Covenant:
Each of the lots in this subdivision shall be subject to assessments for improvements required by ordinance of the City of Kenai, when installed by the City of Kenai.

Alayeska Sub. Part 1
4/7/66
SHEET 1-1402

City of Kenai
Alaska
Scale: 1" = 100'
F. J. Malone
Kenai
ALAYESKA SUBDIVISION, PART ONE 695



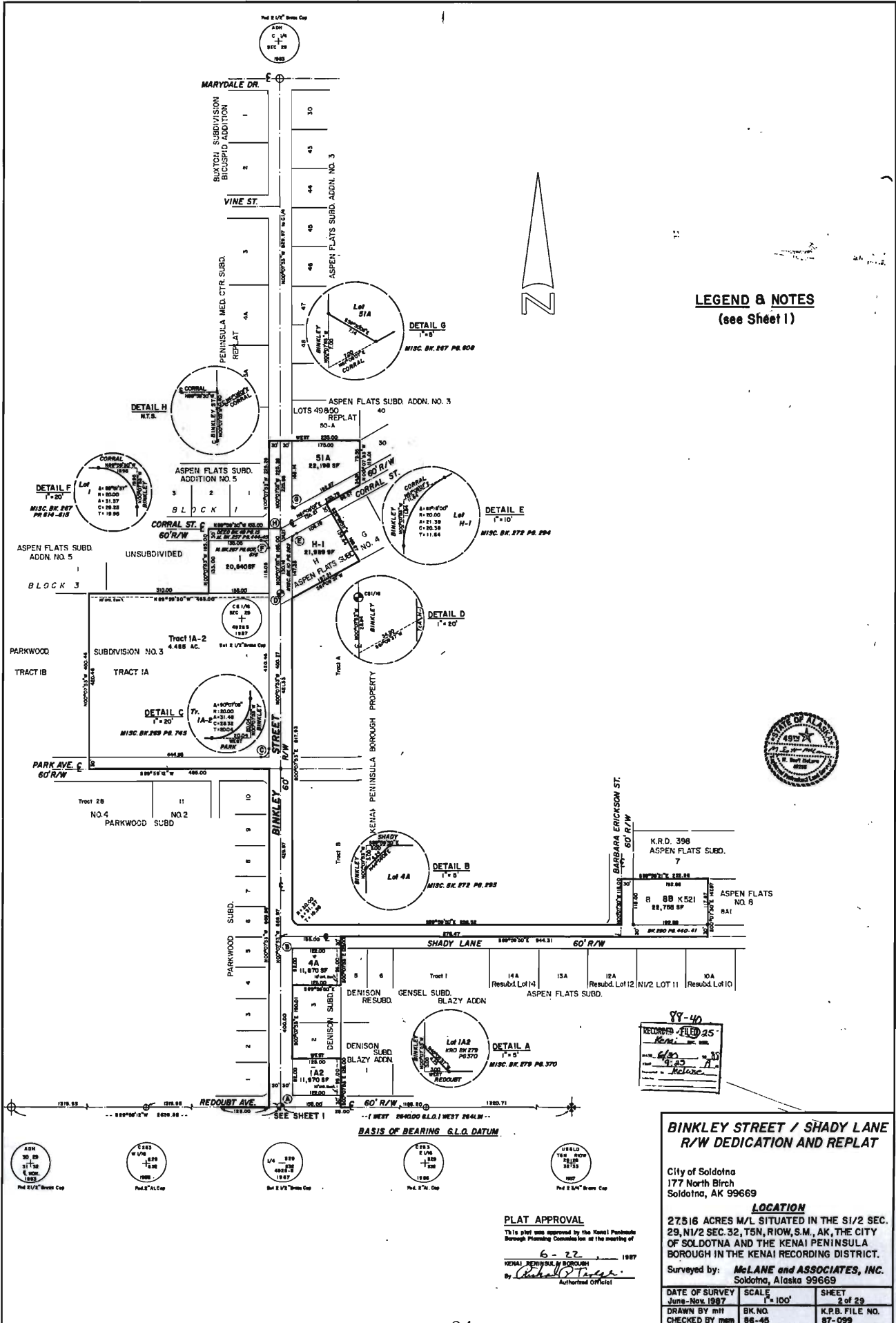
The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.

0 120 240 480 Feet

108 East Corral Street
Soldotna Alaska
Frontier Physical Therapy



Printed on Jan 22, 2009



LEGEND & NOTES
(see Sheet 1)



RECORDED - FILED 25
Kenai, AK
DATE: 6/20
BY: [Signature]
[Signature]

**BINKLEY STREET / SHADY LANE
R/W DEDICATION AND REPLAT**

City of Soldotna
177 North Birch
Soldotna, AK 99669

LOCATION
27.516 ACRES M/L SITUATED IN THE S1/2 SEC. 29, N1/2 SEC. 32, T5N, R10W, S.M., AK, THE CITY OF SOLDOTNA AND THE KENAI PENINSULA BOROUGH IN THE KENAI RECORDING DISTRICT.

Surveyed by: **McLANE and ASSOCIATES, INC.**
Soldotna, Alaska 99669

DATE OF SURVEY June - Nov. 1987	SCALE 1" = 100'	SHEET 2 of 29
DRAWN BY mll	BK. NO. 86-45	K.P.B. FILE NO. 87-099
CHECKED BY mem		

PLAT APPROVAL
This plat was approved by the Kenai Peninsula Borough Planning Commission at the meeting of
6-22-1987
KENAI PENINSULA BOROUGH
By: [Signature]
Authorized Official

PURCHASE AND SALE AGREEMENT

Date: December ____, 2012

SELLER: Gabriel A. Lujan, President
Denali-Mesa Corporation
D.b.a. Frontier Physical Therapy
907 E. Dowling Rd., Suite 26
Anchorage, AK, 99518 ("Business Seller")

PURCHASER: Richard L. Davis, Chief Executive Officer
Central Peninsula General Hospital, Inc. D.b.a. Central
Peninsula Hospital ("CPGH, Inc.")

Brokerage: Matthew Fink, Dynamic Properties, Inc., (907) 261-7620

I. PURCHASE PRICE AND EARNEST MONEY:

Upon mutual acceptance of this Agreement, the Purchaser shall deposit the sum of Fifty Thousand Dollars and no cents (\$50,000.00) into the trust account of Dynamic Properties, Inc., as Earnest Money on and part payment for the business assets including equipment, furniture, inventory, trade fixtures, goodwill, trademarks, leases and other intangible assets of that business known as **Frontier Therapy Services** located at **108 East Corral Street, Soldotna, Alaska 99669** and **260 Caviar Street, Kenai, Alaska 99611** all collectively known as the "**Property**" and as described in further detail below, which property the payer of the above deposit herewith agrees to purchase for the total price of **One Million One Hundred Eighty-Five Thousand Dollars (\$1,185,000.00)**, on which sum the above deposit will apply.

II. DESCRIPTION OF PROPERTY:

1. All furniture, fixtures, equipment, electronics, software, tools, systems, inventory and machinery now owned or hereafter acquired, attached Exhibit "A".

2. All clients, contract rights, customers, vendor's agreements, service contracts existing as of the date of closing.

3. Trade name "Frontier Therapy Services" along with all logos, trademarks, letterhead, advertising, pre-printed material such as brochures and other collateral material identifying and representing the business.

4. All other business assets dedicated to and pertinent to this business, including but not limited to telephone numbers, fax numbers, mailing lists, customer lists, white page listings and yellow page advertising.

Purchaser Initials _____

Sellers Initials _____

Accounts receivable of record as of midnight the night before closing shall not be included in the sale, not part of the purchase price and will be retained by Seller at closing. Seller will provide a detailed list of such receivables at closing as Exhibit B. Purchaser shall immediately pay over to Seller any accounts receivable paid to Purchaser, which are due to the Seller. Purchaser is not responsible for the collection of accounts due to Seller nor will Purchaser make efforts toward collection of such accounts.

III. PURCHASE TERMS:

Purchaser shall pay **One Million One Hundred Eighty-Five Thousand Dollars (\$1,185,000.00) for the Property** including earnest money at closing.

IV. CLOSING:

A) The consummation of the purchase and sale of the Property (Closing) shall be coordinated by and take place at the office of First American Title Company on or before **January 31, 2013, with a simultaneous closing of the Real Property and Improvements to the Kenai Peninsula Borough.** Closing can be extended by mutual written consent.

B) The Purchase Price shall be paid and all documents necessary for the consummation of this transaction shall be executed and delivered on or prior to the Closing Date, and Seller shall deliver possession of the Property to Purchaser on recording.

C) At or prior to Closing, Seller shall deposit the following documents in escrow with the Title Company:

i. A bill of sale in recordable form executed on behalf of Seller, conveying good title to Purchaser of the Property described above;

ii. Such conveyance or transfer tax forms, if any, as are required to be delivered or signed by Seller by applicable state and local law in connection with the conveyance of the Property.

iii. Evidence of the existence, organization and authority of Seller and the authority of the persons executing documents on behalf of Seller reasonably satisfactory to the underwriter for the Title Policy.

iv. Any additional documents that Purchaser or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement.

D) At or prior to Closing, Purchaser shall deposit the following in escrow with the Title Company:

Purchaser Initials _____ Sellers Initials _____

- i. The remainder of the Purchase Price.
- ii. Such conveyance or transfer tax forms, if any, as are required to be delivered or signed by Purchaser by applicable state and local law in connection with the conveyance of the Property.
- iii. Evidence of the existence, organization and authority of Purchaser and of the authority of the persons executing documents on behalf of Purchaser reasonably satisfactory to the underwriter for the Title Policy.
- iv. Any additional documents that Seller or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement.

V. PURCHASE PRICE ALLOCATION:

The allocation of the total purchase price shall be as follows:

(i) Frontier Therapy Services Business	\$1,185,000.00
(ii) Furniture, fixtures and equipment:	_____
(iii) Clients and contract rights:	_____
(iv) Goodwill:	_____
(v) Non-Compete Agreement	_____
 Total Purchase Price:	 \$1,185,000.00

Allocation of the Purchase Price shall be mutually agreed to by the Parties prior to the expiration of the due diligence period.

VI. PURCHASERS FINANCING:

Purchaser shall provide Seller a qualifying letter from a financial institution or verification of funds to close this transaction by no later than **December 31, 2012**.

VII. PURCHASERS DUE DILIGENCE:

The Purchaser shall have a period up to **January 20, 2013** to complete their due diligence which began August 1, 2012. The Purchaser shall notify the Seller prior to the expiration of the due diligence period, in writing, in the event the Purchaser, in its sole discretion, declines the property for *any reason* in which event this transaction shall be terminated and the earnest money refunded in full to the Purchaser.

