



## Kenai City Council - Regular Meeting

April 21, 2021 – 6:00 PM

Kenai City Council Chambers

210 Fidalgo Avenue, Kenai, Alaska

**\*\*Telephonic/Virtual Information on Page 4\*\***

[www.kenai.city](http://www.kenai.city)

### Agenda

#### A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Agenda Approval
4. Consent Agenda (*Public comment limited to three (3) minutes) per speaker; thirty (30) minutes aggregated*)

\*All items listed with an asterisk (\*) are considered to be routine and non-controversial by the council and will be approved by one motion. There will be no separate discussion of these items unless a council member so requests, in which case the item will be removed from the consent agenda and considered in its normal sequence on the agenda as part of the General Orders.

#### B. SCHEDULED PUBLIC COMMENTS

*(Public comment limited to ten (10) minutes per speaker)*

1. **Dr. Keith Hamilton** - Update on Alaska Christian College's Program, Goals, and Future Hopes

#### C. UNSCHEDULED PUBLIC COMMENTS

*(Public comment limited to three (3) minutes per speaker; thirty (30) minutes aggregated)*

#### D. PUBLIC HEARINGS

- 1. Ordinance No. 3202-2021** - Amending Kenai Municipal Code Sections 1.15.120, Rules Of Order, and 1.90.050, Proceedings, to Adopt the Most Current Edition of Robert's Rules of Order Newly Revised as the Adopted Rules of Parliamentary Procedure for the City Council and for City Boards, Commissions, and Committees. (City Clerk)
- 2. Ordinance No. 3203-2021** - Accepting and Appropriating a Volunteer Fire Assistance Grant from the United States Department of Agriculture Forest Service Passed Through the State of Alaska Division of Forestry for the Purchase of Forestry Firefighting Equipment. (Administration)
- 3. Ordinance No. 3208-2021** - Accepting and Appropriating a Grant from the State of Alaska – Department of Health and Social Services – Division of Public Health – COVID-19 Emergency Operations Center, for Community Funding to Support Efforts to Increase

Access to Testing and Vaccinations and Decrease Health Inequities for All Alaskans.  
(Administration)

1. Motion for Introduction
2. Motion for Second Reading (Requires a Unanimous Vote)
3. Motion for Adoption (Requires Five Affirmative Votes)

**4. Resolution No. 2021-24** - Authorizing the City Manager to Enter an Airline Operating Agreement and Terminal Area Lease with Hageland Aviation, D/B/A Rambler Air, LLC.  
(Administration)

**5. Resolution No. 2021-25** - Awarding a Contract for External Audit Services to BDO USA, LLP. (Administration)

**6. Resolution No. 2021-26** - Allocating Previously Appropriated Funds For The Wildwood Drive Rehabilitation Project. (Administration)

**7. Resolution No. 2021-27** - Authorizing a Budget Transfer in the General Fund, Fire Department. (Administration)

**E. MINUTES**

**1.** \*Regular Meeting of April 7, 2021. (City Clerk)

**F. UNFINISHED BUSINESS**

**G. NEW BUSINESS**

**1.** \*Action/Approval - Bills to be Ratified. (Administration)

**2.** \*Action/Approval - Non-Objection to the Renewal of the Liquor License for Don Jose's.  
(City Clerk)

**3.** \*Action/Approval - Special Use Permit to State of Alaska Department of Natural Resources, Division of Forestry for Aircraft Loading and Parking. (Administration)

**4.** \*Action/Approval - Special Use Permit to Pacific Star Seafoods for Aircraft Loading and Off-Loading. (Administration)

**5.** \*Action/Approval - Special Use Permit to Everts Air Fuel for Aircraft Parking. (Administration)

**6.** \*Action/Approval - Special Use Permit to United Parcel Service Company, Inc. for Aircraft Loading and Parking. (Administration)

**7.** \*Action/Approval - Special Use Permit to Empire Airlines, Inc. for Aircraft Parking. (Administration)

**8.** \*Action/Approval - First Amendment to Janitorial Agreement to Reborn Again Janitorial. (Administration)

**9.** \*Ordinance No. 3205-2021 - Authorizing a Budget Transfer in the General Fund, Fire and Non-Departmental Departments and Increasing Estimated Revenues and Appropriations in

the Public Safety Improvement Capital Project Fund to Provide Supplemental Funding to the Fire Station #2 Station Alerting Project and the Dispatch Base Station Radio Replacement Project. (Administration)

- 10. \*Ordinance No. 3206-2021** - Accepting and Appropriating Private Donations to the Kenai Animal Shelter for the Care of Animals. (Administration)
- 11. \*Ordinance No. 3207-2021** - Increasing Estimated Revenues and Appropriations in the General Fund – Police Department and Accepting Funds from Both the Department of Justice and Alaska Municipal League Joint Insurance Association for the Purchase of Ballistic Vests. (Administration)
- 12. \*Ordinance No. 3209-2021** - Accepting and Appropriating a Grant from Derek Kaufman Fund through the Alaska Community Foundation for the Purchase of Library Materials. (Administration)
- 13. \*Ordinance No. 3210-2021** - Amending Kenai Municipal Code Chapter 23.55 - Pay Plan, Chapter 23.25.020-Pay Plan and Adoption, and 23.35.030 – Pay Plan Amendment to Amend the Salary Schedule, Provide for a Temporary Employee Salary Schedule, and Require that Changes to the Salary Schedule be Proposed by the City Manager and be Effective After Approval of the City Council. (Administration)
- 14. Action/Approval** - Purchase Orders Over \$15,000. (Administration)
- 15. Discussion** - COVID-19 Response. (Administration)

#### **H. COMMISSION / COMMITTEE REPORTS**

1. Council on Aging
2. Airport Commission
3. Harbor Commission
4. Parks and Recreation Commission
- 5.** Planning and Zoning Commission
6. Beautification Committee
7. Mini-Grant Steering Committee

#### **I. REPORT OF THE MAYOR**

#### **J. ADMINISTRATION REPORTS**

- 1.** City Manager
2. City Attorney
3. City Clerk

**K. ADDITIONAL PUBLIC COMMENT**

1. Citizens Comments (*Public comment limited to five (5) minutes per speaker*)
2. Council Comments

**L. EXECUTIVE SESSION****M. PENDING ITEMS****N. ADJOURNMENT****O. INFORMATION ITEMS**

1. Purchase Orders Between \$2,500 and \$15,000
2. Updated Kenai Municipal Airport Land Brochure

*The agenda and supporting documents are posted on the City's website at [www.kenai.city](http://www.kenai.city). Copies of resolutions and ordinances are available at the City Clerk's Office or outside the Council Chamber prior to the meeting. For additional information, please contact the City Clerk's Office at 907-283-8231.*

**Join Zoom Meeting**

<https://us02web.zoom.us/j/88281846135>

**Meeting ID:** 882 8184 6135 **Passcode:** 501586

OR

**Dial In:** (253) 215-8782 or (301) 715-8592

**Meeting ID:** 882 8184 6135 **Passcode:** 501586





Sponsored by: City Clerk

## CITY OF KENAI

### ORDINANCE NO. 3202-2021

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, AMENDING KENAI MUNICIPAL CODE SECTIONS 1.15.120, RULES OF ORDER, AND 1.90.050, PROCEEDINGS, TO ADOPT THE MOST CURRENT EDITION OF ROBERT'S RULES OF ORDER NEWLY REVISED AS THE ADOPTED RULES OF PARLIAMENTARY PROCEDURE FOR THE CITY COUNCIL AND FOR CITY BOARDS, COMMISSIONS, AND COMMITTEES.

WHEREAS, the City of Kenai has adopted Robert's Rules of Order Newly Revised as the rules of parliamentary procedure for the City Council and the various Boards, Commissions, and Committees of the City; and,

WHEREAS, Robert's Rules of Order Newly Revised, 12<sup>th</sup> Edition, was published in September 2020 and supersedes all previous editions of Robert's Rules of Order; and,

WHEREAS, the City Clerk recommends adoption of the most current edition of Robert's Rules of Order Newly Revised which is intended to automatically become the parliamentary authority in organizations who prescribe its use; and,

WHEREAS, special rules that are currently included in the Kenai Charter and Kenai Municipal Code will still supersede the most current edition and new special rules or exceptions can be added to the code at any time upon the proper enactment of an ordinance; and,

WHEREAS, it is in the best interest of the City to adopt the most current edition of Robert's Rules of Order Newly Revised which is intended to automatically become the parliamentary authority upon its publication.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** Amendment of Section 1.15.120 – Rules of Order of the Kenai Municipal Code: That Kenai Municipal Code, Section 1.15.120 – Rules of Order, is hereby amended as follows:

- (a) A proposed amendment to, or repeal of, any rule in this chapter shall be submitted in writing as a non-emergency ordinance, and may be passed in the same manner as other non-emergency ordinances.
- (b) The most current edition of Robert's Rules of Order Newly Revised[, 11TH EDITION] shall govern in all cases to which they are applicable and in which they are not inconsistent with City Charter or ordinance and any special rules of order the Council may adopt.
- (c) The Council rules shall be observed in all cases unless suspended temporarily for a special purpose of an emergency nature by a vote of five (5) members present. Any member

may move, at any time, for the suspension of any rule, and such motion must be seconded to entitle it to consideration.

(d) If any member, in speaking or otherwise, transgresses the rules of the Council, the Chair shall, or any member may, call the member to order; in which case the member so called to order shall immediately cease discussion unless permitted by the Chair to explain; and the Council, if appealed to, shall decide the question without debate. If the decision be in favor of the member so called to order, the member shall be at liberty to proceed; if otherwise, the member shall not proceed without leave of the Council to proceed in order.

**Section 2.** Amendment of Section 1.90.050 – Proceedings of the Kenai Municipal Code: That Kenai Municipal Code, Section 1.90.050 – Proceedings, is hereby amended as follows:

(a) All boards, commissions and committees will have regularly scheduled meetings which shall be open to the public. Exceptions to the meeting requirements shall be established by Council. Permanent records or minutes shall be kept of all proceedings and such minutes shall record the vote of each member upon every question. Every decision or finding shall immediately be filed in the office of the City Clerk and shall be a public record open to inspection by any person. All acts of boards, commissions and committees are subject to the paramount authority of the City Council.

(b) If the commission, committee or board member shall be absent, without the body excusing the absence for good cause, from more than one-half of all the meetings of his or her committee, commission or board, regular and special, held within any period of three (3) consecutive calendar months, he or she shall thereupon cease to hold the seat. A commission, committee or board member may not have more than three (3) excused absences during a twelve (12) month calendar year.

(c) In all matters of parliamentary procedure, the most current edition of Robert's Rules of Order Newly Revised[, 11TH EDITION] shall be applicable and govern all meetings, unless as specified in KMC 1.15.060 motions; KMC 1.15.100, speaking; and KMC 1.15.110, voting.

(d) The responsibility of insuring that all members of boards, commissions and committees receive a copy of the Standard Procedures of Boards, Commissions and Committees lies with the City Clerk.

**Section 3.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.

**Section 4.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect 30 days after enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 21<sup>st</sup> day of April, 2021.