This Agreement is specifically subject to the Purchase being approved by the Board of Directors of the Purchaser and the Kenai Borough Assembly and Mayor, and is specifically subject to the availability and appropriation of funds for payment of the

Purchaser Initials _____ Sellers Initials _____

purchase price from the CPGH, Inc. Plant Replacement and Expansion Fund ("PREF"). If the CPGH, Inc. Board of Directors fails to approve by resolution the Purchase and the transfer of funds for the purchase price from the PREF or if the Kenai Peninsula Borough Assembly fails to enact an ordinance approving the Purchase and appropriating funds from the PREF for payment of the purchase price, this agreement shall be terminated without penalty.

This Agreement is subject to a simultaneous sale of the Real Property and Improvements (Real Estate) to the Kenai Borough where the Property is located.

All additional information requested of Seller shall be provided as soon as possible to effectuate Purchasers due diligence completion. All Purchaser contingencies to be either accepted completed and/or waived by the timeline above, but in no event later than **January 20, 2012**. Should Purchaser want to extend the timeline in any of the contingencies, Purchaser to request the same in writing prior to its expiration. Seller, at its sole discretion, may agree to extend the due diligence period. The earnest money will become non-refundable as of **January 21, 2013**.

VIII. PURCHASE TERMS AND CONDITIONS:

1. All the Property is being sold "AS IS, WHERE IS". Seller is not making any representations, implied or expressed, as to the condition or of any aspect of the Property. Purchaser is advised to conduct all of its own inspections prior to purchasing this Property. Purchaser is purchasing the Property in its current condition and configuration. Although this is an "AS IS" sale, Purchaser's obligation to purchase the Property is expressly conditioned on the Purchaser's approval, in its sole discretion, of the condition of the Property. In addition, purchase of the property is subject to the Purchaser's review of equipment purchase contracts or equipment leases, if any, affecting the Property; and such equipment purchase contracts or equipment leases being satisfactory to Purchaser.

2. Seller shall pay the following closing costs where applicable to each:

- a) 1/2 recording fee
- b) 1/2 documentation preparation fee
- c) 1/2 escrow closing fee
- d) Own attorney's fees
- e) UCC search at the State and the applicable District for each entity, business and/or person, associated with the business.
- f) Fees for releasing UCC statements filed against the Seller
- g) Brokerage fee to Dynamic Properties, Inc.

3. Purchaser shall pay the following closing costs:

- a) 1/2 recording fee

Purchaser Initials _____

Sellers Initials _____

- b) ½ documentation preparation fee
- c) ½ escrow closing fee
- d) All Purchasers financing fees including appraisals, if applicable.
- e) All other fees associated with Purchaser s due diligence inspections
- f) Own attorney fees

4. Seller to provide Purchaser, if requested, with training and consulting services for a period of Sixty (60) days following closing at no additional cost to Purchaser. The training and consulting to be conducted during regular business hours at up to 20 hours per week, at Purchasers option. In addition, Seller will be available via phone for consultation for up to six months after closing to ensure a smooth transition.

5. Property taxes shall be prorated to the date of closing, except as otherwise expressly provided in this Agreement, all prorations provided for shall be final. For purposes of all prorations provided for in this Agreement, Seller shall be responsible for all days up to the Closing Date, and Purchaser shall be responsible for Closing Date and all days after Closing.

6. Prepaid expenses relating to the business assets, including but not limited to utilities and payroll, paid by Seller and relating to periods after the closing date, shall be prorated at closing, if applicable.

7. All Property shall be transferred to the Purchaser by bill of sale, free and clear of any liens or encumbrances.

8. Purchaser assumes no liability relative to the operating business herein for any debts, payables or obligations of any nature, whether accrued, absolute, contingent or otherwise, and whether due or to become due except where Purchaser will agree at closing to assume all continuous open client care as prescribed and monthly telephone directory costs. Seller shall be obligated to satisfy all other accounts payable due on open accounts up until the closing of this transaction unless otherwise mutually agreed to in writing prior to closing.

9. Seller hereby indemnifies and holds the Purchaser harmless from and against any loss, cost claim, liability, or expense suffered or incurred by Purchaser from and after the date of closing arising from or connected to Seller's ownership of Property prior to the closing excluding as agreed to in 9 above.

10. Purchaser hereby indemnifies and holds the Seller harmless from and against any loss, cost claim, liability, or expense suffered or incurred by Seller from and after the date of closing arising from or connected with Purchasers ownership of the Property purchased herein.

11. Purchaser may form a new entity prior to closing and transfer the rights to this agreement to the entity for closing purposes. Seller agrees to allow Purchaser to assign

Purchaser Initials _____

Sellers Initials _____

this agreement to the new entity.

12. This document and the referenced attachment(s), if any, consisting of _____ () pages, contain the entire Agreement between the parties. There are no understandings, oral or written, which in any manner change or enlarge what is set forth herein. The plural shall include the singular. It may not be modified except in writing signed by both parties.

13. It is mutually agreed upon by all parties that the Broker and/or their Licensee shall not be held liable in any manner whatsoever for damages arising from defaults or acts by or upon the part of either party to this Agreement.

14. In the event that the Broker is unable to determine to his satisfaction which party is responsible for failing to perform the requirements of this Agreement, the Broker shall request the Parties to execute an agreement for release of the earnest monies to one or the other party. Broker need not disburse earnest monies until an Agreement is signed. Alternatively, Broker may: (a) with Purchaser's and Seller's consent, submit the matter to an agreed upon arbitrator or mediator; or (b) interplead the earnest money with the courts for determination of who is entitled to the earnest monies. The Broker shall be entitled to an award, from the earnest monies, of reasonable attorney's fee and cost for interpleading the earnest money.

15. All parties agree that a facsimile transmission of any original document shall have the same effect as an original. Any signature required on an original document shall be completed when a facsimile copy has been signed, except for documents to be recorded which required original signatures. The parties agree that facsimile copies of documents shall be appended to the original thereof, integrated therewith and given full effect as if an original.

16. Seller and Purchaser hereby acknowledge Dynamic Properties, Inc. as licensee for the Seller and will provide the Purchaser with specific assistance in this transaction. **The Purchaser and Seller are hereby formally advised to seek legal and tax advice regarding this document and the financial outcome of this transaction. Dynamic Properties, Inc. / Matthew Fink are not authorized and have not given any legal or tax advice.**

17. This transaction shall close in the escrow offices of **First American Title**.

18. Purchaser, by his signature below, hereby certifies that all information provided by the Seller shall be treated in a strictly confidential manner for the purpose of confirming their interest in completing the purchase of the Property described herein and for no other purpose. Purchaser shall not share this information with outsiders or competitors of the Seller, subject to the following exceptions: Purchaser may share this information with (1) Purchaser's own attorneys and consultants; (2) the Mayor and Administration of the Kenai Peninsula Borough under claim of confidentiality; (3) such information may be

Purchaser Initials _____

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made public as may be reasonable and necessary to obtain Borough Assembly approval and appropriation of funds from the PREF for payment of the purchase price.

19. Seller represents and warrants, based upon its actual knowledge, and without obligation to conduct additional investigation, as of the date hereof and as of the Closing Date that:

a. To the best of Seller's knowledge, Seller has received no notice from any governmental authority of any pending or threatened i) zoning, building fire, or health code violations or violations of other governmental requirements or regulations with respect to the Buildings that have not previously been corrected, or (ii) any condemnation of the Building. Seller further warrants and represents that in the event it receives any such notice prior to the Closing Date, it will provide to Purchaser copies of any such notice immediately.

b. The lease agreements in place for both buildings will be cancelled as of the recording date of the sale with a simultaneous sale of the real property to the Kenai Borough.

c. That they are duly qualified and authorized to do business and are in good standing in the State of Alaska.

d. That they have paid all income, and other taxes which are payable by it relative to the Property herein to all United States (federal, state and local) taxing authority.

e. Seller is the owner of the Property and has full power to transfer the Property free and clear of all liens, encumbrances, security interests, equities, options, claims, charges, and restrictions.

f. Seller has and on the date of closing will have complied with all material laws, rules, regulations and orders applicable to the operations of Seller's business and the sale of the Property.

g. Seller will, from the date of mutual agreement of this offer until closing, use its best efforts to preserve all existing business relationships with clients, suppliers, employees, and use its best efforts to obtain customers and preserve existing customer relationships.

The representations and warranties contained in this Section shall survive Closing.

20. Seller's Covenants. Between the date of the execution of this Agreement and the Closing, Seller shall:

Purchaser Initials _____

Sellers Initials _____

a. Maintain the Property in its present condition, and not permit any changes or alterations to or upon the Property.

b. Not permit any lien or other encumbrance affecting the Property to be foreclosed.

21. Purchaser represents and warrants, based upon its actual knowledge, and without obligation to conduct additional investigation, as of the date hereof and as of the Closing Date that:

a. That they are financially qualified to purchase this Property and are in good standing in the State of Alaska.

b. Purchasers are currently not in any type of Bankruptcy proceedings or any other type of litigation that could hamper their ability to purchase this Property.

c. Purchaser has and on the date of closing will have complied with all material laws, rules, regulations and orders applicable to the purchase of this Property.

22. Risk of Loss. Seller shall bear all risk of loss with respect to the Property up to the earlier of the date upon which either possession or title to the Property is transferred to Purchaser in accordance with this Agreement. Notwithstanding the foregoing, in the event material damage of the Property prior to the Closing Date occurs, Purchaser may:

a. Terminate its obligations under this Agreement and receive a full refund of the earnest money; or

b. Proceed with the Closing, in which event Seller shall assign all Seller's right, title and interest in and to any insurance proceeds to Purchaser if applicable.

23. In the event Purchaser fails to perform the obligations set forth in this Agreement, (except as excused by Seller's default), Seller will make written demand for performance. If the Purchaser fails to comply with such written demand within Ten (10) days after receipt hereof, Seller will have option to waive such default, demand specific performance, or terminate this Agreement and, on such termination, all the earnest money will be forfeited to the Seller.

24. In the event Seller fails to perform the obligations set forth in this Agreement, (except as excused by the Purchaser's default), Purchaser will make written demand for performance. If the Seller fails to comply with such written demand within Ten (10) days after receipt hereof, Purchaser will have option to waive such default, demand specific performance, or terminate this Agreement and, on such termination, the earnest money will be refunded to the Purchaser.

25. Purchaser, Seller, and Broker agree that in the event any litigation is instituted to collect any sum due broker to enforce or interpret any of the provisions of this

Purchaser Initials _____

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agreement, the prevailing party or parties shall be entitled to recover from the other(s) their reasonable attorneys fees and court costs including appeals, as determined by the court in such action or suit.

26. Purchaser and Seller hereby authorize the lending institution to furnish Broker / Licensee with closing statements upon request. Purchaser and Seller authorize all lenders, escrow Agents and appraisers to furnish the listing licensees, on request, any and all information and copies of documents, concerning the status, progress, and final disposition of: loans, credit, appraisal, closing, conveyances and any and all other matter related to this sale.

27. Notices. All notices, waiver, election, approvals and demands required or permitted to be given hereunder shall be in writing, via email with confirmation of receipt, mailed postage prepaid, certified mail, return receipt requested, or transmitted by facsimile to the address for each party as designated herein. Either party hereto may, by proper notice to the other designate any other address for the giving of notice. Any notice shall be effective when personally delivered or, if mailed as provided herein, on the earlier of actual receipt or three (3) days after the date deposited in the mail, or in the case of facsimile notice or email, when sent, if answered back or confirmation is received.

Notice for Seller and Purchaser: Matthew Fink / Dynamic Properties, Inc.
3111 C Street, Suite 100
Anchorage, Alaska 99503

28. Time is of the essence in this contract. Time periods specified in this Agreement shall expire at midnight on the date stated unless the parties agree in writing to a different date/or/time.

29. Employee Matters. Certain Responsibilities of Seller. Purchaser shall be under no obligation to hire any employees of Seller. Purchaser may interview all employees of Seller, through Seller orchestrated interviews, after the expiration of the Due Diligence Period. Seller shall be solely responsible for and shall satisfy all of Seller's obligations to its employees on account of its employees' employment by Seller, including, without limitation, any liability for employment agreements, accrued wages (including salaries and commissions), severance benefits, "COBRA" benefits, vacation pay, pension and profit sharing contributions, seniority rights or other forms of benefits of any type or nature on account of said employee' employment by Seller.

30. Hired Employees. Purchaser shall have a right to make offers of employment to any of Seller's employees after due diligence is completed and only through Seller orchestrated interviews. Seller will terminate the employment of any remaining employees working for Seller effective as of the date and time of Recording, and will give such notices and perform such other obligations as may be required in connection therewith and the transactions contemplated by this Agreement. It is understood and agreed that employment by, or an offer of employment to, employees of Seller by Purchaser shall not constitute any commitment, contract, obligation or understanding (express or implied) on the part of Seller to a post-Closing Date employment

Purchaser Initials _____ Sellers Initials _____

relationship of any fixed term or duration. Any employment with Purchaser may be terminated by Purchaser at any time for any reason.

31. Gender. Words of any gender used in this Agreement will be held and construed to include any other gender, and words in the singular number will be held to include the plural and vice versa, unless the context requires otherwise.

32. Construction: Severability. No provisions of this Agreement will be construed by any court or other judicial authority against any party by reason of such party being deemed to have drafted or structured such provisions. If any provisions of this Agreement or application to any party or circumstances is determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which is so determined invalid or unenforceable, will not be affected and every other provision of this Agreement will be valid and will be enforced to the fullest extent permitted by law.

33. Governing Law. This Agreement will be construed, and the obligations of the parties, will be determined in accordance with the laws of the State of Alaska.

34. Attorney's Fees. In the event either party hereto employs an attorney in connection with claims by one party against the other arising under this Agreement, the non-prevailing party shall pay the prevailing party all reasonable fees and expenses, including attorneys' fees, incurred in connection with such claims.

35. IRC Section 1031 Cooperation. Each party understands that the other party may structure the sale of the property to assure that the transaction qualifies as a 'like-kind exchange' of real estate pursuant to Section 1031 of the Internal Revenue Code of 1986, in accordance with the terms and provisions hereinafter provided. Such cooperation may include purchasing the property from a qualified intermediary, as such term is defined in the Code and the Regulations promulgated there under; establishing an escrow account (with appropriate escrow executing such further documentation as may be reasonably necessary, to qualify the transaction as a 'like-kind exchange,' allowing the qualified intermediary to convey the Property to Purchaser; establishing an escrow account to hold the proceeds from the Purchaser's purchase of the Property in the event exchange property is not acquired on or before the acquisition of the Property; and executing all documentation reasonably required to allow the qualified intermediary to acquire the real estate identified by Seller and transfer the same to Seller. Such cooperation shall not be deemed to require waiver of any rights under other provisions of this Agreement.

36. Third Parties. The provisions of this Agreement and of the documents to be executed and delivered at closing are and will be for the benefit of Seller and Purchaser only and are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

Purchaser Initials _____ Sellers Initials _____

37. All the final sale documents to be reviewed and approved by the Seller's and Purchaser's attorneys prior to closing. Purchaser hereby designates _____ as its lawful attorney to review and approve all legal documents necessary to complete this transaction. Seller hereby designates _____ as its lawful attorney to review and approve all legal documents necessary to complete this transaction.

38. EXPIRATION: This offer will expire if not signed by both parties by **December ____, 2012.**

39. Non-compete Agreement: Upon closing, Sellers agree to sign a non-compete agreement for a similar or like business in the Kenai Peninsula Borough, State of Alaska for a period of five (5) years. This agreement will be drafted and approved by both parties during the due diligence period.

AS TO PURCHASER: By signing this agreement, PURCHASER, hereby acknowledges that PURCHASER is relying solely on PURCHASER'S own inspection of the Property and the representations of SELLER not of Broker/Licensee with regards to the prior operating history of the business, the value of the assets being purchased and all other material facts of SELLER in making this offer. PURCHASER acknowledges that the Broker/Licensee have not verified, and will not verify, the representations of SELLER and should any such representations be untrue, PURCHASER agrees to look solely to SELLER for relief and to indemnify Broker/Licensee and hold Broker/Licensee harmless in connection with all losses and damages caused PURCHASER thereby.

AS TO SELLER: SELLER acknowledges that Broker/Licensee has made no representations concerning the credit worthiness or ability of PURCHASER to complete this transaction, and relies solely on PURCHASER representations and not Broker/Licensee with respect thereto. SELLER agrees to look solely to PURCHASER for relief and to indemnify Broker/Licensee and hold Broker/Licensee harmless in connection with all losses and damages caused SELLER thereby.

ACCEPTANCE BY PURCHASER

I/We understand that this is a legally binding contract. Purchaser has read the foregoing Offer and accepts it as representing the terms and conditions communicated to the Broker and accept full responsibility for the completeness and accuracy thereof.

Purchaser herein acknowledges that this agreement has significant legal and financial consequences and that he/they have been advised to seek independent

Purchaser Initials _____ Sellers Initials _____

legal and financial counsel. The broker or licensee cannot give legal advice. The person(s) executing below has (have) the authority and believe they are financially qualified to enter into this agreement for the purchase of the properties described herein.

PURCHASER: CPGH, Inc.

By: Richard Davis Date
Its: Chief Executive Officer

ACCEPTANCE BY SELLER

I/We understand that this is a legally binding contract. Seller has read the foregoing Offer and accepts it as representing the terms and conditions communicated to the Broker and accept full responsibility for the completeness and accuracy thereof.

Seller herein acknowledges that this agreement has significant legal and financial consequences and that they have been advised to seek independent legal and financial counsel. The broker or licensee cannot give legal advice. The person(s) executing below has (have) the authority to enter into this agreement on behalf of the entities in ownership of the properties described herein.

SELLER: Denali Mesa Corporation

By: Gabriel Lujan Date
Its: President

Purchaser Initials _____ Sellers Initials _____

PURCHASE AND SALE AGREEMENT

Date: December __, 2012

SELLER: Gabriel A. Lujan, Member
Denali Unlimited, LLC.
907 E. Dowling Rd., Suite 26
Anchorage, AK, 99518 ("Property Seller")

PURCHASER: Mike Navarre, Mayor
Kenai Peninsula Borough, State of Alaska

Brokerage: Matthew Fink, Dynamic Properties, Inc., (907) 261-7620

I. PURCHASE PRICE AND EARNEST MONEY:

Upon mutual acceptance of this Agreement, the Purchaser shall deposit the sum of Fifty Thousand Dollars and no cents (\$50,000.00) into the trust account of Dynamic Properties, Inc., as Earnest Money on and part payment for the real property and improvement located at **108 East Corral Street, Soldotna, Alaska 99669** and **260 Caviar Street, Kenai, Alaska 99611** all collectively known as the "**Property**" and as described in further detail below, which property the payer of the above deposit herewith agrees to purchase for the total price of **One Million Six Hundred and Eighty Two Thousand Five Hundred Dollars (\$1,682,500.00)**, on which sum the above deposit will apply.

II. DESCRIPTION OF PROPERTY:

1. Real Property and Improvements located at 108 East Corral Street, Soldotna, Alaska 99669; Parcel No. 05912122 and 260 Caviar Street, Kenai, Alaska 99611; Parcel No. 04320014.

III. PURCHASE TERMS:

Purchaser shall pay **One Million Six Hundred and Eighty Two Thousand Five Hundred Dollars (\$1,682,500.00)**, for the **Property** including earnest money at closing.

IV. CLOSING:

A) The consummation of the purchase and sale of the Property (Closing) shall be coordinated by and take place at the office of First American Title Company on or before **January 31, 2013, with a simultaneous closing of the Business with CPGH, Inc.** Closing can be extended by mutual written consent.

Purchaser Initials _____ Sellers Initials _____

B) The Purchase Price shall be paid and all documents necessary for the consummation of this transaction shall be executed and delivered on or prior to the Closing Date, and Seller shall deliver possession of the Property to Purchaser on recording.

C) At or prior to Closing, Seller shall deposit the following documents in escrow with the Title Company:

i. A Warranty Deed in recordable form executed on behalf of Seller, conveying good title to Purchaser of the Property described above;

ii. Such conveyance or transfer tax forms, if any, as are required to be delivered or signed by Seller by applicable state and local law in connection with the conveyance of the Property.

iii. Evidence of the existence, organization and authority of Seller and the authority of the persons executing documents on behalf of Seller reasonably satisfactory to the underwriter for the Title Policy.

iv. Any additional documents that Purchaser or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement.

D) At or prior to Closing, Purchaser shall deposit the following in escrow with the Title Company:

i. The remainder of the Purchase Price.

ii. Such conveyance or transfer tax forms, if any, as are required to be delivered or signed by Purchaser by applicable state and local law in connection with the conveyance of the Real Property.

iii. Evidence of the existence, organization and authority of Purchaser and of the authority of the persons executing documents on behalf of Purchaser reasonably satisfactory to the underwriter for the Title Policy.

iv. Any additional documents that Seller or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement.

V. PURCHASE PRICE ALLOCATION:

The allocation of the total purchase price shall be as follows:

- (i) 108 East Corral Street, Soldotna, Ak. \$935,000.00
- (ii) 260 Cavier Street, Kenai, Ak. \$747,500.00

Purchaser Initials _____ Sellers Initials _____

Total Purchase Price:

\$1,682,500.00

VI. PURCHASERS FINANCING:

Purchaser shall provide Seller a qualifying letter from a financial institution or verification of funds to close this transaction by no later than **December 31, 2012**.