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BRIAN GABRIEL SR., MAYOR

ATTEST:

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Jamie Heinz, MMC, City Clerk

Introduced: April 7, 2021  
Enacted: April 21, 2021  
Effective: May 21, 2021



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**FROM:** Jamie Heinz, City Clerk  
**DATE:** March 16, 2021  
**SUBJECT:** Ordinance No. 3202-2021

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In September 2020, the 12<sup>th</sup> Edition of Robert’s Rules of Order Newly Revised was published. It is the only currently authorized edition of Robert’s Rules of Order Newly Revised. It is the intent of the authors and publisher that the Twelfth Edition supersedes all previous editions and automatically becomes the parliamentary authority in organizations who prescribe Robert’s Rules of Order Newly Revised. The authors recommend that the particular edition is not specified but instead indicates, “the current edition of.” The same statement is included in the Eleventh Edition.

In 2012, the code was amended to prescribe the 11<sup>th</sup> Edition. I recommend amending the code to indicate “the most current edition,” given the intent and authorization provided by the authors. Robert’s Rules of Order Newly Revised has been updated approximately every ten years since 1970. It is reasonable to think that the Twelfth Edition will be the most current edition for approximately ten years and, when a new edition is published, it will not be necessary to make a change to the code if we indicate that “the most current edition” is to be used. A quick search revealed that the codes for the cities of Soldotna and Homer also provide for, “the most current edition.”

The City currently has some special rules enacted by its code and those special rules will continue to supersede the new edition of Robert’s Rules of Order Newly Revised. The City may also add or amend special rules to the code at any time upon the proper enactment of an ordinance.

The following lists several of the substantial changes made in the Twelfth Edition:

1. Postpone to a Certain Time – to have this motion more closely agree with rules relating to Point of Order and Appeal.
2. Limit or Extend Limits of Debate – to clarify the varying effects that adoption of the different forms of this motion have on the making of subsidiary motions.
3. Lay on the Table – to rearrange these rules into a more orderly and logical sequence.
4. Point of Order – to clarify and expand upon the rules setting forth remedies.
5. Take from the Table – to clarify the rules that impose time limits on taking questions from the table and setting forth the status of motions taken from the table.

6. Reconsider – by including a summary of rules relating to reconsideration and rearrangement of the order in which the rules are discussed.
7. To provide greater guidance concerning filling in blanks.
8. Clarifying and incorporating rules for the office of vice-president that had previously been scattered throughout the book.
9. Minutes – to more clearly present the various procedures for their approval.

Other updates dozens more clarifications and refinements to improve existing rules, helpful summary explanations, expanded charts, tables, and lists, and sample rules for electronic meetings.

Your consideration is appreciated.





# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**FROM:** Jamie Heinz, City Clerk  
**DATE:** April 14, 2021  
**SUBJECT:** Ordinance No. 3202-2021 – Robert’s Rules

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The purpose of this memo is to more thoroughly clarify where “substantial revisions” have been made in Robert’s Rules of Order Newly Revised, 12th Edition. In summary, none of the changes are going to affect how we conduct our regular business. They may, however, inform me slightly differently in walking through processes or details to provide on agendas.

1. Postpone to a Certain Time
  - a. The 12th edition made clarifications to have this motion more closely agree with rules relating to Point of Order and Appeal by more clearly stating that a motion to Postpone to a Certain Time takes precedence over a debatable appeal that adheres to the main question, or a point of order that adheres to the main question and has been referred by the chair to the judgement of the assembly and which is debatable when so referred. The 11th edition stated this but stated it in the negative and had conditions.
  - b. The 12<sup>th</sup> edition re-states rules dealing with procedures to be followed when postponed items are taken up again to avoid unnecessary repetition; no substantive changes were made.
  - c. The 12<sup>th</sup> edition further clarifies the rules concerning the effect of postponement on motions adhering to the motion postponed (everything stays intact) and on subsequent debate (debate possibly being exhausted in a same meeting vs. debate being renewed in a new meeting) and methods of voting (only applies if the method of voting is ordered by the assembly and in our case it is almost always ordered by the Open Meetings Act or Kenai Municipal Code (KMC)).
2. Limit or Extend Limits of Debate – to clarify the varying effects that adoption of the different forms of this motion have on the making of subsidiary motions. Given that we have our own rule in KMC which supersedes Robert’s Rules limits on debate, and we have never used these motions in my tenure, I didn’t explore this one. In the event one

of these motions was made, I would have to ask for an at ease to confer with the attorney to navigate the intricacies of merging of KMC with Robert's Rules.

3. Lay on the Table – to rearrange these rules into a more orderly and logical sequence. There are no changes here, just a rearrangement.
4. Point of Order – to clarify and expand on the rules setting forth remedies. The 12<sup>th</sup> edition clarifies rules that are already in place and adds two remedies; neither of which would affect the City. The new remedies address inclusion of improper votes (such as votes cast by nonmembers or absent members) and situations which an Executive Board of a society takes an action that exceeds the board's authority.
5. Take from the Table – to clarify the rules that impose time limits on taking questions from the table and setting forth the status of motions taken from the table. I did not explore this one; during my tenure we have used postponements instead of lay on/take from the table. If an item were to be laid on the table, I would explore this to inform myself of the rules surrounding it and proper procedure for taking from or leaving on the table.
6. Reconsider – by including a summary of rules relating to reconsideration and rearrangement of the order in which the rules are discussed. The 12<sup>th</sup> edition adds a three paragraph summary which explains what we already know about a reconsideration; it temporarily suspends any action growing out of the vote to be reconsidered, the body votes on whether or not to reconsider the question and, if the body decides to reconsider the question, to the extent practicable, the question being reconsidered is opened back up at the exact moment before it was voted on originally. All rules with reconsideration are the same, they are rearranged in a more logical sequence.
7. To provide greater guidance concerning filling in blanks. During my tenure, the City has never used the particular option in which greater guidance is being given. By way of explanation, the 12<sup>th</sup> edition expands on an amendment motion to create a blank in a motion and then allowing members to suggest alternatives to fill the blank and, when debate on the suggestions has ended, the assembly decides by majority vote which suggestion shall fill the blank. As soon as a decision on the blank has been made, the chair restates and calls for the vote on the main motion as amended.
8. Clarifies and incorporates rules for the office of vice-president that had previously been scattered throughout the book; our Charter and KMC supersede these rules.
9. Minutes – to more clearly present the various procedures for their approval; KMC and our adopted policies give us guidance which supersedes Robert's Rules. The 12<sup>th</sup> edition clarifies that, in the event minutes are taken in executive session, the minutes can only be read and approved in executive session; this rule would be superseded by AS 44.62.310 (Open Meetings Act) which provides that actions may not be taken in open session.



There are many other clarifications and refinements but nothing else that would change the way that anything was done, just making it clearer and easier to follow.

Your consideration is appreciated.







Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3203-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, ACCEPTING AND APPROPRIATING A VOLUNTEER FIRE ASSISTANCE GRANT FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE FOREST SERVICE PASSED THROUGH THE STATE OF ALASKA DIVISION OF FORESTRY FOR THE PURCHASE OF FORESTRY FIREFIGHTING EQUIPMENT.

WHEREAS, City of Kenai Fire Department is a cooperator with Division of Forestry and has contracted personnel and equipment on major fire incidents on the Kenai Peninsula; and,

WHEREAS, grant funding will be used to purchase personal protective equipment (PPE) for our personnel, to be used while responding to Forest Fire Incidents; and,

WHEREAS, additional equipment will be purchased with grant funding to improve response capabilities in our service area and assist Division of Forestry on incidents as a cooperator; and,

WHEREAS, the State of Alaska Division of Forestry has provided a grant in the amount of \$4,974.92 to assist the City of Kenai Fire Department in purchasing forestry firefighting gear, and,

WHEREAS, appropriation of this grant for its intended purpose is in the best interest of the City and its residents.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the City Manager is authorized to accept a grant from the United States Department of Agriculture Forest Service passed through the State of Alaska Division of Forestry in the amount of \$4,974.92 for the purchase of forestry firefighting equipment and is authorized to execute a grant agreement and to expend the grant funds to fulfill the purpose and intent of this Ordinance.

**Section 2.** That the estimated revenues and appropriations be increased as follows:

General Fund:

Increase Estimated Revenues –	
Federal Grants - Fire	<u>\$4,974.92</u>

Increase Appropriations – Fire Department	
Small Tools & Minor Equipment	<u>\$4,974.92</u>

**Section 3.** That the City Manager is authorized to execute a grant agreement and to expend the grant in compliance with grant conditions and this ordinance.

**Section 4.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 5.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 21<sup>st</sup> day of April, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: 

Introduced: April 7, 2021  
Enacted: April 21, 2021  
Effective: April 21, 2021



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Tony Prior, Fire Chief  
**DATE:** March 19, 2021  
**SUBJECT:** **Ordinance 3203-2021**

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The City of Kenai Fire Department has been awarded a Volunteer Fire Assistance (VFA) grant in the amount of \$4,974.92 for the purchase of forestry firefighting gear from the United States Department of Agriculture Forest Service through the State of Alaska Division of Forestry. The grant will fund the purchase of forestry firefighting Personal Protective Equipment (PPE), along with equipment to place on our designated forestry response apparatus. This gear and equipment will enable us to respond appropriately with tools needed for forestry incidents.

Your consideration is appreciated.



Division of Forestry

550 West 7<sup>th</sup> Avenue, Suite 1450  
Anchorage, AK 99501-3561  
Main: 907.269-8463  
Fax: 907-269-8931

March 10, 2021

Dear Volunteer Fire Department:

Thank you for applying for the 2021 Volunteer Fire Assistance (VFA) grants. Thirty-five (35) volunteer fire departments applied for a VFA grant requesting a total of \$164,044.58 in assistance. Thirty-four (34) of the thirty-five (35) VFDs will receive some level of funding. A total of \$159,026.50 was awarded. This letter is the official notification.

The enclosed spreadsheet lists all applicants and amount requested/amount awarded. If a fire department was awarded a grant, the amount awarded will be listed in the column titled "Amount Awarded". Some VFDs will not receive an award this year and one will receive a partial award. If a VFD did not receive any funding or will be receiving a partial award, please contact your respective DOF Fire Management Officer with any questions you may have.

- Checks will be distributed electronically by association with the VFD's SOA vendor number and the SOA electronic payment agreement. Electronic disbursements are expected by May 2021.
- To be eligible for a 2022 VFA grant, compliance documentation, such as copies of receipts for 2021 grant expenditures, must be submitted to your nearest Forestry office at the time of, or prior to, submitting a 2022 application.
- Volunteer Fire Assistance is an award of Federal Financial Assistance with funding from the USDA Forest Service. Prime and sub recipients to this award are subject to OMB guidance in sub parts A through F of 2 CFR Part 200 as adapted and supplemented by the USDA in 2 CFR Part 400. Adaption by USDS of the OMB guidance in 2 CFR 400 gives regulatory effect to OMB guidance in 2 CFR 200 where full text may be found.
- The brochure, Complying with Civil Rights, FS-850, can be found here:  
[https://www.fs.usda.gov/Internet/FSE\\_DOCUMENTS/fseprd526908.pdf](https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/fseprd526908.pdf).
- The OMB Circulars are available on the internet at [www.ecfr.gov](http://www.ecfr.gov).

If an application was not fully successful do not be discouraged and continue to apply every year by submitting a complete online application package by the deadline.

Sincerely,

*Sarah Saarloos*

Sarah Saarloos, Fire Staff Officer

## 2021 VFA Grant Awards

Fire Department	Amount Requested	Amount Awarded	Division of Forestry Office
Delta Junction VFD	\$4,990.25	\$4,972.27	Delta Area Office
Rural Deltana VFD	\$4,972.50	\$4,972.50	Delta Area Office
Chena-Goldstream Fire & Rescue	\$5,000.00	\$5,000.00	Fairbanks Area Office
City of Anderson	\$4,998.63	\$4,998.63	Fairbanks Area Office
McKinley VFD	\$4,961.02	\$4,961.02	Fairbanks Area Office
Steese Area VFD	\$4,500.00	\$4,500.00	Fairbanks Area Office
Tri-Valley VFD	\$5,000.00	\$5,000.00	Fairbanks Area Office
Anchor Point Fire & Emergency Medical Service Area	\$4,998.42	\$4,998.42	Kenai Kodiak Area Office
Cooper Landing VFD	\$4,449.10	\$4,449.10	Kenai Kodiak Area Office
Fire Protection Area No. 1 (Bayside Fire Station)	\$4,500.00	\$4,500.00	Kenai Kodiak Area Office
Homer VFD	\$4,998.50	\$4,998.50	Kenai Kodiak Area Office
Kachemak Emerg. Services	\$4,986.01	\$4,986.01	Kenai Kodiak Area Office
Kenai FD	\$4,974.92	\$4,974.92	Kenai Kodiak Area Office
Lowell Point VFD	\$4,995.00	\$4,995.00	Kenai Kodiak Area Office
Nikiski FD	\$4,626.00	\$4,626.00	Kenai Kodiak Area Office
Ninilchik Emergency Services	\$4,778.80	\$4,778.80	Kenai Kodiak Area Office
Seward FD	\$4,979.00	\$4,979.00	Kenai Kodiak Area Office
Womens Bay VFD	\$4,350.06	\$4,350.06	Kenai Kodiak Area Office
Butte FD	\$4,970.70	\$4,970.70	Mat Su Area
Caswell Lakes FSA #135	\$4,988.39	\$4,988.39	Mat Su Area
Chickaloon Fire Service, Inc.	\$5,000.00	\$0.00	Mat Su Area
Houston FD	\$4,608.00	\$4,608.00	Mat Su Area
Palmer Fire and Rescue	\$4,875.00	\$4,875.00	Mat Su Area
Sutton VFD	\$3,224.00	\$3,224.00	Mat Su Area
Talkeetna VFD	\$5,000.00	\$5,000.00	Mat Su Area
West Lakes FD	\$4,885.65	\$4,885.65	Mat Su Area
Willow VFD	\$4,973.43	\$4,973.43	Mat Su Area
Whale Pass VFD	\$2,215.45	\$2,215.45	Southeast Alaska
Aniak VFD	\$4,590.00	\$4,590.00	Southwest District
Port Alsworth VFD	\$4,499.00	\$4,499.00	Southwest District
Northway VFD	\$4,625.00	\$4,625.00	Tok Area Office
Tok VFD	\$4,034.71	\$4,034.71	Tok Area Office
Gakona VFD	\$5,000.00	\$5,000.00	Valdez-Copper River Area Office
Kennicott/McCarthy VFD	\$4,997.05	\$4,997.05	Valdez-Copper River Area Office
Valdez FD	\$4,499.99	\$4,499.99	Valdez-Copper River Area Office
<b>GRAND TOTAL</b>	<b>\$164,044.58</b>	<b>\$159,026.60</b>	



Sponsored by: Administration

## CITY OF KENAI

### ORDINANCE NO. 3208-2021

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, ACCEPTING AND APPROPRIATING A GRANT FROM THE STATE OF ALASKA – DEPARTMENT OF HEALTH AND SOCIAL SERVICES – DIVISION OF PUBLIC HEALTH – COVID-19 EMERGENCY OPERATIONS CENTER, FOR COMMUNITY FUNDING TO SUPPORT EFFORTS TO INCREASE ACCESS TO TESTING AND VACCINATIONS AND DECREASE HEALTH INEQUITIES FOR ALL ALASKANS.

WHEREAS, the City of Kenai applied through the State of Alaska – Department of Health and Social Services – Division of Public Health – COVID-19 Emergency Operations Center (DPH-EOC), for Community Funding to improve efforts and increase access to COVID-19 testing and vaccinations through a vaccination program; and,

WHEREAS, the City was approved for funding up to \$326,985.32 to support its efforts to increase access to COVID-19 vaccinations on the Kenai Peninsula; and,

WHEREAS, by accepting the grant, the City agrees to expand capacity for COVID-19 vaccine administration through mobile vaccination clinics, support COVID-19 vaccination communication and education efforts, and to purchase supplies and equipment for COVID-19 vaccine administration; and,

WHEREAS, pursuant to KMC 1.15.70(d) the City may introduce and finally pass on the same day, an ordinance making, repealing, transferring or otherwise changing an appropriation; and,

WHEREAS, introduction and passage of this ordinance ensures continuity of a vaccination program to reduce the spread of SARS-CoV-2 virus, stabilize a healthy workforce, and reduce the impacts of the COVID-19 pandemic; and,

WHEREAS, it is in the best interest of the City to accept funding to continue a vaccination program that supports safe and healthy communities within the State of Alaska.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the City Manager is authorized to accept funding in the amount of \$326,985.32 from the State of Alaska DPH-EOC to support the City's efforts to provide access to vaccinations through a mobile vaccination program, to execute all needed grant agreements, and expend the funds in accordance with grant provisions and this ordinance.

**Section 2.** That the estimated revenues and appropriations be increased as follows:

Cares Act Recovery Fund:	
Increase Estimated Revenues – Federal Grants	<u>\$326,985.32</u>
Increase Appropriations –COVID-19 Community Services Contingency	<u>\$326,985.32</u>

**Section 3.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.

**Section 4.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 21<sup>st</sup> day of April, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: 

Introduced: April 21, 2021  
Enacted: April 21, 2021  
Effective: April 21, 2021



# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Tony Prior, Fire Chief

**DATE:** April 15, 2021

**SUBJECT:** Ordinance 3208-2021

---

The purpose of this memo is to recommend enactment of Ordinance 3208-2021 which will appropriate \$326,985.32 of approved grant funds from the State of Alaska passed through the Department of Health and Social Services Division of Public Health – COVID-19 Emergency Operations Center (DPH-EOC) for related expenditures to implement a vaccination program that increases access to vaccinations and decreases health inequities for Alaskans and individuals working in Alaska.

The State of Alaska, Department of Health and Social Services Division of Public Health – COVID-19 Emergency Operations Center (DPH-EOC) created a funding opportunity to support efforts throughout Alaska that were focused on testing and vaccinations. The goal was to create and implement strategies that would decrease health inequities, and make available information and access to vaccinations and testing related to COVID-19. After receiving requests from the Kenai Division of Public Health to vaccinate individuals that were homebound, we developed a strategy that would increase access to individuals and specific groups by adding a mobile vaccination unit to compliment the clinic sites we have established already. We have a reserve ambulance that will be staffed with at least 2 personnel to deliver vaccines by weekly appointments and we will continue to schedule larger clinics as needs arise and venues become available. We plan to serve individuals, or businesses such as canneries, at their location and administer vaccines to any individual that wants to be vaccinated.

As mentioned, the City of Kenai was approved for up to \$326,985.32 of allowable expenses to implement our mobile vaccination program. We have worked with the DPH-EOC program manager to verify program guidelines and how our program works to accomplish the overall goal of the State program. Based on the submission of our program and conversations with the program manager, we have outlined some equipment, supplies, wages/benefits, and other allowable expenses that resulted in the Memorandum of Agreement between the State of Alaska and the City of Kenai. The program will allow the City to be reimbursed for allowable expenses from April 8, 2021 through March 31, 2022. Due to some of the unknown facts such as; number of clinics completed, personnel needed for each event, supplies needed to conduct mobile



vaccinations, and information development/dissemination, the overall expenditures to conduct the mobile vaccination program is unknown but will not exceed the amount of this grant without further action from Council.

Your support for enactment of Ordinance 3208-2021 is respectfully requested.





**Memorandum of Agreement (MOA) Between  
State of Alaska - Department of Health and Social Services  
Division of Public Health – COVID-19 Emergency Operations Center (DPH-EOC)  
- and -  
City of Kenai**

**C0621-570-V**

**I. PURPOSE AND SCOPE**

The purpose of this MOA is to provide funding to government entities to implement community-driven strategies that support COVID-19 related activities. These activities include improving efforts and increase access to COVID-19 testing in the community, building capacity to increase access to COVID-19 vaccine in the community and implementing strategies that decrease health inequities, as well as other COVID-19 related recovery and prevention strategies.

**II. THE DPH AGREES TO:**

Provide support to the community on COVID-19 vaccine administration, testing, and other COVID-19 related activities. The COVID-19 EOC Team is available to consult and provide technical assistance to government entities and to pre-approved pass-through recipients of award funding. The team will also ensure that approved activities meet the funding requirements.

**III. THE CITY OF KENAI AGREES TO:**

Expand capacity for COVID-19 vaccine administration through mobile vaccination clinics, support COVID-19 vaccination communication and education efforts, and purchase supplies for COVID-19 vaccine administration.

Recipient must establish/maintain/provide electronic reporting of SARS-CoV2/COVID-19 laboratory data to CDC daily per the guidance provided by CDC (e.g., CELR). This includes all testing (e.g., positive/negative, PCR, Point-of-Care, etc.) and complete data elements (e.g., race/ethnicity) per CARES legislation and ELC performance measures.

Any additional activities not specifically stated in this MOA must be approved by the COVID-19 EOC Team prior to those activities occurring.

IV. JOINT RESPONSIBILITIES:

Both parties will make a good faith effort to communicate about any issues that might arise that will impact the timeliness of activities, reporting, or payment.

V. PERIOD OF AGREEMENT AND TERMINATION:

This agreement will terminate on March 31, 2022 and receipts must be for activities prior to this date. Funds are intended to be used to support staff time (including overtime), supplies, and other materials as needed to support COVID-19 related activities.

VI. TERMS OF PAYMENT

The State agrees to pay the City of Kenai up to \$326,985.32 over the term of this agreement.

The Contractor will submit monthly invoices detailing services performed in accordance with appendix A.

The invoice must:

- reference the contractor's name, address and phone number
- reference the contract number: C0621-570-V
- include an invoice number
- Reference the Alaska Division of Public Health – COVID Admin

The Contractor shall submit final invoices to the address specified below no later than 30 days after March 31, 2022. Failure to include the required information on the invoice may cause an unavoidable delay to the payment process. The State will pay all invoices within thirty (30) days of invoice approval by the Project Director.

Email invoices to:

[covidadmin@alaska.gov](mailto:covidadmin@alaska.gov)

(please reference *Community MOA Reimbursement Request* in the subject line)

Notwithstanding any other provision of this contract, it is understood and agreed that the State shall withhold reimbursement at any time the Contractor fails to comply with the terms of the MOA.