VII. PURCHASERS DUE DILIGENCE:

The Purchaser shall have a period up to **January 20, 2013** to complete their due diligence which began August 1, 2012. The Purchaser shall notify the Seller prior to the expiration of the due diligence period, in writing, in the event the Purchaser, in its sole discretion, declines the property for *any reason* in which event this transaction shall be terminated and the earnest money refunded in full to the Purchaser.

This Agreement is specifically subject to the Purchase being approved by the Board of Directors of the CPGH, Inc. and the Kenai Peninsula Borough Assembly and Mayor, and is specifically subject to the availability and appropriation of funds for payment of the purchase price from the CPGH, Inc. Plant Replacement and Expansion Fund ("PREF"). If the CPGH, Inc. Board of Directors fails to approve by resolution the Purchase and the transfer of funds for the purchase price from the PREF or if the Kenai Peninsula Borough Assembly fails to enact an ordinance approving the Purchase and appropriating funds from the PREF for payment of the purchase price, this agreement shall be terminated without penalty.

This Agreement is subject to a simultaneous sale of the Business of Frontier Therapy Services to CPGH, Inc. located on the Property.

All additional information requested of Seller shall be provided as soon as possible to effectuate Purchasers due diligence completion. All Purchaser contingencies to be either accepted completed and/or waived by the timeline above, but in no event later than **January 20, 2013**. Should Purchaser want to extend the timeline in any of the contingencies, Purchaser to request the same in writing prior to its expiration. Seller, at its sole discretion, may agree to extend the due diligence period. The earnest money will become non-refundable as of **January 21, 2013**.

VIII. PURCHASE TERMS AND CONDITIONS:

1. All the Property is being sold "AS IS, WHERE IS". Seller is not making any representations, implied or expressed, as to the condition or of any aspect of the Property. Purchaser is advised to conduct all of its own inspections prior to purchasing this Property. Purchaser is purchasing the Property in its current condition and configuration. Although this is an "AS IS" sale, Purchaser's obligation to purchase the Property is expressly conditioned on the Purchaser's approval, in its sole discretion, of the condition of the Property, including the physical and environmental condition of the

Purchaser Initials _____

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property. In addition, purchase of the property is subject to the Purchaser's review of leases, if any, affecting the Property; and such leases being satisfactory to Purchaser.

2. Seller shall pay the following closing costs where applicable to each:

- a) 1/2 recording fee
- b) 1/2 documentation preparation fee
- c) 1/2 escrow closing fee
- d) Own attorney's fees
- e) Standard Title Insurance
- f) Brokerage fee to Dynamic Properties, Inc.

3. Purchaser shall pay the following closing costs:

- a) 1/2 recording fee
- b) 1/2 documentation preparation fee
- c) 1/2 escrow closing fee
- d) All Purchasers financing fees including appraisals, if applicable.
- e) All other fees associated with Purchaser s due diligence inspections
- f) Own attorney fees
- g) Extended Coverage Title insurance, if applicable

4. Evidence of Title. Within ten (10) days of mutual acceptance, Seller shall provide Purchaser a copy of a preliminary title reports for a standard owners policy of title insurance (commitment) issued by First American Title Agency. Prior to the expiration of the Due Diligence Period, Purchaser shall deliver written notice to Seller of Purchaser's objections, if any to such commitment. Seller shall cure any an all financing liens of an amount created by, under or through Seller, which liens Seller shall cause to be released at or prior to Closing (with Seller having the right to apply the Purchase Price or a portion thereof for such purpose), and Seller shall deliver the Property free and clear of any such financing liens. Seller further agrees to remove any exceptions or encumbrances to title which are voluntarily created by, under or through Seller after the Effective Date without Purchaser's consent (if requested, such consent shall not be unreasonably withheld or delayed). The term "**Permitted Exceptions**" shall mean: the specific exceptions in the Commitment that the Title Company has not agreed to remove from the Commitment and that Seller is not required to remove as provided above; matters created by, through or under Purchaser. In the event that Purchaser shall object to the title, Seller shall notify Purchaser within five (5) Business Days following the date of Purchaser's notice of such objections that either: a) the exceptions have been removed from the Commitment, or will be removed at or prior to Closing or b) are or will be insured over by the Title Company pursuant to an endorsement to the Commitment. Alternatively, within said five (5) Business Day period, Seller may notify Purchaser that the objections will not be removed or insure over, and Purchaser may elect to either:

Purchaser Initials _____

Sellers Initials _____

a. terminate this Agreement, in which event the Earnest Money shall be returned to Purchaser; or

b. take title "as is, where is"; which election must be made by Purchaser within five business (5) days following the notice from Seller.

5. Property taxes shall be prorated to the date of closing, except as otherwise expressly provided in this Agreement, all prorations provided for shall be final. For purposes of all prorations provided for in this Agreement, Seller shall be responsible for all days up to the Closing Date, and Purchaser shall be responsible for Closing Date and all days after Closing.

6. All Property shall be transferred to the Purchaser by warranty deed free and clear of any liens or encumbrances.

7. Seller hereby indemnifies and holds the Purchaser harmless from and against any loss, cost claim, liability, or expense suffered or incurred by Purchaser from and after the date of closing arising from or connected to Seller's ownership of Property prior to the closing.

8. Purchaser hereby indemnifies and holds the Seller harmless from and against any loss, cost claim, liability, or expense suffered or incurred by Seller from and after the date of closing arising from or connected with Purchasers ownership of the Property purchased herein.

9. This document and the referenced attachment(s), if any, consisting of Eleven (11) pages, contain the entire Agreement between the parties. There are no understandings, oral or written, which in any manner change or enlarge what is set forth herein. The plural shall include the singular. It may not be modified except in writing signed by both parties.

10. It is mutually agreed upon by all parties that the Broker and/or their Licensee shall not be held liable in any manner whatsoever for damages arising from defaults or acts by or upon the part of either party to this Agreement.

11. In the event that the Broker is unable to determine to his satisfaction which party is responsible for failing to perform the requirements of this Agreement, the Broker shall request the Parties to execute an agreement for release of the earnest monies to one or the other party. Broker need not disburse earnest monies until an Agreement is signed. Alternatively, Broker may: (a) with Purchaser's and Seller's consent, submit the matter to an agreed upon arbitrator or mediator; or (b) interplead the earnest money with the courts for determination of who is entitled to the earnest monies. The Broker shall be entitled to an award, from the earnest monies, of reasonable attorney's fee and cost for interpleading the earnest money.

Purchaser Initials _____

Sellers Initials _____

12. Due to varied methods of measuring square footage, Brokers/Licensee make no guarantee of the accuracy of figures quoted. Purchaser should independently measure square footage if exact calculations are desired.

13. All parties agree that a facsimile transmission of any original document shall have the same effect as an original. Any signature required on an original document shall be completed when a facsimile copy has been signed, except for documents to be recorded which required original signatures. The parties agree that facsimile copies of documents shall be appended to the original thereof, integrated therewith and given full effect as if an original.

14. Seller and Purchaser hereby acknowledge Dynamic Properties, Inc. as licensee for the Seller and will provide the Purchaser with specific assistance in this transaction. Both parties acknowledge the Alaska Consumer Pamphlet here attached. **The Purchaser and Seller are hereby formally advised to seek legal and tax advice regarding this document and the financial outcome of this transaction. Dynamic Properties, Inc. / Matthew Fink are not authorized and have not given any legal or tax advice.**

15. This transaction shall close in the escrow offices of **First American Title**.

16. Seller represents and warrants, based upon its actual knowledge, and without obligation to conduct additional investigation, as of the date hereof and as of the Closing Date that:

a. To the best of Seller's knowledge, Seller has received no notice from any governmental authority of any pending or threatened i) zoning, building fire, or health code violations or violations of other governmental requirements or regulations with respect to the Property that have not previously been corrected, or (ii) any condemnation of the Property. Seller further warrants and represents that in the event it receives any such notice prior to the Closing Date, it will provide to Purchaser copies of any such notice immediately.

b. The lease agreements in place for both buildings will be cancelled as of the recording date of the sale with a simultaneous sale of the Business to CPGH, Inc.

c. That they are duly qualified and authorized to do business and are in good standing in the State of Alaska.

d. That they have paid all income, and other taxes which are payable by it relative to the Property herein to all United States (federal, state and local) taxing authority.

e. Seller is the owner of the Property and has full power to transfer the Property free and clear of all liens, encumbrances, security interests, equities, options, claims,

Purchaser Initials_____

Sellers Initials_____

charges, and restrictions.

f. Seller has and on the date of closing will have complied with all material laws, rules, regulations and orders applicable to the operations of Seller's business and the sale of the Property.

The representations and warranties contained in this Section shall survive Closing.

17. Seller's Covenants. Between the date of the execution of this Agreement and the Closing, Seller shall:

a. Maintain the Property in its present condition, and not permit any changes or alterations to or upon the Property.

b. Not permit any lien or other encumbrance affecting the Property to be foreclosed.

18. Purchaser represents and warrants, based upon its actual knowledge, and without obligation to conduct additional investigation, as of the date hereof and as of the Closing Date that:

a. That they are financially qualified to purchase this Property and are in good standing in the State of Alaska.

b. Purchasers are currently not in any type of Bankruptcy proceedings or any other type of litigation that could hamper their ability to purchase this Property.

c. Purchaser has and on the date of closing will have complied with all material laws, rules, regulations and orders applicable to the purchase of this Property.

19. Risk of Loss. Seller shall bear all risk of loss with respect to the Property up to the earlier of the date upon which either possession or title to the Property is transferred to Purchaser in accordance with this Agreement. Notwithstanding the foregoing, in the event material damage of the Property prior to the Closing Date occurs, Purchaser may:

a. Terminate its obligations under this Agreement and receive a full refund of the earnest money; or

b. Proceed with the Closing, in which event Seller shall assign all Seller's right, title and interest in and to any insurance proceeds to Purchaser if applicable.

20. In the event Purchaser fails to perform the obligations set forth in this Agreement, (except as excused by Seller's default), Seller will make written demand for performance. If the Purchaser fails to comply with such written demand within Ten (10) days after receipt hereof, Seller will have option to waive such default, demand specific

Purchaser Initials _____ Sellers Initials _____

performance, or terminate this Agreement and, on such termination, all the earnest money will be forfeited to the Seller.

21. In the event Seller fails to perform the obligations set forth in this Agreement, (except as excused by the Purchaser's default), Purchaser will make written demand for performance. If the Seller fails to comply with such written demand within Ten (10) days after receipt hereof, Purchaser will have option to waive such default, demand specific performance, or terminate this Agreement and, on such termination, the earnest money will be refunded to the Purchaser.