VII. GRANT COMPLIANCE FROM THE FEDERAL NOTICE OF GRANT AWARD

- Recipients must comply with the Terms and Conditions of this award, all Code of Federal Regulations, and the Alaska Administrative Manual.
- In addition to the federal laws, regulations, policies, and CDC General Terms and Conditions for Non-research awards at <https://www.cdc.gov/grants/federalregulationspolicies/index.html>, the Centers for Disease Control and Prevention (CDC) hereby incorporates Notice of Funding Opportunity (NOFO) number CK19-1904 entitled "Cooperative Agreement for Epidemiology and Laboratory Capacity (ELC), which is hereby made a part of this non-research award, hereinafter referred to as the Notice of Award (NoA).
- Coronavirus Disease 2019 (COVID-19) Funds: A recipient of a grant or cooperative agreement awarded by

the Department of Health and Human Services (HHS) with funds made available under the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (P.L. 116-123); the Coronavirus Aid, Relief, and Economic Security Act, 2020 (the "CARES Act") (P.L. 116-136); the Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139); and/or the Consolidated Appropriations Act, 2021, Division M – Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (P.L. 116-260), agrees, as applicable to the award, to: 1) comply with existing and/or future directives and guidance from the Secretary regarding control of the spread of COVID-19; 2) in consultation and coordination with HHS, provide, commensurate with the condition of the individual, COVID-19 patient care regardless of the individual's home jurisdiction and/or appropriate public health measures (e.g., social distancing, home isolation); and 3) assist the United States Government in the implementation and enforcement of federal orders related to quarantine and isolation.

- To achieve the public health objectives of ensuring the health, safety, and welfare of all Americans, Recipient must distribute or administer vaccine without discriminating on non-public-health grounds within a prioritized group. This includes, but is not limited to, immigration status, criminal history, incarceration, or homelessness. To this end, and to help achieve the public health imperative of widespread herd immunity to COVID-19, Recipient must administer or distribute vaccine to any and all individuals within a prioritized group in the same timeframe, taking into account available vaccine doses. For example, if meatpacking plant workers are a prioritized group, then all workers in that group, including undocumented immigrants, must be vaccinated to help assure that the plant is in a position to safely resume essential functions. In addition, to the extent applicable, Recipient will comply with Section 18115 of the CARES Act, with respect to the reporting to the HHS Secretary of results of tests intended to detect SARS-CoV-2 or to diagnose a possible case of COVID-19. Such reporting shall be in accordance with guidance and direction from HHS and/or CDC. HHS laboratory reporting guidance is posted at: <https://www.hhs.gov/sites/default/files/covid-19-laboratory-data-reporting-guidance.pdf>.
- Further, consistent with the full scope of applicable grant regulations (45 C.F.R. 75.322), the purpose of this award, and the underlying funding, the recipient is expected to provide to CDC copies of and/or access to COVID-19 data collected with these funds, including but not limited to data related to COVID-19 testing. CDC will specify in further guidance and directives what is encompassed by this requirement.
- This award is contingent upon agreement by the recipient to comply with existing and future guidance from the HHS Secretary regarding control of the spread of COVID-19. In addition, recipient is expected to flow down these terms to any subaward, to the extent applicable to activities set out in such subaward.

#### **Unallowable Costs:**

- Resources funded by another HSS Contract or HSS-Cares source
- Purchase of vehicles
- Reimbursement of pre-award costs
- Research
- Indirect costs associated with the award
- Food and/or water for events
- Hospital bill or insurance claims
- Clinical care (except as otherwise noted in Domain 5 and as may be provided in further guidance from CDC)
- Publicity and propaganda (lobbying):
- Other than for normal and recognized executive-legislative relationships, no funds may be used for:
  - publicity or propaganda purposes, for the preparation, distribution, or use of any material designed to support or defeat the enactment of legislation before any legislative body
  - the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before any legislative body
  - See Additional Requirement (AR) 12 for detailed guidance on this prohibition and additional guidance on lobbying for CDC recipients: [https://www.cdc.gov/grants/documents/Anti-Lobbying\\_Restrictions\\_for\\_CDC\\_Grantees\\_July\\_2012.pdf](https://www.cdc.gov/grants/documents/Anti-Lobbying_Restrictions_for_CDC_Grantees_July_2012.pdf)
  - All unallowable costs cited in CDC-RFA-TP18-1802 remain in effect, unless specifically amended in this guidance, in accordance with 45 CFR Part 75 – Uniform Administrative Requirements, Cost

VII. CONTACT INFORMATION

DPH-EOC primary point of contact: Maria Caruso  
Division of Public Health, COVID Program Coordinator  
3601 C Street, Suite 722  
Anchorage AK 99503  
Office: 907-310-6092  
Email: [maria.caruso@alaska.gov](mailto:maria.caruso@alaska.gov)

City of Kenai primary point of contact: Tony Prior  
City of Kenai, Fire Chief  
Office: 907-283-7666  
Email: [tprior@kenai.city](mailto:tprior@kenai.city)

City of Kenai finance contact: Terry Eubank  
City of Kenai, Finance Director  
Office: 907-283-8227  
Email: [teubank@kenai.city](mailto:teubank@kenai.city)

City of Kenai additional contact: Paul Ostrander  
City of Kenai, City Manager  
Office: 907-283-8222  
Email: [postrander@kenai.city](mailto:postrander@kenai.city)

VIII. SIGNATURES

By signature of the below, both parties agree to the terms of this MOA.

**City of Kenai**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Paul Ostrander, City Manager, City of Kenai

**State of Alaska**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Maria Caruso, DPH-EOC Program Coordinator

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Heidi Hedberg, EOC/Unified Commander & DPH Director

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Jason Grove, Procurement Manager



Sponsored by: Administration

**CITY OF KENAI**

**RESOLUTION NO. 2021-24**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, AUTHORIZING THE CITY MANAGER TO ENTER AN AIRLINE OPERATING AGREEMENT AND TERMINAL AREA LEASE WITH HAGELAND AVIATION, D/B/A RAMBLER AIR, LLC.

WHEREAS, the City of Kenai is the owner and operator of the Kenai Municipal Airport; and,

WHEREAS, Hageland Aviation intends to operate in Alaska as Hageland Aviation, d/b/a Rambler Air, LLC., once necessary state and federal requirements have been met and start flights in and out of the Kenai Airport beginning in May 2021 or soon thereafter; and,

WHEREAS, Hageland Aviation d/b/a Rambler Air, LLC., must sign the City of Kenai's airline operating agreement and terminal area lease incorporating the four amendments thereto, to operate as a signatory operator in the Kenai Airport and secure terminal space; and

WHEREAS, it is in the best interest of the City of Kenai to authorize the City Manager to enter into an agreement with Hageland Aviation, d/b/a Rambler Air, LLC.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA:

**Section 1.** That the Kenai City Manager is authorized to enter into such an agreement with Hageland Aviation, d/b/a Rambler Air, LLC contingent upon the operator receiving FAA approval.

**Section 2.** That the Kenai City Council approves the Airline Operating Agreement and Terminal Area Lease form as Attached.

**Section 3.** That this resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17th day of April, 2021.

\_\_\_\_\_  
BRIAN GABRIEL, SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Mary Bondurant, Airport Manager  
**DATE:** April 13, 2021  
**SUBJECT:** Resolution No. 2021-24 New Air Service

---

Hageland Aviation, d/b/a Rambler Air, LLC is requesting to start scheduled service between the Kenai Airport and Ted Stevens International Airport.

In anticipation of the Federal Aviation Administration (FAA) approval, Rambler Air is looking to start the service in mid-May and wants to have an agreement in place with the City of Kenai so there will not be any additional delay time.

Hageland Aviation must sign the City of Kenai's airline operating agreement and terminal area lease incorporating the four amendments, just like RAVN Alaska and Grant Aviation.

Thank you for your consideration.

# **CITY OF KENAI, ALASKA**

## **KENAI MUNICIPAL AIRPORT**

### **Airline Operating Agreement and Terminal Area Lease**

**April 21, 2021**



CITY OF KENAI, ALASKA  
KENAI MUNICIPAL AIRPORT  
AIRLINE OPERATING AGREEMENT  
AND TERMINAL AREA LEASE

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**CITY OF KENAI, ALASKA**

**KENAI MUNICIPAL AIRPORT**

**AIRLINE OPERATING AGREEMENT  
AND TERMINAL AREA LEASE**

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**CITY OF KENAI, ALASKA**  
**KENAI MUNICIPAL AIRPORT**  
**AIRLINE OPERATING AGREEMENT**  
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**CITY OF KENAI, ALASKA**  
**KENAI MUNICIPAL AIRPORT**  
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**CITY OF KENAI, ALASKA**  
**KENAI MUNICIPAL AIRPORT**  
**AIRLINE OPERATING AGREEMENT AND**  
**TERMINAL AREA LEASE**

This Airline Operating Agreement and Terminal Area Lease (the "Agreement") made and entered into this \_\_\_\_ day of May 2021, by and between the City of Kenai, Alaska (the "City"), a home-rule municipal corporation of the State of Alaska and **Hageland Aviation, d/b/a Rambler Air, LLC**, a corporation organized and existing under the laws of the State of Alaska and authorized to do business in the State of Alaska, hereinafter called "Airline".

**WITNESSETH:**

**WHEREAS**, City is owner and operator of Kenai Municipal Airport (the "Airport") located in Kenai, Alaska, and has the right to lease portions of the Airport and to grant operating privileges thereon subject to the terms and conditions hereinafter set forth; and

**WHEREAS**, Airline is a corporation primarily engaged in the business of providing Air Transportation of persons, property, cargo and mail; and

**WHEREAS**, Airline desires to lease certain premises within the Terminal Building, use certain facilities at the Airport and acquire certain rights and privileges from City in connection with its use of the Airport, and City is willing to lease and grant same to Airline under terms and conditions hereinafter stated; and

**WHEREAS**, City and Airline have the power and authority to enter into this agreement;

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants and considerations herein contained, City and Airline agree as follows:

## ARTICLE 1 DEFINITIONS

### Section 1.1 Definitions

The terms and phrases defined in this Article 1 for all purposes of this Airline Operating Agreement and Terminal Building Lease shall have the following meanings:

- 1.1.1 **"Air Transportation"** shall mean the carriage of persons, property, cargo and/or mail by aircraft.
- 1.1.2 **"Airline Premises"** shall mean Airline's leased Exclusive Use Space and Joint Use Space in the terminal building and its leased terminal apron space.
- 1.1.3 **"Airline's Authorized Representative"** shall mean such person designated by Airline in writing to the Manager prior to the commencement of the term hereof and from time-to-time during the term hereof setting forth the name, title and authority of such person.
- 1.1.4 **"Airport"** shall mean the Kenai Municipal Airport in Kenai, Alaska (a facility of the City of Kenai) as it may hereafter be modified, changed or developed from time-to-time.
- 1.1.5 **"Airport Purpose"** shall mean any action or undertaking by City directly relating to the development and preservation of the Airport for air commerce in accordance with all applicable laws (federal, state and local, statutory, regulatory and decisional) and this Airline Operating Agreement and Terminal Area Lease.
- 1.1.6 **"Airport Revenues"** shall mean any income and revenue lawfully derived directly or indirectly by the City from the operation and use of, or otherwise relating to, the Airport. The term does not include any grants, appropriations, loans, gifts, taxes or bond proceeds from federal, state or local governments.
- 1.1.7 **"Manager"** shall mean the Airport Manager, designated as such by City. The word also means the Acting Airport Manager, if any, of City whenever the Airport Manager is unable to act in such capacity, or the successor of the Airport Manager in functions, if any.