22. Purchaser, Seller, and Broker agree that in the event any litigation is instituted to collect any sum due broker to enforce or interpret any of the provisions of this agreement, the prevailing party or parties shall be entitled to recover from the other(s) their reasonable attorneys fees and court costs including appeals, as determined by the court in such action or suit.

23. Purchaser and Seller hereby authorize the lending institution to furnish Broker / Licensee with closing statements upon request. Purchaser and Seller authorize all lenders, escrow Agents and appraisers to furnish the listing licensees, on request, any and all information and copies of documents, concerning the status, progress, and final disposition of: loans, credit, appraisal, closing, conveyances and any and all other matter related to this sale.

24. Notices. All notices, waiver, election, approvals and demands required or permitted to be given hereunder shall be in writing, via email with confirmation of receipt, mailed postage prepaid, certified mail, return receipt requested, or transmitted by facsimile to the address for each party as designated herein. Either party hereto may, by proper notice to the other designate any other address for the giving of notice. Any notice shall be effective when personally delivered or, if mailed as provided herein, on the earlier of actual receipt or three (3) days after the date deposited in the mail, or in the case of facsimile notice or email, when sent, if answered back or confirmation is received.

Notice for Seller and Purchaser: Matthew Fink / Dynamic Properties, Inc.
3111 C Street, Suite 100
Anchorage, Alaska 99503

25. Time is of the essence in this contract. Time periods specified in this Agreement shall expire at midnight on the date stated unless the parties agree in writing to a different date/or/time.

25. Gender. Words of any gender used in this Agreement will be held and construed to include any other gender, and words in the singular number will be held to include the plural and vice versa, unless the context requires otherwise.

Purchaser Initials _____

Sellers Initials _____

26. Construction: Severability. No provisions of this Agreement will be construed by any court or other judicial authority against any party by reason of such party being deemed to have drafted or structured such provisions. If any provisions of this Agreement or application to any party or circumstances is determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which is so determined invalid or unenforceable, will not be affected and every other provision of this Agreement will be valid and will be enforced to the fullest extent permitted by law.

27. Governing Law. This Agreement will be construed, and the obligations of the parties, will be determined in accordance with the laws of the State of Alaska.

28. Attorney's Fees. In the event either party hereto employs an attorney in connection with claims by one party against the other arising under this Agreement, the non-prevailing party shall pay the prevailing party all reasonable fees and expenses, including attorneys' fees, incurred in connection with such claims.

29. IRC Section 1031 Cooperation. Each party understands that the other party may structure the sale of the property to assure that the transaction qualifies as a 'like-kind exchange' of real estate pursuant to Section 1031 of the Internal Revenue Code of 1986, in accordance with the terms and provisions hereinafter provided. Such cooperation may include purchasing the property from a qualified intermediary, as such term is defined in the Code and the Regulations promulgated there under; establishing an escrow account (with appropriate escrow executing such further documentation as may be reasonably necessary, to qualify the transaction as a 'like-kind exchange,' allowing the qualified intermediary to convey the Property to Purchaser; establishing an escrow account to hold the proceeds from the Purchaser's purchase of the Property in the event exchange property is not acquired on or before the acquisition of the Property; and executing all documentation reasonably required to allow the qualified intermediary to acquire the real estate identified by Seller and transfer the same to Seller. Such cooperation shall not be deemed to require waiver of any rights under other provisions of this Agreement.

30. Third Parties. The provisions of this Agreement and of the documents to be executed and delivered at closing are and will be for the benefit of Seller and Purchaser only and are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

31. All the final sale documents to be reviewed and approved by the Seller's and Purchaser's attorneys prior to closing. Purchaser hereby designates _____ as its lawful attorney to review and approve all legal documents necessary to complete this transaction. Seller hereby designates _____ as its lawful attorney to review and approve all legal documents necessary to complete this transaction.

Purchaser Initials _____ Sellers Initials _____

32. EXPIRATION: This offer will expire if not signed by both parties by **December ____**, **2012**.

AS TO PURCHASER: By signing this agreement, PURCHASER, hereby acknowledges that PURCHASER is relying solely on PURCHASER'S own inspection of the Property and the representations of SELLER not of Broker/Licensee and all other material facts of SELLER in making this offer. PURCHASER acknowledges that the Broker/Licensee have not verified, and will not verify, the representations of SELLER and should any such representations be untrue, PURCHASER agrees to look solely to SELLER for relief and to indemnify Broker/Licensee and hold Broker/Licensee harmless in connection with all losses and damages caused PURCHASER thereby.

AS TO SELLER: SELLER acknowledges that Broker/Licensee has made no representations concerning the credit worthiness or ability of PURCHASER to complete this transaction, and relies solely on PURCHASER representations and not Broker/Licensee with respect thereto. SELLER agrees to look solely to PURCHASER for relief and to indemnify Broker/Licensee and hold Broker/Licensee harmless in connection with all losses and damages caused SELLER thereby.

ACCEPTANCE BY PURCHASER

I/We understand that this is a legally binding contract. Purchaser has read the foregoing Offer and accepts it as representing the terms and conditions communicated to the Broker and accept full responsibility for the completeness and accuracy thereof.

Purchaser herein acknowledges that this agreement has significant legal and financial consequences and that he/they have been advised to seek independent legal and financial counsel. The broker or licensee cannot give legal advice. The person(s) executing below has (have) the authority and believe they are financially qualified to enter into this agreement for the purchase of the properties described herein.

PURCHASER:

Kenai Peninsula Borough

By: Mike Navarre
Its: Mayor

Date

Purchaser Initials_____

Sellers Initials_____

Approved by KPB Res. 2013- _____
Date: _____

ATTEST:

By: _____
Borough Clerk

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

By: _____
Borough Attorney

ACCEPTANCE BY SELLER

I/We understand that this is a legally binding contract. Seller has read the foregoing Offer and accepts it as representing the terms and conditions communicated to the Broker and accept full responsibility for the completeness and accuracy thereof.

Seller herein acknowledges that this agreement has significant legal and financial consequences and that they have been advised to seek independent legal and financial counsel. The broker or licensee cannot give legal advice. The person(s) executing below has (have) the authority to enter into this agreement on behalf of the entities in ownership of the properties described herein.

SELLER: Denali Unlimited, LLC.

By: Gabriel A. Lujan
Its: Member

Date

Purchaser Initials _____

Sellers Initials _____

Introduced by: Tauriainen
Date: 12/04/12
Hearing: 01/08/13
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2012-39**

**AN ORDINANCE ENACTING KPB 21.04.020 AND AMENDING KPB 21.11.030 TO
REQUIRE NOTICE BY MAIL TO OWNERS OF PROPERTY LOCATED IN A
ZONING DISTRICT PROPOSED TO BE CREATED, AMENDED, OR ABOLISHED**

1 **WHEREAS,** KPB 21.11.030 provides for direct notification by mail of planning commission
2 and advisory planning commission hearings to property owners within a 300-
3 foot periphery of the parcel affected by a proposed action; and

4 **WHEREAS,** this provision currently excludes direct notification for proposed zoning
5 ordinance amendments involving a change in the text or major district boundary
6 changes and instead only requires notices to be displayed in at least 3 public
7 places; and

8 **WHEREAS,** applying this notice requirement to the rural district would potentially be
9 difficult and costly to implement as that district includes all property in the
10 borough outside of the cities and is likely to include many properties not
11 affected by the proposed changes; and

12 **WHEREAS,** surrounding property owners are directly notified in the case of planning
13 commission issues such as material sites, plat, and vacation applications, and
14 street renaming resolutions; and

15 **WHEREAS,** zoning amendments can often result in significant impacts on affected property
16 owners; and

1 **WHEREAS,** Goal 6.5, Objective 1, Implementation Action (C) of the borough's
2 comprehensive plan is to provide advance notice to all affected property owners
3 of land use regulation changes involving their property, allowing sufficient time
4 for comments; and

5 **WHEREAS,** providing such notice for assembly hearings instead of planning commission
6 hearings would be appropriate as the assembly is the final decision-maker on
7 such zoning changes; and

8 **WHEREAS,** implementation of this notification requirement for property owners in the
9 affected zoning district is appropriate and reasonable;

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

12 **SECTION 1.** That the Kenai Peninsula Borough Code of Ordinances is hereby amended by
13 adding a new section to be numbered 21.04.020, which shall read as follows:

14 **21.04.020. Notification of proposed zoning district creation or change and**
15 **hearing.**

16 A. When a public hearing is to be held by the Assembly concerning the
17 creation, amendment, or abolishment of a zoning district other than the rural
18 district, a notice containing the following information shall be published at
19 least twice in a newspaper of general circulation in the subject zoning
20 district during each of the 2 calendar weeks prior to the public hearing date.
21 Additionally a copy of the notice shall be mailed to all real property owners
22 of record on the borough assessor's records of property located in the
23 specific district proposed to be created, amended, or abolished. If the
24 subject district is an overlay district this notice by mail requirement shall not

1 apply to owners of property in other districts that is not located in the
2 subject overlay district.

3 B. Where an amendment to an existing zoning district involves only increasing
4 the size of the district only the parcels within the area to be added to the
5 district are required to receive the notice set forth in KPB 21.04.020(A).

6 C. The notice shall contain at least the following information:

7 1. A brief summary of the proposal on which the public body is to act
8 including a description of what the proposal would allow and
9 disallow.

10 2. A legal and common description of the property involved.

11 3. Date, time and place of the public hearing.

12 4. Borough staff contact information from whom the public may obtain
13 more detailed information.

14 **SECTION 2.** That KPB 21.11.030 is hereby amended as follows:

15 **21.11.030 – Notification of neighboring property owners.**

16 A copy of the aforementioned newspaper notification shall be mailed to real
17 property owners on record on the borough assessor’s records within a 300-foot
18 periphery of the parcel affected by the proposed action. This provision does not
19 apply [w]hen a public hearing is to be held about a proposed zoning ordinance
20 amendment involving a change in the text or major district boundary changes[,
21 NO NOTIFICATION OF NEIGHBORING PROPERTY OWNERS SHALL BE REQUIRED, BUT
22 NOTICES SHALL BE DISPLAYED IN AT LEAST 3 PUBLIC PLACES]. Instead, notice in
23 such cases is governed by KPB 21.04.020.

1 **SECTION 3.** That this ordinance shall take effect on July 1, 2013.