- 1.1.8 **"Exclusive Use Space"** shall mean, at any time, the space leased in the passenger terminal building by City to Airline on an exclusive use basis as more fully set forth on Exhibit A, as the same may be amended from time-to-time.
- 1.1.9 **"FAA"** shall mean the Federal Aviation Administration of the U.S. Government or any federal agency succeeding to all or part of its jurisdiction.
- 1.1.10 **"Fiscal Year"** shall mean the twelve (12) months commencing on July 1<sup>st</sup> and ending on June 30<sup>st</sup> of any year or such other twelve (12) month period as may be designated by City.
- 1.1.11 **"Joint Use Space"** shall mean, at any time, the premises leased or used jointly in the passenger terminal building by Airline and any other Signatory Airlines, as more particularly set forth on Exhibit B, as the same may be amended from time-to-time.
- 1.1.12 **"Maximum Certificated Gross Take-Off Weight"** shall mean the maximum take-off weight certificated by the FAA, in one thousand (1,000) pound units, of each aircraft landed by Airline at the Airport.
- 1.1.13 **"Non-Signatory Airline"** shall mean any airline providing scheduled or unscheduled service to the Airport which is not a Signatory Airline.
- 1.1.14 **"Public Area(s)"** shall mean at any time those passenger terminal building areas not leased on an exclusive or joint use basis, or otherwise, to any person, company or corporation.
- 1.1.15 **"Requesting Airline"** shall mean a scheduled airline desiring to provide new or increased commercial Air Transportation service at the Airport, or to provide a change of aircraft for existing service for which the scheduled airline does not have appropriate facilities at the Airport.
- 1.1.16 **"Rules and Regulations"** shall mean those lawful, reasonable and non-discriminatory rules, regulations and resolutions promulgated by City (including Airport Minimum Standards for Aeronautical Activities) or operating directives issued by the Manager for the orderly use of the Airport by both the Signatory Airlines and other tenants and users of the Airport as same may be amended, modified or supplemented from time-to-time, but which are not inconsistent with the express terms of this Agreement.

1.1.17 **"Signatory Airline(s)"** shall mean those primarily commercial passenger service airlines which provide Air Transportation pursuant to published schedules over specified routes to and from the Airport and which hold the necessary authority from the FAA to provide such transportation and that have executed substantially similar agreements to this Agreement with the City, including term, covering the lease, use and occupancy of facilities at the Airport. A Signatory Airline or an Affiliate of such airline must lease Exclusive Use Space at the passenger terminal building, subject to the availability of space solely determined at the discretion of the City. Except as otherwise provided herein, no Signatory Airline shall have any right pursuant to this Agreement to object to the City's entry into the Agreement with any other airline.

Signatory Airlines shall also include airlines that do not use terminal building facilities which provide Air Transportation to and from the Airport on an unscheduled, on-call basis and which hold the necessary authority from the FAA to provide such transportation and that have executed substantially similar agreements to this Agreement with the City, including term, covering the use of airfield facilities but not the use and lease of space in the terminal building.

1.1.18 **"Affiliate(s) or Affiliated Airline(s)"** shall mean any Air Transportation company that is specifically designated as such by Airline during the Term of this Agreement and is approved by the prior written consent of City which shall not be unreasonably withheld. Airline shall give the City thirty (30) days prior written notice of any change in airlines that Airline chooses to use as an Affiliate operating at the Airport. During such period of time that an airline is an Affiliate in accordance with the terms hereof, such Affiliate shall (1) be charged at the same Airport rental rates as Airline without payment of any premiums and (2) participate in any reconciliation process related to Airport rent provided Airline (a) remains a signatory to this Agreement and (b) agrees and shall be obligated to serve as a financial guarantor for all rent, activity fees and any other charges incurred by all Affiliates of Airline at the Airport.



**Section 1.2 Cross-References**

All references to articles, sections and exhibits in this Agreement pertain to material in this Agreement, unless specifically noted otherwise.

**Section 1.3 Construction of Certain Words**

Words used in this Agreement may be construed as follows:

- 1.3.1 Number - Words used in the singular include the plural and words used in the plural include the singular.
- 1.3.2 Tense - Words used in the present tense include the future.

**ARTICLE 2  
TERM**

**Section 2.1 Term**

The term of this Agreement (the "Term") shall begin on \_\_\_\_\_, May 2021 ("Commencement Date") and shall terminate on June 30, 2025 (except as it may be terminated or extended in accordance with this Agreement), and the rentals, fees, and charges shall be effective on the Commencement Date, but only in the event that the Premises are then tendered to Airline ready for use and occupancy in accordance with the terms and provisions of this Agreement.

**Section 2.2 Holding Over**

If Airline remains in possession of the Airline Premises after the expiration of this Agreement without any written renewal thereof, such holding over shall not be deemed as a renewal or extension of this Agreement, but shall create only a tenancy from month to month that may be terminated at any time by City upon thirty (30) days prior written notice. Such holding over shall otherwise be upon the same terms and conditions as set forth in this Agreement, and amendments hereto executed prior to its expiration. City acknowledges and agrees that the foregoing sets forth Airline's entire obligation and liability for any holding over.

**ARTICLE 3  
RIGHTS AND PRIVILEGES**

**Section 3.1 Use of the Airport**

Airline, its employees, passengers, guests, patrons and invitees shall have the right to the use (in common with other duly authorized users) of the Airport and its appurtenances, together with all facilities, improvements, equipment and services that have been or may hereafter be provided for common use at, or in connection with, the Airport, subject to the Rules and Regulations of City and other applicable laws.

**Section 3.2 Specific Rights of Airline at the Airport**

Airline shall have the right, in addition to all rights elsewhere granted in this Agreement, but subject to the Rules and Regulations of City to use the Airport for the following purposes:

- 3.2.1 The operation of an Air Transportation business by aircraft for the carriage of persons, property, cargo and mail, including all activities reasonably necessary to such operation;
- 3.2.2 The landing, taking off, flying over, taxiing, pushing, towing, loading, unloading, repairing, maintaining, conditioning, servicing, parking, storing, and testing of aircraft or other equipment of, or operated by, Airline, or other certificated Air Transportation companies with which City has an agreement, including the right to provide or handle all or part of the operations or services of such other companies, all of which are subject to City's Rules and Regulations;
- 3.2.3 The sale of tickets, documentation of shipments, handling of reservations and the loading and unloading of persons, property, cargo and mail at the Airport by such motor vehicles or other means of conveyance as Airline may desire to use in the operation of its Air Transportation business, or that of other certificated Air Transportation companies with which City has an agreement. Any ground transportation commercial carrier including Airline (except for such ground transportation as Airline may provide or arrange solely for the benefit of its employees) regularly transporting persons or their baggage to and from the Airport shall first secure and thereafter hold a valid lease, license or other agreement with City for the right to carry persons or their baggage to and from the Airport and shall pay City such reasonable and non-discriminatory rentals, fees and percentages of the fares of such ground transportation commercial carrier for such right as City may set by agreements, resolutions or Rules and Regulations;

3.2.4 The ground training at the Airport of persons and testing of equipment, such training and testing to be limited to that incidental to Airline's Air Transportation business at the Airport; provided that nothing in this paragraph shall preclude Airline and City from entering into separate agreements for training at the Airport;

3.2.5 The purchase of Airline's requirements of personal property or services, including fuel, lubricants, food, beverage and other passenger supplies, and any other materials and supplies used by Airline from any person or company of Airline's choice, and the making of agreements with any person or company of Airline's choice for services to be performed by Airline that are incidental to the operation of Airline's Air Transportation business. Nothing herein shall restrict City from levying a reasonable and non-discriminatory concession fee on any person or company providing property or services to Airline that are not incidental to Airline's Air Transportation business;

3.2.6 The sale, disposal and exchange of Airline's aircraft, engines, accessories, other equipment and materials or supplies, provided that such right shall not be construed as authorizing the conduct of a separate regular business by Airline, but as permitting Airline to perform only such functions as are incidental to the operation of its Air Transportation business.

3.2.6.1 Except for items brought upon the property for regular Airline business purposes, Airline shall not cause or permit any hazardous substance to be brought upon, kept or used in or about the property. While on the property, hazardous substances allowed by this paragraph shall be stored in a safe manner and in compliance with all environmental laws. Notwithstanding any provision to the contrary in this agreement, under no circumstances shall hazardous substances be disposed of or released on the property. The term "hazardous substance" shall mean any hazardous or toxic substances, materials or wastes, pollutants or contaminants, as defined or regulated currently or in the future by any environmental law (as defined below) or by common law decision, including without limitation: (a) chlorinated solvents, (b) petroleum products or byproducts, (c) asbestos, (d) polychlorinated biphenyl and (e) urea-formaldehyde. The term "environmental law" means any federal, state or local law, statute, ordinance, regulation, rule or order pertaining to health, industrial hygiene, environmental conditions or hazardous substances.

- 3.2.6.2 Upon Airline written request, City shall provide to Airline all relevant data, assessments, studies, permits and certificates available to City, and shall otherwise cooperate with Airline, as Airline may reasonably require to effectuate its own compliance with applicable environmental requirements;
- 3.2.6.3 Airline will deliver to the City copies of any documents received from, or sent by Airline to, the United States Environmental Protection Agency and/or any state, borough or municipal environmental or health agency concerning Airline’s Operations on the Airline Premises.
- 3.2.7 The servicing by Airline, or by its suppliers of materials, or its furnishers of services, of aircraft and other equipment operated by Airline or by other Air Transportation companies with which Airline has an applicable agreement to provide handling or servicing, line maintenance or other materials or supplies, at assigned aircraft parking positions or other locations designated by the Manager;
- 3.2.8 The installation and operation of identifying signs, posters and graphics on Airline Premises, subject to the prior written approval of the Manager. Such signs shall be substantially uniform in size, types and location with those of other airlines, and subject to Manager’s approval, Rules and Regulations, and in compliance with all applicable laws and resolutions;
- 3.2.9 The installation, maintenance, and operation of radio, meteorological and aerial navigation equipment and facilities at suitable locations on the Airport as may be necessary or convenient in the opinion of Airline for its operations; provided that
  - 3.2.9.1 the location of such equipment and facilities shall be subject to the prior written approval of the Manager;
  - 3.2.9.2 the use and location of such equipment and facilities shall not conflict with other similar equipment and facilities on the Airport; and
  - 3.2.9.3 the location of such equipment and facilities on the Airport shall be subject to payment of such reasonable and non-discriminatory fee or rental charge established by City for such location on the Airport by Airline.

- 3.2.10 The installation, maintenance and operation of computer data lines, telephone communications equipment and associated conduits and telephone communications switchgear and support computers at suitable locations on the Airport, as may be necessary or convenient in the opinion of Airline for its operations; provided that
- 3.2.10.1 the location of such equipment shall be subject to the prior written approval of the Manager, if such location is not included in Airline's Exclusive Use Space;
- 3.2.10.2 the use and location of such equipment shall not conflict with other similar equipment on the Airport; and
- 3.2.10.3 the location of such equipment (other than conduit and cable) on the Airport shall be subject to payment of such reasonable and non-discriminatory fee or rental charge established by City for such use of space on the Airport by Airline unless such space is already leased to Airline.
- 3.2.11 The sale, disposal, storage, distribution, provision or maintenance of aircraft, engines, accessories, fuel, oil, lubricants and other equipment, services or supplies to other airline users of the Airport, performed or provided by Airline or by a consortium of which Airline is or becomes a part, to the extent that such servicing of other airlines constitutes a regular business activity of Airline.

### **Section 3.3 Limitations on Use by Airline**

In connection with the exercise of its rights under this Agreement, Airline shall not:

- 3.3.1 Do, or permit to be done, anything within its control at or about the Airport that may interfere with the effectiveness or accessibility of the drainage and sewage system, water system, electrical system, heating system, natural gas system, air conditioning system, fire protection system, sprinkler system, alarm system or fire hydrants and hoses, if any, installed or located on or within the premises of the Airport;
- 3.3.2 Do, or permit to be done, upon the Airport any act or thing within its control that will invalidate or conflict with any fire or other casualty insurance policies (copies of which, together with premium schedules, shall be furnished to Airline in writing on request) covering the Airport or any part thereof;

- 3.3.3 Dispose of, or permit any other person within its control (including service contractors) to dispose of, any waste material taken from, or products used (whether liquid or solid) with respect to, its aircraft into the sanitary or storm sewers at the Airport unless such waste material or products are first properly treated by equipment installed with the approval of the Manager for that purpose;
- 3.3.4 Keep or store within the enclosed portion of the Airline Premises, during any twenty-four (24) hour period, flammable liquids in excess of Airline's working requirements during said twenty-four (24) hour period, except in storage facilities specially constructed for such purposes in accordance with standards established by the National Board of Fire Underwriters, and approved in writing by the Manager from the standpoint of safety;
- 3.3.5 Do, or permit to be done, upon the Airport any act or thing within its control that will be in conflict with Federal Aviation Regulations Part 139 or jeopardize the Airport's operating certificate;
- 3.3.6 Do, or permit to be done, any act or thing within its control in conflict with the Airport's security plan;
- 3.3.7 Do, or permit to be done, any act or thing within its control in conflict with the Airport's Rules and Regulations;
- 3.3.8 Do or permit to be done any act, or let any condition exist, which is in conflict with current or future Environmental Protection Agency, State of Alaska and other government entities' rules, regulations or directives; and
- 3.3.9 Do, or permit to be done, in the area of the passenger terminal building, heavy maintenance (i.e., engine changes, control surface replacements, overhauls) within Airline's control unless consented to by City, and providing that suitable, reasonably accessible space is available for such purpose.

**ARTICLE 4  
LEASED PREMISES**

**Section 4.1 Terminal Area Leased Space**

- 4.1.1 Airline hereby leases its assigned Exclusive Use Space in the passenger terminal building being more particularly delineated on Exhibit A, as the same may be amended from time-to-time.
- 4.1.2 Airline hereby leases the Joint Use Space it uses with other airlines in the passenger terminal building being more particularly delineated on Exhibit B, as the same may be amended from time-to-time.
- 4.1.3 Airline hereby leases the terminal apron space for the parking of aircraft and the storage of ground service equipment (GSE) being more particularly delineated on Exhibit E, as the same may be amended from time-to-time.
- 4.1.4 Airline shall use its Exclusive Use Space for office purposes and the sale of Air Transportation, handling, ticketing, billing and manifesting of passengers, baggage, cargo, property and mail in the conduct of its Air Transportation business. If Airline desires to use its Exclusive Use Space on behalf of any other Air Transportation company authorized by the Manager to use the Airport, Airline must first obtain written approval of Manager, other than for Affiliates of the Airline.
- 4.1.5 Airline shall use the Joint Use Space for purposes designated for such space by the Manager, which shall include:
  - 4.1.5.1 Baggage claim area (delivery and display of inbound passenger baggage and passenger waiting areas for delivery of their baggage);
  - 4.1.5.2 Tug cart circulation and baggage breakdown, loading and unloading;
  - 4.1.5.3 Passenger hold rooms (checking-in, passenger waiting areas for arrival of aircraft, boarding of passengers and deplaning of passengers); and
  - 4.1.5.4 City owned loading bridges for enplaning and deplaning aircraft.

**Section 4.2 Surrender of the Premises**

- 4.2.1 City shall not be required to give notice to quit possession of the Airline Premises hereunder upon expiration of the term of this Agreement. City acknowledges that the following conditions shall also be excluded from Airline’s duty to surrender the leased premises, and that Airline shall not be liable for, or required to correct or make good any damage caused by (a) any willful or negligent act or omission of City, its employees or agents, or, in the case of any jointly or commonly used portion of the Airline Premises, any damage due to any willful or negligent act or omission of any



other tenant, its employees or agents; (b) any latent defect in any Airport improvement not constructed by or on behalf of Airline, and (c) any other damage or loss that Airline is not responsible to repair under the terms of this Agreement. Airline covenants and agrees that, on expiration of the term of this Agreement, or on earlier termination as hereinafter provided, it will peaceably surrender possession of the premises leased hereunder in good condition, reasonable wear and tear, acts of God and fire casualties excepted, and City shall have the right to take possession of said premises. Airline shall have the right on termination, and within thirty (30) days thereafter, to remove all trade fixtures, equipment and other personal property installed or placed by it at its expense, in, on or about the Airport, except that

4.2.1.1 Airline shall not remove fixtures, equipment and other personal property for which City is to reimburse Airline pursuant to Section 4.3; and

4.2.2 Airline shall not abandon any of its property on the premises without the prior written consent of the Manager. Any and all property not removed by Airline within the thirty (30) day period, except as otherwise mutually agreed upon by the parties hereto, shall thereupon, at the option of City, become a part of the land on which it is located, and title thereto shall vest with City. All City property damaged by, or as the result of, the removal of Airline's property shall be restored by Airline, at its own expense, to the condition existing prior to such damage or according to such other arrangement to which City and Airline may agree.

**Section 4.3 Accommodation of New and/or Existing Airlines**

The parties hereto agree that every reasonable effort will be made to accommodate any other new entrant or incumbent airline, such carrier to be referred to hereinafter as "Requesting Airline". The parties agree that City will make every effort to accommodate such Requesting Airline through direct lease of premises between City and Requesting Airline. In the event that no premises which will accommodate the Requesting Airline are available for lease from City, the parties hereto recognize that it may become necessary to share the use of the premises demised herein with other Signatory Airlines so as to reasonably accommodate new and/or additional Air Transportation service at the Airport. Airline agrees to cooperate with City by giving appropriate consideration to any request by City to accommodate such Requesting Airline in its leased premises. If Airline accommodates such Requesting Airline, Airline may charge the Requesting Airline a reasonable and non-discriminatory fee for secondary use of Airline's space, and Requesting Airline shall be required to indemnify the incumbent airline to the same extent that the incumbent airline is required to indemnify the City for the use and occupancy of the premises under this Agreement.

#### Section 4.4 Remodeling and New Construction

City reserves the right to provide Exclusive Use Space to a Requesting Airline by remodeling existing space or constructing new space after consultation with all Signatory Airlines.

- 4.4.1 “Remodeling” will be treated as a tenant improvement and the sole cost will be borne by the Requesting Airline as well as all remodeling and relocation costs, if any, incurred by any incumbent Signatory Airline that has accommodated the Requesting Airline.
- 4.4.2 “New construction” which increases the space available for lease and use by airlines will be treated as a common cost element of the passenger terminal building, and costs involving additions or building modifications (including financing costs, if appropriate) will be borne by the Airport, except that, finish costs related to the new space will be borne by the Requesting Airline including any finish costs that the “new construction” necessitates for any incumbent Signatory Airline.

#### Section 4.5 Access

- 4.5.1 Subject to the provisions hereof, the Rules and Regulations, and such restrictions as Airline may impose with respect to its Exclusive Use Space, City hereby grants to Airline, its agents, suppliers, employees, contractors, passengers, guests and invitees, the right and privilege of access, ingress and egress to the Airline Premises and to Public Areas and public facilities of the Airport, together with all improvements, facilities and equipment now or hereafter located thereon. The Public Areas shall be in the possession and control of City and shall at all times remain public property to be used only as public Airport facilities, except as may be otherwise provided herein.
- 4.5.2 The ingress and egress provided for in Section 4.5.1 above shall not be used, enjoyed or extended to any person engaging in any activity or performing any act or furnishing any service for or on behalf of Airline that is not incidental to Airline's Air Transportation business and that Airline is not authorized to engage in or perform under the provisions hereof unless expressly authorized by the Manager.

4.5.3 City shall have the right at any time to close, relocate, reconstruct, change, alter or modify any such means of access, ingress and egress provided for Airline's use pursuant to this Agreement or otherwise, either temporarily or permanently, provided that reasonable notice to Airline and a reasonably convenient and adequate means of access, ingress and egress shall exist or be provided in lieu thereof. City shall use its best efforts to limit such closing to the duration appropriate to the circumstances. City shall consult with Airline prior to any such closing which would adversely affect Airline's operations unless such closing is necessitated by circumstances which pose an immediate threat to the health or safety of persons using the Airport. City shall suffer no liability including but not limited to consequential damages, by reason thereof, and such action shall in no way alter or affect any of Airline's obligations under this Agreement.

**ARTICLE 5**  
**RENTALS, FEES AND CHARGES**

**Section 5.1 Consideration and Rate-Setting Basis**

- 5.1.1 In consideration of the rights and privileges granted under this Agreement, Airline agrees to pay City, without deduction or setoff, during the term of this Agreement, certain fees and rentals as set forth herein.
- 5.1.2 Airline landing fees and passenger terminal building rentals prescribed in this Agreement are based on the Airport's actual cost of operations with recognition of the City's necessity to provide substantial rate subsidies to the airlines to reflect its current circumstances and level of aviation activity and the economic infeasibility of charging full-cost recovery based rates. As such, the rates established and imposed by the City comply with the FAA Policy Regarding Airport Rates and Charges. The Airline hereby acknowledges the City's basis for establishing rates and its compliance with the FAA Policy.

**Section 5.2 Landing Fee Charges**

- 5.2.1 Airline shall pay to the City within thirty (30) days following the end of each month, without demand or invoicing, landing fee charges for aircraft landings for the preceding month at the rate and in the amount then currently approved by the City as provided in Exhibit C - Airline Rate Schedule.
- 5.2.2 Airline shall provide to Airport a copy of its monthly take-off weight report, including the number of landings by aircraft types and Maximum Certificated Gross Take-Off Weight. This monthly take-off weight report shall be provided within ten (10) days following the end of each month for landings for the preceding month.