2 **ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS ***
3 **DAY OF * 2013.**

Linda Murphy, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

KENAI PENINSULA BOROUGH


Kenai Peninsula Borough Assembly

144 North Binkley Street
Soldotna, AK 99669
Phone 907-714-2160
Fax 907-714-2388

Linda Murphy, Assembly President
Hal Smalley, Vice President

MEMORANDUM

TO: Linda Murphy, Assembly President
Kenai Peninsula Borough Assembly Members

FROM: Ray Tauriainen, Assembly Member 

DATE: November 20, 2012

RE: Ordinance 2012-39, amending KPB chapter 21.11 regarding direct notification of property owners affected by land use regulation

Property owners whose property was directly impacted by KPB ordinance 2011-12 were not personally notified of the ordinance until after it was enacted. It is KPB policy to directly notify surrounding property owners in the case of such things as pending conditional use permit applications and street renaming. Therefore it only seems appropriate to amend the code to also directly notify property owners within a zoning district subject to proposed land use regulation changes. It was determined by discussion with the planning department that implementation is reasonable. Your support of this ordinance is appreciated.



Kenai Peninsula Borough Planning Department
 144 North Binkley
 Soldotna, Alaska 99669-7599
 Toll free within the Borough 1-800-478-4441, extension 2200
 (907) 714-2200

RECEIVED

OCT 17 2012

**Petition to Vacate Public Right-of-Way / Section Line Easement
 Public Hearing Required**

**KENAI PENINSULA BOROUGH
 PLANNING DEPARTMENT**

Upon receipt of complete application with fees and all required attachments; a public hearing before the Planning Commission will be scheduled. The petition with all required information and attachments must be in the Planning Department at least 30 days prior to the preferred hearing date. By State Statute and Borough Code, the public hearing must be scheduled within 60 days of receipt of complete application.

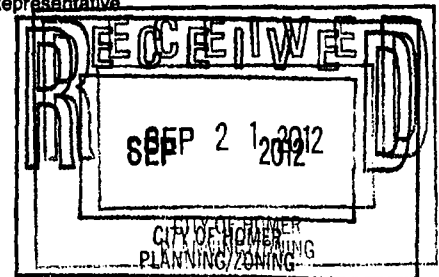
- Fees - \$500 non-refundable fees to help defray costs of advertising public hearing. Plat fees will be in addition to vacation fees.
- City Advisory Planning Commission. Copy of minutes at which this item was acted on, along with a copy of City Staff Report.
- Name of public right-of-way proposed to be vacated is SPRUCEWOOD Dr.; dedicated by plat of Mountain Park Subdivision, filed as Plat No. 78-10 in Homer Recording District.
- Are there associated utility easements to be vacated? Yes No
- Are easements in use by any utility company, if so which? NO
- Easement for public road or right-of-way as set out in (specify type of document) _____ as recorded in Book _____ Page _____ of the _____ Recording District. (Copy of recorded document must be submitted with petition.)
- Section Line Easement. Width of easement must be shown on sketch.
- Submit three copies of plat or map showing area proposed to be vacated. Must not exceed 11x17 inches in size. In the case of public right-of-way the submittal must include a sketch showing which parcels the vacated area will be attached to. Proposed alternative dedication is to be shown and labeled on the sketch.
- Has right-of-way been fully or partially constructed? Yes No
- Is right-of-way used by vehicles / pedestrians / other? Yes No
- Has section line easement been constructed? Yes No
- Is section line easement being used? Yes No
- Is alternative right-of-way being provided? Yes No

The petitioner must provide reasonable justification for the vacation. Reason for vacating:

The owners and the City of Homer wish to maintain and improve the existing road. Both parties want the road dedication to match the existing road. Utilities (Phone: Elec.) generally follow the existing road and not the platted Road

The petition must be signed (written signature) by owners of majority of the front feet of land fronting part of the right-of-way or section line easement proposed to be vacated. Each must include address and legal description of his / her property.

Submitted by: Signature [Signature] As Petitioner Representative
 Name Tom Lotman
 Address Mullikin Surveys
P.O. Box 710
Homer, AK 99603
 Phone 235-8975

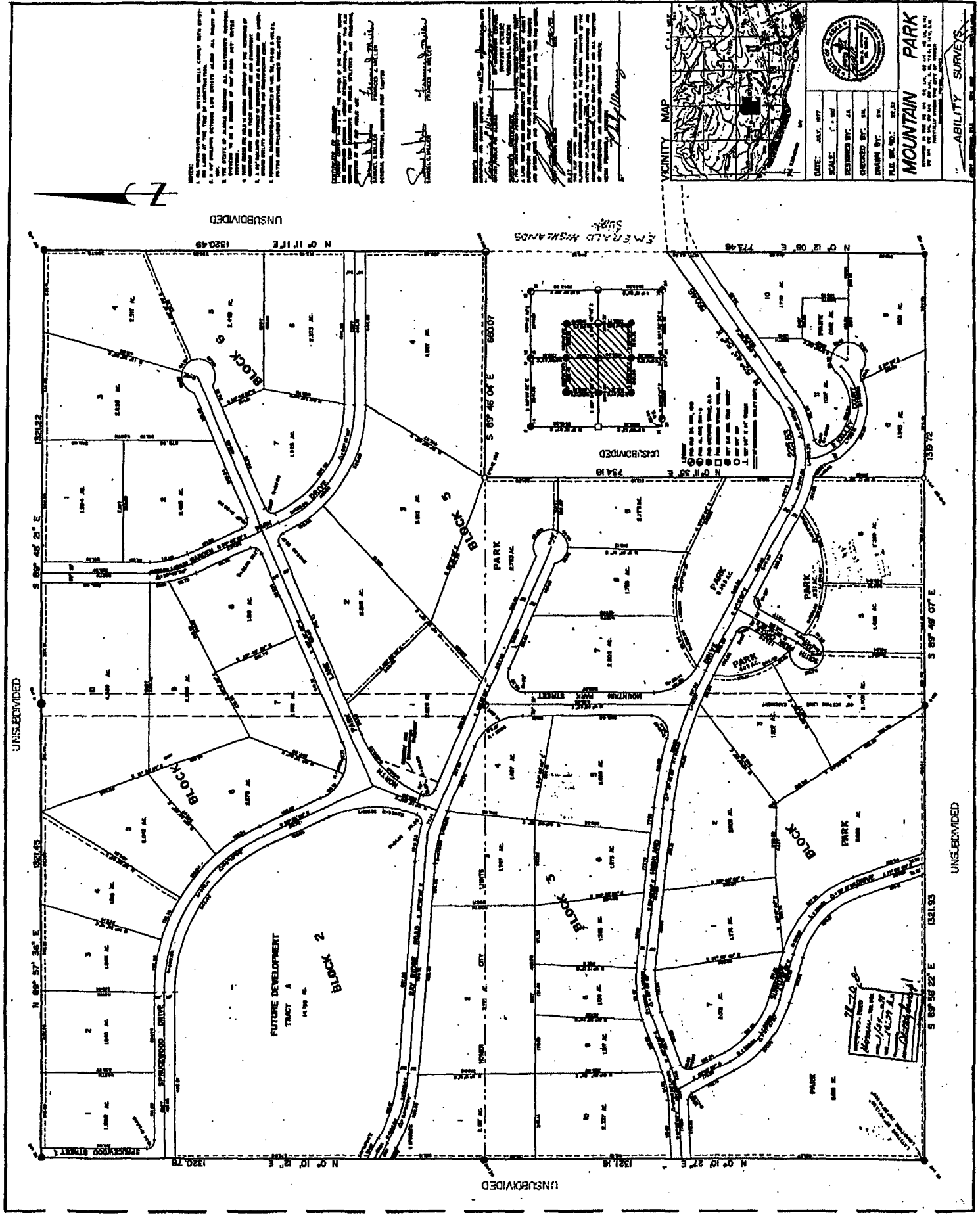


Petitioners:

Signature _____	Signature _____
Name _____	Name _____
Address _____	Address _____
_____	_____
Owner of _____	Owner of _____

Signature Robert Archibald
 Name Robert Archibald
 Address PO Box 2460
Homer, AK
99603
 Owner of Tract A - Lot 4A

Signature Roberta Highland
 Name Roberta Highland
 Address P.O. Box 2460
Homer, AK
99603
 Owner of TRACT A - Lot 4A



Session 12-13, a Regular Meeting of the Homer Advisory Planning Commission was called to order by Chair Erickson at 6:30 p.m. on October 3, 2012 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONERS BOS, DOLMA, ERICKSON, SONNEBORN, STEAD, VENUTI

ABSENT: HIGHLAND

STAFF: CITY PLANNER ABBOUD
DEPUTY CITY CLERK JACOBSEN

APPROVAL OF AGENDA

The agenda was approved by consensus of the Commission.

PUBLIC COMMENT

The public may speak to the Planning Commission regarding matters on the agenda that are not scheduled for public hearing or plat consideration. (3 minute time limit).

RECONSIDERATION

ADOPTION OF CONSENT AGENDA

All Items on the consent agenda are considered routine and non-controversial by the Planning Commission and are approved in one motion. There will be no separate discussion of these items unless requested by a Planning Commissioner or someone from the public, in which case the item will be moved to the regular agenda and considered in normal sequence.

1. Approval of the September 19, 2012 minutes

The consent agenda was approved by consensus of the Commission.

PRESENTATIONS

REPORTS

A. Staff Report PL 12-57, City Planner's Report

City Planner Abboud reviewed the staff report.

PUBLIC HEARINGS

Testimony limited to 3 minutes per speaker. The Commission conducts Public Hearings by hearing a staff report, presentation by the applicant, hearing public testimony and then acting on the Public Hearing items. The Commission may question the public. Once the public hearing is closed the Commission cannot hear additional comments on the topic. The applicant is not held to the 3 minute time limit.

A. Staff Report PL 12-55, A Vacation of a 60' Right of Way at Sprucewood Drive

Chair Erickson asked if any Commissioners felt that they could not fairly act on the agenda items tonight since Commissioner Highland is one of the property owners. None of the Commissioners expressed any issues with acting on the business items.

HOMER ADVISORY PLANNING COMMISSION
REGULAR MEETING MINUTES
OCTOBER 3, 2012

City Planner Abboud reviewed the staff report.

There were no comments from the applicant. Chair Erickson opened the public hearing. There was no audience present and the public hearing was closed.

VENUTI/DOLMA MOVED TO ADOPT STAFF REPORT PL 12-55 VACATION OF A PORTION OF SPRUCEWOOD DRIVE WITH STAFF RECOMMENDATIONS AND FINDINGS 1-3.

There was brief discussion that this change, in conjunction with the proposed plat, cleans up what is already there.

YES: BOS, STEAD, SONNEBORN, VENUTI, ERICKSON, DOLMA

Motion carried.

PLAT CONSIDERATION

A. Staff Report PL 12-54, Mountain Park Sprucewood Replat

City Planner Abboud reviewed the staff report.