**Section 5.3 Rentals for Exclusive Use Space and Joint Use Space**

- 5.3.1 Airline shall pay to the City in advance, on the first day of each month, without demand or invoicing, rentals for Airline's Exclusive Use Space and Joint Use Space at the rate and in the amount then currently approved by the City as provided in Exhibit C - Airline Rate Schedule.
- 5.3.2 Airline shall provide to Airport a copy of its monthly passenger enplanement report, including all revenue and non-revenue passenger enplanements. This monthly report shall be provided within ten (10) days following the end of each month for enplanements for the preceding month.

5.3.3 If at any time during the current Fiscal Year, the Airline’s total passenger enplanements for the current calendar year are reasonably projected by the City to vary by twenty percent (20%) or more than the Airline’s total passenger enplanements for the prior calendar year as provided in Exhibit C, then the Airline’s allocated joint rental amount may be adjusted, at the City’s option, for the remainder of the current Fiscal Year to reflect the Airline’s percent of total enplanements which results from the City’s revised enplanement projection. However, if only one commercial passenger airline provides service to the Airport for the remainder of the current Fiscal Year, such adjusted percentage shall not exceed 50% of total projected enplanements for the current calendar year.

5.3.4 City shall notify the Signatory Airlines of its intent to make such revision and adjustments and the effective date thereof which shall be no earlier than fifteen (15) days from the date of notice. Such notice shall provide a revised projection of the joint rent allocation for the remainder of such Fiscal Year in sufficient detail to allow the Signatory Airlines to make informed comments thereon. The Signatory Airlines may submit written comments on such notice to the City within ten (10) days of the notice date. City shall give due consideration to all comments submitted in a timely manner by the Signatory Airlines. If requested, the City shall convene a meeting with the Signatory Airlines to discuss such revisions and adjustments.

**Section 5.4 Rentals for Terminal Apron Aircraft Parking and GSE Space**

Airline shall pay to the City in advance, on the first day of each month, without demand or invoicing, rentals for Airline's use of the terminal apron space for the parking of aircraft and the storage of ground service equipment (GSE) at the rate and in the amount then currently approved by the City as provided in Exhibit C - Airline Rate Schedule.

**Section 5.5 Other Charges**

Other Charges may include charges for special items or activities including, but not limited to, telephone fees, public address system, electrical usage, automobile parking fees, mailbox rentals, flight training fees and loading bridge maintenance. The City may assess reasonable, non-discriminatory and cost-recovery based charges for these special items or activities. All new charges will be reviewed with Airline prior to implementation. Other Charges payable by Airline, shall be paid by Airline to City no later than fifteen (15) days following receipt by Airline of the billing therefor.

**Section 5.6 Partial Month Charges**

In the event the beginning or termination date with respect to any of the particular leased premises, facilities, rights, licenses, services or privileges as herein provided falls on any day other than the first day of a calendar month, the applicable rentals, fees and charges for that month shall be paid for said month on a prorated basis according to the number of days during which said particular leased premises, facilities, rights, licenses, services or privileges were enjoyed during that month.

**Section 5.7 Late Payments**

In the event Airline fails to make payment when due under this agreement, Airline shall be obligated to pay a late charge in the amount of eight percent (8%) of the past due amount. Payment of the late charge shall not constitute a waiver by the City of its other remedies under this Agreement on account of Airline's failure to pay sums hereunder. Airline shall also pay interest on all past due amounts at the rate of eight percent (8%) per annum from the due date, until paid.

**Section 5.8 Overpayments**

It is the obligation of Airline to pay all rentals, fees and other charges, free of any "set-offs" or claims, in the amounts and at the times specified in this agreement. In the event Airline desires to contest the validity or amount of any rental, fee or other charge, Airline shall first pay the same to City, and may then seek a refund in any appropriate forum. Any overpayment of a particular rental, fee or other charge shall first be applied to any past due sums before it is refunded to Airline.

**Section 5.9 Information to be supplied by Airline**

- 5.9.1 In the event Airline fails to submit the reports required by Sections 5.2.2 and 5.3.2 for the then current month by the fifteenth (15th) day of the succeeding month, City shall base its current rentals, fees and charges upon the most recent data transmitted by Airline to City, with such charges to be adjusted as necessary on the next succeeding payment date. If statistical data to be submitted by Airline continues to be unavailable in the next succeeding month, City shall develop estimates as to Airline's monthly activity for use in the determination of Airline's rentals, fees and charges.
- 5.9.2 The acceptance by City of any Airline payment shall not preclude City from verifying the accuracy of Airline's reports on which Airline's rentals, fees and charges are based, and shall not be construed as a waiver of a late payment penalty due on full or partial underpayment, if any.

**Section 5.10 Non-Signatory Rates**

City shall establish by ordinance and maintain Non-Signatory Airline landing fee charges and passenger terminal building rental rates that are thirty percent (30%) higher than Signatory Airline rates.

**ARTICLE 6**  
**MAINTENANCE, REPAIR, ALTERATIONS AND IMPROVEMENTS**

**Section 6.1 Airline's Responsibilities**

Airline shall have the following maintenance and repair obligations:

- 6.1.1 Airline agrees that, upon Airline's occupancy of its Exclusive Use Space, such space is in good, tenable condition unless otherwise noted in writing to the Manager.
- 6.1.2 Airline, except as hereinafter provided, shall not call on City for any of the following janitorial services or nonstructural repairs to its Exclusive Use Space and Airline shall, at its sole expense and in a manner acceptable to City:
- 6.1.2.1 Maintain its Exclusive Use Space in reasonably good, tenable condition;
- 6.1.2.2 Maintain the aircraft ramp area in a neat, clean and orderly condition, free from litter, debris, refuse, petroleum products or grease that may result from activities of its passengers, employees, agents or suppliers; and remove from its aircraft parking positions, all oil, fuel and grease spillage attributable to Airline's aircraft and equipment.
- 6.1.2.3 Perform, at its sole expense, ordinary preventive maintenance and ordinary upkeep and nonstructural repair of all Exclusive Use Space and all Airline owned fixtures, personal property and equipment.
- 6.1.2.4 Immediately repair any damage in any other space at the Airport occasioned by the fault or negligence of Airline, its servants, agents, employees and licensees.
- 6.1.3 Except as may be caused by the negligence of City beyond the City's reasonable control, Airline expressly agrees that City shall not be liable to Airline, its employees, passengers, visitors or contractors for bodily injury or for any loss or damage to real or personal property occasioned by flood, fire, earthquake, lightning, windstorm, hail, explosion, riot, strike, civil commotion, smoke, vandalism, malicious mischief or acts of civil authority.

- 6.1.4 If Airline fails to perform its obligations under this Article 6 after the notice period expires as provided in Section 10.1.1, City may do so and recover its entire cost plus a fifteen percent (15%) administrative charge from Airline as an Other Charge referred to in Section 5.5 on the next rental due date.
- 6.1.5 Airline will take all reasonable precautions to prevent, and take all necessary action to suppress destructive or uncontrolled fires and comply with all laws, regulations and rules promulgated and enforced by the City for fire protection within the area wherein the leased premises are located.

## Section 6.2 City's Responsibilities

- 6.2.1 City, during the term of this Agreement, shall retain FAA Airport Certification and keep in good repair, or arrange for the safe, orderly, economical operation, maintenance and reasonably good repair of, all areas and facilities of the Airport except as specifically otherwise assigned by this Agreement, including, but not limited to, the Public Areas and the Joint Use Space of the passenger terminal building, City owned loading bridges, vehicular parking areas, runways, landing lights, floodlights, beacons and other field lighting, taxiways, aprons, roadways and all appurtenances, facilities and services now or hereafter connected with the foregoing. City also shall keep the Airport reasonably free from obstructions, including, without limitation, vegetation, stones and other foreign matter, as reasonably necessary, from the landing area, ramp area, taxi area, roadways, vehicular parking areas and aircraft parking areas for the safe, convenient and proper use of the Airport by Airline.
- 6.2.2 City shall operate and maintain the Airport in a reasonably prudent manner and in accordance with the rules, regulations and orders of any federal or state agency having jurisdiction with respect thereto.
- 6.2.3 City shall maintain the exterior portions of the walls, ceiling and roof of the Exclusive Use Space and all central mechanical distribution systems in good repair and condition.
- 6.2.4 The undertakings by City under this Section 6.2 do not relieve Airline of its duties to maintain its Exclusive Use Space and aircraft ramp areas as specified in Section 6.1 and to use Joint Use Space with due care.



- 6.2.5 City shall operate the Airport and lease space to concessionaires, other tenants and other commercial operators in a manner so as to produce, subject to the provisions of this Agreement, revenues of a nature and amount which would be produced by a reasonably prudent airport operator and to maximize such revenues to the extent reasonably practicable.
- 6.2.6 City shall use its best efforts to keep the Airport open and in operation for landings and take-offs of aircraft of any type designed to use facilities similar to those at the Airport. In such regard, City shall employ or cause to be employed construction, reconstruction and repair techniques (including supervision and construction management) which will minimize Airport operational delays or disruptions reasonably expected to result from such construction, reconstruction or repair, including but not limited to coordination with affected Airline's representatives or its designee.

### **Section 6.3 City's Right to Inspect and Make Repairs**

- 6.3.1 City, by its authorized officers, employees, agents, contractors, subcontractors and other representatives, shall have the right (at such time and upon reasonable notice to Airline as may be reasonable under the circumstances and with as little interruption of Airline's operations as is reasonably practicable) to enter Airline's Exclusive Use Space and Joint Use Space for the following purposes:
- 6.3.1.1 To inspect such space to determine whether Airline has complied and is complying with the terms and conditions of this Agreement;
  - 6.3.1.2 To accomplish repairs or replacements by City pursuant to Section 6.2, or in any case, where Airline is obligated to make repairs or replacements and has failed to do so, after notice as provided herein, make such repairs or replacements on Airline's behalf; and
  - 6.3.1.3 In the exercise of City's police powers.
- 6.3.2 No such entry by or on behalf of City upon any Exclusive Use Space leased to Airline shall cause or constitute a termination of the letting thereof or be deemed to constitute an interference with the possession thereof by Airline. City shall suffer no liability by reason thereof, and such action shall in no way alter or affect any of Airline's obligations under this agreement; provided that, and so long as each entry by City, is conducted to minimize inconvenience, disruption or interference with Airline's operations and activities.

**Section 6.4 Alterations and Improvements**

Airline shall make no alterations, additions, improvements to, or installations on the space leased under this Agreement without the prior written approval of the Manager. If City intends to require the removal of any alteration, improvement or addition upon termination of this Agreement, City shall so indicate to Airline at the time City consents to the installation. If not indicated at the time City consents to the installation, City shall be precluded from requiring its removal at time of termination of this Agreement.

**ARTICLE 7  
DAMAGE OR DESTRUCTION OF PREMISES**

**Section 7.1 Minor Damage**

If any part of Airline Premises, or adjacent facilities directly and substantially affecting the use of Airline Premises, shall be partially damaged by fire or other casualty, but said circumstances do not render Airline Premises untenable or unusable for the purpose intended as reasonably determined by the City, the same shall be repaired to usable condition with due diligence by the City as provided in Section 7.4.