There were no comments from the applicant and there was no audience present to comment.

BOS/SONNEBORN I MOVE TO ADOPT STAFF REPORT PL 12-54 MOUNTAIN PARK SUBDIVISION SPRUCEWOOD REPLAT PRELIMINARY PLAT WITH STAFF RECOMMENDATIONS.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

B. Staff Report PL 12-56, Mountain Park Highland Addition No. 2

City Planner Abboud reviewed the staff report.

Comment was raised that this appears to be a straight forward request.

VENUTI/BOS MOVED TO ADOPT STAFF REPORT PL 12-56 MOUNTAIN PARK SUBDIVISION HIGHLAND ADDITION NO. 2 PRELIMINARY PLAT WITH STAFF RECOMMENDATIONS.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

PENDING BUSINESS

AGENDA ITEM F. PUBLIC HEARINGS

1. Vacate portions of Sprucewood Drive a 60-foot right-of-way located northeast of Tract A, Block 2, and any associated utility easements with these portions of Sprucewood Drive, dedicated and granted by Mountain Park Subdivision (Plat HM 78-10); within Section 14, Township 6 South, Range 14 West, Seward Meridian, City of Homer and within the Kenai Peninsula Borough, Alaska; KPB File 2012-175; Note: The adjacent existing roadway is to be dedicated with the recording of this plat; Location: City of Homer

STAFF REPORT

PC Meeting: 11/26/12

Purpose as stated in petition: The owners and the City of Homer wish to maintain and improve the existing road. Both parties want the road dedication to match the existing road. Utilities (phone and electric) generally follow the existing road and not the platted road.

Petitioners: Robert Archibald and Roberta Highland of Homer, Alaska

Notification:

Public notice appeared in the November 15 and November 22, 2012 issues of the Homer News.

Six (6) certified mailings were sent to owners of property within 300 feet of the parcels. Four (4) receipts have been returned.

Nineteen (19) regular mailings were sent to agencies and interested parties. Five (5) notices were sent to KPB Departments. Notices were mailed to the Homer Post Office and Homer Community Library to be posted in public locations. The notice and maps were posted on the Borough bulletin board and Planning Department public hearing notice web site.

Comments Received:

Alaska Communications Systems: No objections.

ENSTAR: No comments, recommendations, or objections.

KPB Floodplain Administrator: The City of Homer manages its own floodplain management program under NFIP. KPB Chapter 21.06 does not apply in this case.

GCI: No objection to the vacations of the right-of-way as indicated on this plat provided the new right-of-way and plat are accepted by KPB.

HEA: Reviewed/no comments

Staff Discussion:

Homer Advisory Planning Commission conditionally approved the proposed vacation and associated preliminary plat on October 3, 2012.

The preliminary plat is scheduled for Plat Committee review on November 26, 2012.

Findings:

1. Per the submittal, the right-of-way proposed for vacation is in use for access (in a nearby location).
2. Per the submittal, the right-of-way proposed for vacation has been constructed (in a nearby location).
3. Alternative right-of-way will be dedicated over the existing travel way by recording Mountain Park Sprucewood Replat.
4. The proposed vacation is within the City of Homer.

5. Per the submittal, the petitioners and City of Homer worked together to re-align the dedicated public right-of-way atop the existing road.
6. Per the submittal, utilities (phone and electric) generally follow the existing road and not the platted road.
7. Homer Advisory Planning Commission approved the proposed vacation on October 3, 2012.
8. Sufficient rights-of-way exist to serve surrounding properties.
9. No surrounding properties will be denied access.
10. Written statements of nonobjection have been received from ACS, ENSTAR, GCI, and HEA.
11. If the vacation is approved, it will be finalized by recording Mountain Park Sprucewood Replat.
12. The proposed vacation and dedication over the existing road will place the traveled road within a public right-of-way rather than crossing private property.

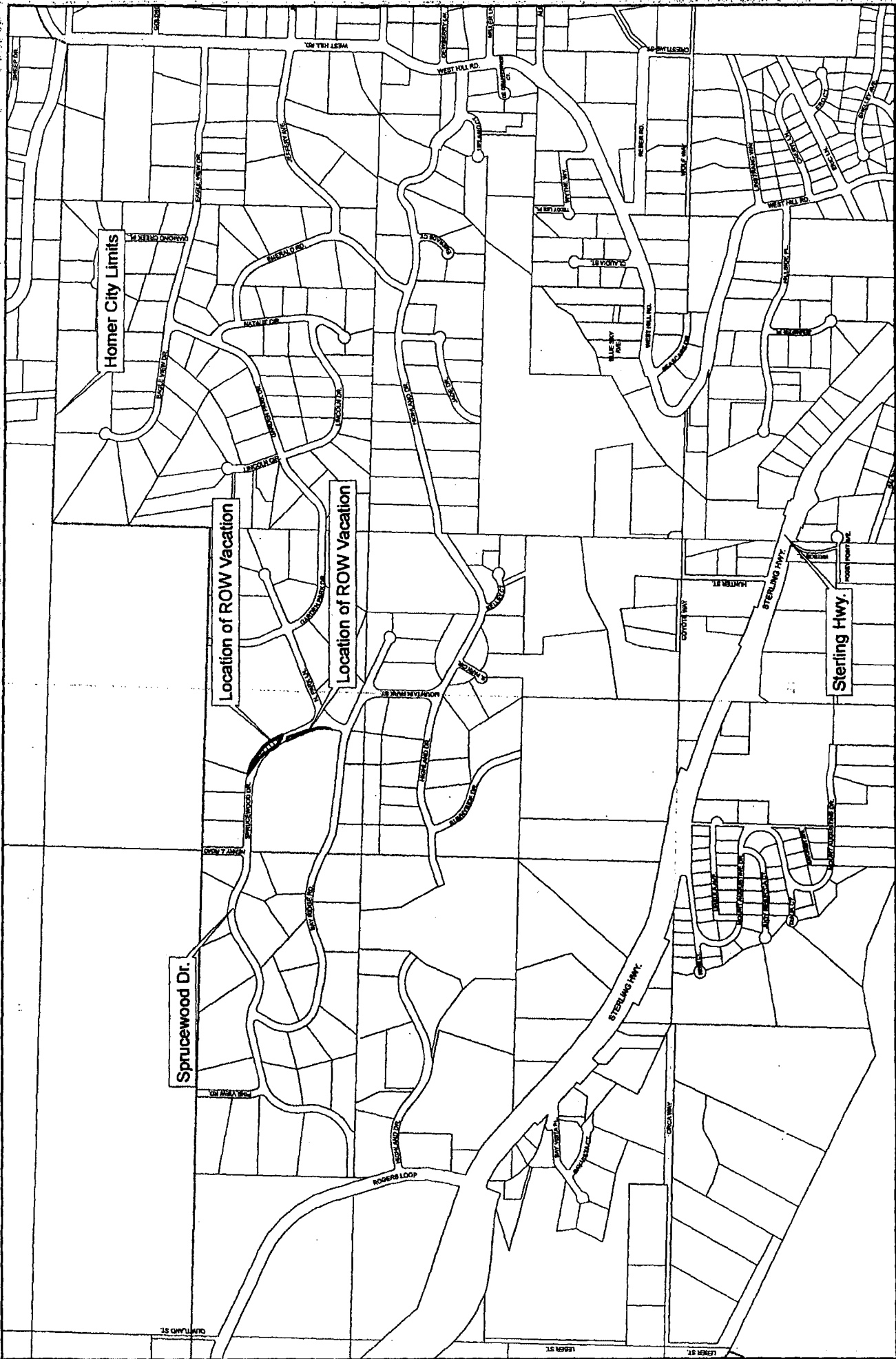
STAFF RECOMMENDATION: Based on Findings 3-12, staff recommends approval of the vacations as petitioned, subject to:

1. Submittal of a final plat in accordance with Chapter 20 of the KPB Code within one year of vacation approval.

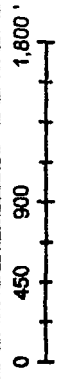
If the vacation is approved, the Homer City Council has thirty days in which they may veto Planning Commission approval of the vacation.

DENIAL OF A VACATION PETITION IS A FINAL ACT FOR WHICH NO FURTHER CONSIDERATION SHALL BE GIVEN BY THE KENAI PENINSULA BOROUGH. APPEALS TO PLANNING COMMISSION DENIAL OF A VACATION MUST BE TAKEN WITHIN THIRTY (30) DAYS TO SUPERIOR COURT AT KENAI, ALASKA PURSUANT TO PART VI OF THE ALASKA RULES OF APPELLATE PROCEDURES. [20.28.110 AS AMENDED BY KENAI PENINSULA BOROUGH ORDINANCE 99-43].

END OF STAFF REPORT



Date: 10/17/2012



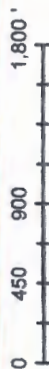
Vicinity Map

The information depicted herein is for a general representation only of base available sources. The Kernel Peninsula Borough assumes no responsibility for any errors on this map.





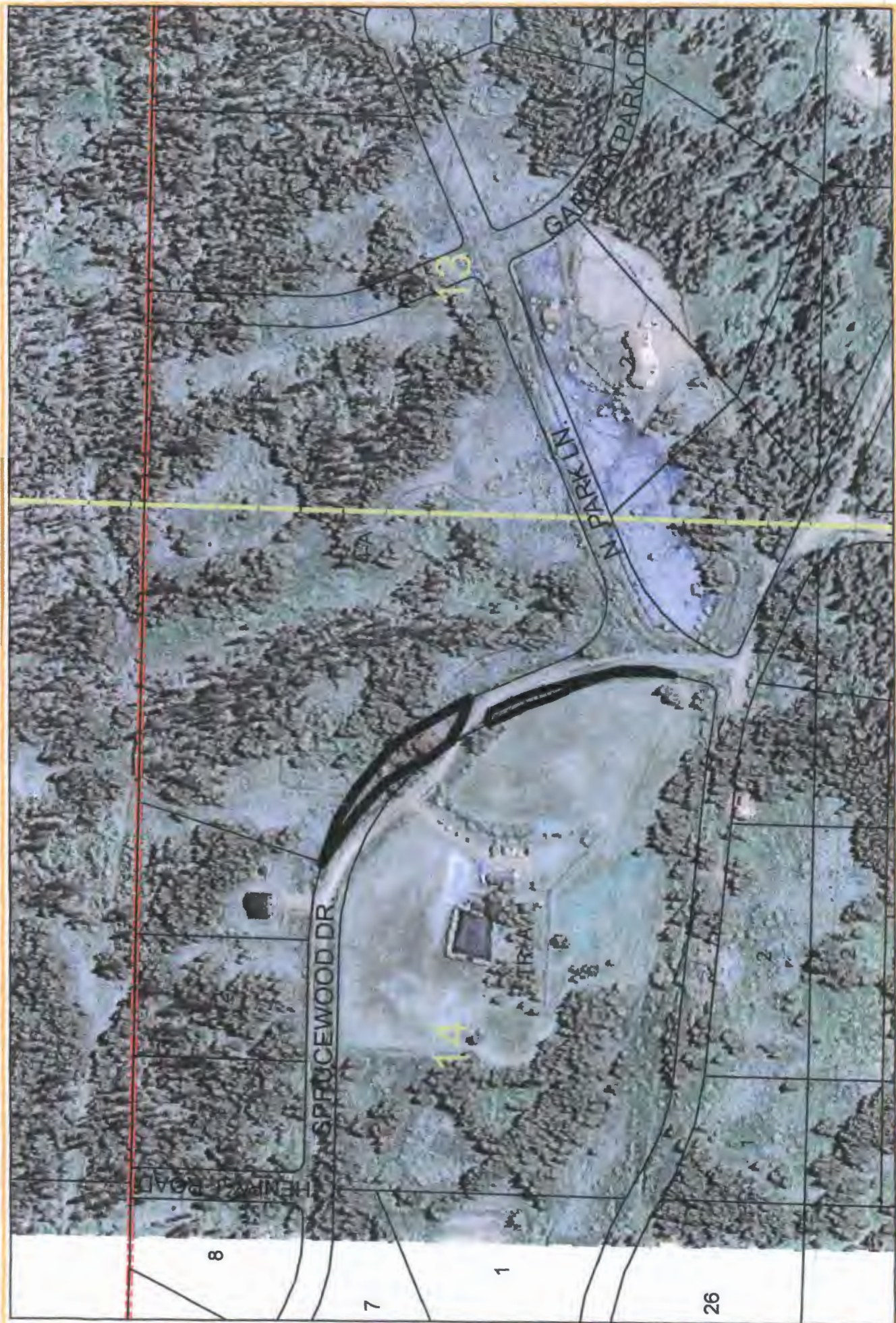
Date: 10/17/2012



Vicinity Map

The information depicted hereon is for a graphical representation only of best available sources. The Keral Paninsula Borough assumes no responsibility for any errors on this map.





Date: 10/18/2012



Vicinity Map

The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough is not responsible for any errors on this map.



MULLIKIN SURVEYS

P.O. Box 790, Homer, AK 99603-0790

Ph. & Fax: (907) 235-8975; E-mail: mullikin@xyz.net

October 12, 2012

Paul Voeller, Platting Officer
Kenai Peninsula Borough
144 N. Binkley
Soldotna, AK 99669

RECEIVED
OCT 15 2012
KENAI PENINSULA BOROUGH
PLANNING DEPARTMENT

Re: Preliminary plat submittal -- Mountain Park Sprucewood Replat

Dear Mr Voeller:

Please find enclosed nine copies of the above referenced preliminary plat.

The purpose of this plat is to vacate portions of Sprucewood Drive and replat the right of way to coincide with the existing constructed road. The owners of Lots 4-A and Tract A are working with the City of Homer to create a right-of-way that covers the existing road to facilitate road improvements and maintenance.

This plat was reviewed and approved by the City of Homer Planning Commission at their meeting of October 3, 2012.

Water and sewer are onsite for both lots. A copy of the KPB Basemap showing contours has been attached to this submittal showing that the grades are less than 10% and that intersection grades are also less than 4% as required by Borough Code. Sprucewood Drive is constructed. The utility easements associated with the right-of-way are intended to be relocated adjacent to the new right-of-way. The phone line was located in the field and is shown on the preliminary plat. The HEA lines are shown in the attached asbuilt drawing. The phone line will be in the right-of-way after the replat as opposed to crossing private land as it does currently.

KPB Basemapping indicates that the low wet areas on these lots are restricted to the area adjacent to the noted drainage in Lot 4-A-1. Grades on these lots are generally less than 20% with grades steeper than 20% located along the edges of the drainage in Lot 4-A-1.

KPB Code exceptions requested:

- 20.20.130, Reverse Curves. The purpose of this plat is to reconfigure the right-of-way to follow the existing road. Centerline radius has been kept at 300' but a reverse curve and a short intermediate tangent were needed to center the right-of-way on the existing road.
- 20.20.140. The current intersection of Sprucewood, Dr. North Park Ave., and Bay Ridge Rd., was created by the parent plat. It is beyond the scope and intent of this plat to effect any change in the intersection.

Please schedule this plat for the appropriate public hearings for the vacation of the right-of-way and the replat action.

Enclosed is check # _____ for \$775 to cover the plat review fees (\$200) the right-of-way vacation fee (\$500), and the utility easement vacation fee (\$75). Also included are the petitions to vacate the right-of-way and the utility easements. Comments are still being gathered for the utility easement vacation and will be passed along to you as soon as they are received.

Please let me know if there are any details I have overlooked.

Sincerely,



Tom Latimer, P.L.S.

Enclosures: Ck # _____, Petition to Vacate a Public Right-of Way, Petition to Vacate a Utility Easement, draft minutes of the City of Homer Planning Commission meeting, Contour Map with >20% slopes shown, HEA as-built drawing, nine copies of the preliminary plat



City of Homer Planning & Zoning

491 East Pioneer Avenue
Homer, Alaska 99603-7645

Telephone (907) 235-8121
Fax (907) 235-3118
E-mail Planning@ci.homer.ak.us
Web Site www.ci.homer.ak.us

STAFF REPORT PL 12-55

TO: Homer Advisory Planning Commission
THROUGH: Rick Abboud, City Planner
FROM: Julie Engebretsen, Planning Technician
MEETING: October 3, 2012
SUBJECT: Vacation of a portion of Sprucewood Dr

Requested action: Conduct a public hearing and recommend approval of the vacation of a portion of Sprucewood Drive.

GENERAL INFORMATION

Applicants: Roberta Highland
Robert Archibald
PO Box 2460
Homer, AK 99603
Mullikin Surveys
PO Box 790
Homer, AK 99603

Requested Action: Vacation of a portion of Sprucewood Ave
Location: Spruceview Ave, northwestern Homer
Zoning Designation: Rural Residential
Existing Land Use: Residential/Vacant

Surrounding Land Use: North: Vacant
South: Residential/Vacant
East: Residential/Vacant
West: Residential/Vacant

Comprehensive Plan: Chapter 5, Transportation, Goal 1: The street system should be configured to include arterial, collector and local streets. Through-street connections should be encouraged, while maintaining the integrity of existing neighborhoods.

Public Notice: Notice was sent to 31 property owners of 52 parcels as shown on the KPB tax assessor rolls.

ANALYSIS:

A preliminary plat also accompanies this request. The plat requires a separate platting action and vote. This staff report will only address the vacation of the right of way.

A portion of Sprucewood Drive was constructed outside the right of way, on private property. The City and the property owners are working together to correct this situation. A portion of the unused right of way will be vacated, and a new right of way will be dedicated over the existing road.

REVIEW

Kenai Peninsula Borough Code:

20.04.010 Purpose of provisions.

The purpose of this title is to promote an adequate and efficient street and road system, to provide utility easements, to provide minimum standards of survey accuracy and proper preparation of plats, and to protect and improve the health, safety and general welfare of the people.

Staff Finding 1: An adequate and safe road system has been provided to serve this area. The new right of way dedication will align with the existing road.

20.28.150. Vehicular access provision.

Where a right-of-way is required for logical provision of an existing or future road, the planning commission shall not approve the vacation unless an equal or superior right-of-way will be provided in exchange. Where 2 or more access points are necessary for large vacant or semi-vacant areas of land, the commission shall consider the ultimate density of habitation or use and maintain sufficient rights-of-way to serve such anticipated use.

Staff Finding 2: Superior right of way will be granted because it will align with the constructed road.

20.28.160. Other access provisions.

Rights-of-way which provide or could provide access for pedestrians, off-road vehicles, aircraft and similar modes of transport shall be considered when evaluating a vacation request. When such uses exist or could exist within rights-of-way which are not suited for general road use, the commission shall not approve the vacation request, unless it can be demonstrated that equal or superior access is or will be available.

Staff Finding 3: Superior access is available over the existing road and proposed right of way alignment.

PUBLIC WORKS COMMENTS: The Public Works Department had no comments.

FIRE DEPARTMENT COMMENTS: Fire Chief Painter had no concerns with the vacation.

STAFF COMMENTS:

Staff recommends the Commission recommend approval of the vacation of a portion of Sprucewood Drive with findings 1-3.

ATTACHMENTS

1. Surveyor's Submittal
2. Preliminary Plat and Vacation Drawing
3. Public Notice
4. Location map

Kenai Peninsula Borough Assembly Committees 2012 – 2013

ASSEMBLY COMMITTEES

- **Finance Committee**
Charlie Pierce, Chair
Bill Smith, Vice Chair
Kelly Wolf
- **Lands Committee**
Ray Tauriainen, Chair
Sue McClure, Vice Chair
Brent Johnson
- **Policies & Procedures Committee**
Mako Haggerty, Chair
Brent Johnson, Vice Chair
Hal Smalley
- **Legislative Committee**
Kelly Wolf, Chair
Hal Smalley, Vice Chair
All Assembly Members
- **President Pro Tem**
Charlie Pierce

OTHER BOROUGH COMMITTEES

- **School Board**
Brent Johnson

SERVICE AREA BOARD LIAISONS

- **Anchor Point Fire & EMS** - Mako Haggerty
- **Bear Creek Fire** - Sue McClure
- **CES/CPEMS** - Brent Johnson
- **Central Peninsula General Hospital**
Kelly Wolf, Charlie Pierce, Linda Murphy
- **Kachemak Emergency Service Area**
Mako Haggerty
- **KPB Roads**
Kelly Wolf, Charlie Pierce
- **Lowell Point Emergency SA** - Sue McClure
- **Nikiski Seniors** - Ray Tauriainen
- **Nikiski Fire** - Ray Tauriainen
- **North Peninsula Recreation** - Ray Tauriainen
- **Seward/Bear Creek Flood SA** - Sue McClure
- **South Peninsula Hospital** - Mako Haggerty,
Bill Smith

NON-BOROUGH COMMITTEES

- **Cook Inlet Aquaculture**
Brent Johnson
- **Cook Inlet R.C.A.C.**
Grace Merkes, Term Expires March, 2014
- **Economic Development District**
Linda Murphy, Term Expires 12/31/13
Hal Smalley, Term Expires 12/31/14
- **Kenai Peninsula College Council**
Hal Smalley, Term Expires 06/30/14
- **Kenai River Special Management Area
Advisory Board**
Brent Johnson
- **Prince William Sound R.C.A.C.**
Blake Johnson, Term Expires May, 2013