**Section 7.2 Substantial Damage**

If any part of Airline Premises, or adjacent facilities directly and substantially affecting the use of Airline Premises, shall be so extensively damaged by fire, or other casualty, as to render any portion of said Airline Premises untenable but capable of being repaired, as reasonably determined by the City, the same shall be repaired to usable condition with due diligence by the City as provided in Section 7.4. In such case, the rentals payable hereunder with respect to affected Airline Premises shall be paid up to the time of such damage and shall thereafter be abated ratably in the proportion that the part of the area rendered untenable or unusable for the purpose intended bears to total Airline Premises of the same category and area. Such abatement in rent will continue until such time as such affected Airline Premises shall be restored adequately for Airline's use. The City shall use its best efforts to provide alternate facilities to continue Airline's operation while repair, reconstruction or replacement is being completed, at a rental rate not to exceed that provided in this Agreement for comparable space.

**Section 7.3 Total Damage**

7.3.1 If any part of Airline Premises, or adjacent facilities directly and substantially affecting the use of Airline Premises, shall be damaged by fire or other casualty, and is so extensively damaged as to render any portion of said Airline Premises incapable of being repaired, as reasonably determined by the City, the City shall notify Airline within a period of sixty (60) days after the date of such damage of its decision whether to reconstruct or replace said space. However, the City shall be under no obligation to replace or reconstruct such premises. The rentals payable hereunder with respect to affected Airline Premises shall be paid up to the time of such damage and thereafter shall cease until such time as reasonable and comparable replacement or reconstructed space shall be available for use by Airline.

- 7.3.2 In the event the City elects to reconstruct or replace affected Airline Premises, the City shall use its best efforts to provide alternate facilities to continue Airline's operation while repair, reconstruction or replacement is being completed, at a rental rate not to exceed that provided in this Agreement for comparable space. However, if such damaged space shall not have been replaced or reconstructed, or the City is not diligently pursuing such replacement or reconstruction, within three (3) months after the date of such damage or destruction, Airline shall have the right, upon giving the City thirty (30) days advance written notice, to delete the affected Airline Premises from this Agreement, but this Agreement shall remain in effect with respect to the remainder of said Airline Premises, unless such damaged or destroyed premises prevent Airline from operating at Airport.
- 7.3.3 In the event the City elects not to reconstruct or replace affected Airline Premises, the City shall meet and consult with Airline on ways to permanently provide Airline with adequate replacement space for affected Airline Premises. Airline shall have the right, upon giving the City thirty (30) days advance written notice, to delete the affected Airline Premises from this Agreement, but this Agreement shall remain in full force and effect with respect to the remainder of said Airline Premises, unless the loss of such premises prevents Airline from operating at Airport.

#### **Section 7.4 Scope of Restoration of Premises**

- 7.4.1 The City's obligations to repair, reconstruct or replace affected premises under the provisions of this Article 7 shall in any event be limited to using due diligence and best efforts to restore affected Airline Premises to substantially the same condition that existed prior to any such damage and shall further be limited to the extent of insurance proceeds available to the City for such repair, reconstruction or replacement. Airline agrees that if the City elects to repair, reconstruct or replace affected premises as provided in this Article 7, then Airline shall proceed with reasonable diligence and at its sole cost and expense to repair, reconstruct or replace its signs, fixtures, furnishings, equipment and other items provided or installed by Airline in or about Airline Premises in a manner and in a condition at least equal to that which existed prior to said damage or destruction. However, in the event City chooses not to replace space in kind, Airline may delete said premises from its obligation.
- 7.4.2 In lieu of the City's repair, reconstruction or replacement of the affected premises, as provided in Section 7.4.1, if Airline requests to perform said function with respect to damage under Sections 7.1 and 7.2, the City may in its sole discretion, allow the Airline to perform such work. Airline shall not be performing such work as an agent or contractor of the City. The City shall reimburse Airline for the cost of such work performed by Airline that was otherwise the obligation of the City if prior to performing such work, the City and Airline agree that such work is the obligation of the City to perform.

**Section 7.5 Damage from Airline Negligence or Willful Act**

Notwithstanding the provisions of this Article 7, in the event that due to the negligence or willful act of Airline, its agents, servants or employees, or those under its control, Airline Premises shall be damaged or destroyed by fire, casualty or otherwise, there shall be no abatement of rent during the restoration or replacement of said Airline Premises and Airline shall have no option to delete the affected Airline Premises from this Agreement under the provisions of this Article 7. To the extent that the costs of repairs shall exceed the amount of any insurance proceeds payable to the City by reason of such damage or destruction, Airline shall pay the amount of such additional costs to the City.

**ARTICLE 8  
INDEMNIFICATION, INSURANCE AND SECURITY**

**Section 8.1 Indemnification**

8.1.1 Airline shall indemnify, defend and hold harmless the City, its Council members, directors, officers, agents and employees, individually or collectively, from and against any and all claims, actions, damages, loss and liability, together with all reasonable expenses incidental to the investigation and defense thereof claimed by anyone by reason of injury or damage to persons or property sustained in whole or in part as a result of an act, omission or negligence of Airline, its officers, agents or employees, subtenants, contractors, subcontractors or by anyone acting pursuant to the express or implied authority or permission of Airline arising out of, or incident to, this Agreement. The provisions of this Section 8.1.1 and of Section 8.1.2 shall exclude claims or actions arising out of the negligence or willful act of the City, its Council members, officers, agents or employees. The City shall give to Airline prompt and reasonable notice of any claims or actions, and Airline shall have the right to investigate and compromise said claims or actions. The provisions of this Section 8.1.1 shall survive the expiration or earlier termination of this Agreement.

8.1.2 Airline shall indemnify, defend and hold harmless, the City, its Council members, directors, officers, agents and employees, individually or collectively from and against any and all claims, actions, damages, fines, loss and liability, together with all reasonable expenses incidental to the investigation and defense thereof, in any way arising from or based upon the violation of any federal, state or municipal laws, statutes, ordinances or regulations, by Airline, its officers or agents, employees, subtenants, contractors, subcontractors or by anyone acting pursuant to the express or implied authority or permission of Airline arising out of, or incident to, this Agreement. Airline shall be responsible for the investigation expenses pursuant to this Section 8.1.2 only in the event that Airline is shown to be responsible for violation of a federal, state or municipal law, statute, ordinance or regulation. The provisions of this Section 8.1.2 shall survive the expiration or earlier termination of this Agreement.

8.1.3 City shall, within the limits of state law and the Kenai Municipal Code and Charter, indemnify, defend and hold harmless Airline, its directors, managers, officers, agents and employees, individually or collectively, from and against any and all claims, actions, damages, loss and liability, together with all reasonable expenses incidental to the investigation and defense thereof by anyone by reason of injury or damage to persons or property sustained in whole or in part as a result of an act, omission or negligence of City, its Council members, its officers, agents or employees arising out of, or incident to, this Agreement. The provisions of this

Section 8.1.3 shall exclude claims or actions arising out of the negligence or willful act of Airline, its directors, managers, officers, agents or employees. Airline shall give to City prompt and reasonable notice of any claims or actions, and City shall have the right to investigate and compromise said claims or actions. The provisions of this Section 8.1.3 shall survive the expiration or earlier termination of this Agreement.

**Section 8.2 Airline Insurance**

8.2.1 Airline shall maintain, and shall require all of its Affiliates to individually maintain, liability insurance for the protection of Airline, its Affiliates and the City, its Council members, directors, officers, agents and employees, insuring against damages because of personal injury, bodily injury, death, property damage, including loss of use thereof, and arising out of any operations of Airline and its Affiliates in connection with this Agreement. Coverage shall provide limits per occurrence to a combined single limit in amounts not less than those set forth in Exhibit D. Such insurance shall name the City, its Council members, directors, officers, agents and employees as additional insureds, but only as respects the operations of the named insured Airline and its Affiliates, as their interests may appear, with the stipulation that this insurance, as to the interest of the City only, shall not be invalidated by any act or neglect or breach of contract by Airline or its Affiliates, so long as the City has not caused, contributed to or knowingly condoned the said act, neglect or breach of contract. The coverage provided by this policy(ies) shall be primary coverage and any other insurance carried by the City is excess. All insurance shall be written by companies rated "A-" or better by A.M. Best.

8.2.2 Airline shall comply, and shall require all of its Affiliates to comply, with AS 23.30 which requires Airline and its Affiliates to provide workers' compensation insurance coverage that satisfies Alaska state law for all subject workers. Employer's Liability Insurance is also required. The specifically required coverage types and amounts are provided in Exhibit D.

8.2.3 Airline shall furnish, and shall require all of its Affiliates to furnish, the City, no later than thirty (30) days following the execution of this Agreement, a certificate(s) of insurance as evidence that the then required amounts and types of such insurance are in force. The City reserves the right to require a certified copy of such certificates upon request. Airline shall name, and shall require all of its Affiliates to name, the City as an additional insured on such insurance policy or policies. Said policies shall be in a form, content and for a term generally used by scheduled commercial passenger air carriers similar to Airline and its Affiliates in their routine operations and shall provide for thirty (30) days' written notice to the City prior to the

cancellation of, or any material change in, such policies.

8.2.4 City and Airline agree, and Airline shall require all of its Affiliates to agree, to have all property, fire and extended coverage, all risk and material damage insurance carried with respect to the Airport or any portion thereof with a clause which waives all rights of subrogation which the insurer of one party might have against the other party.

8.2.5 City, Airline, Airline’s Affiliates and all parties claiming rights under them, mutually release and discharge each other from all claims and liabilities arising from or caused by any casualty or hazard covered or required hereunder to be covered in whole or in part by insurance carried with respect to the Airport or any portion thereof, without regard to whether such loss or damage was occasioned by the negligence of the other, its agents or employees.

**Section 8.3 Security for Payment of Airline Rates and Charges**

Airline shall, upon the execution of this Agreement, file and maintain with the City a good and sufficient corporate surety bond or bonds or such other security as the City may find acceptable in accordance with the requirements of the laws of the State of Alaska, the form and terms of which bond or other security shall be subject to the approval of the City, in a sum equal to three (3) months of Airline’s estimated rent for its use of the Airline Premises, Landing Fees and Other Charges (depending on circumstances this sum may increase or decrease), conditioned upon the full performance by Airline of all the terms and conditions of this Agreement and the payment by Airline of the rentals and of all other amounts herein provided for the full term hereof.



**ARTICLE 9  
RULES AND REGULATIONS, COMPLIANCE WITH LAWS,  
NON-DISCRIMINATION AND AFFIRMATIVE ACTION**

**Section 9.1 Rules and Regulations**

- 9.1.1 Airline shall observe and obey all City ordinances, resolutions and Rules and Regulations governing conduct on and operations at the Airport and use of its facilities. City agrees that all Rules and Regulations so promulgated shall not be inconsistent with the express terms of this Agreement or any legally authorized rule or regulation of the FAA, or any other federal or state agency, which is binding in law on Airline, as the same now are or may from time-to-time be amended or supplemented. Except as so expressly limited, City’s authority to promulgate or amend Rules and Regulations shall not be affected by this Agreement. City shall give Airline reasonable notice of amendment to Rules and Regulations.
  
- 9.1.2 Airline shall not violate, nor permit its agents, contractors or employees acting on Airline's behalf to violate any such Rules and Regulations that are now in effect or as may from time-to-time during the term hereof be promulgated by City. Copies of the Rules and Regulations, as adopted, shall be forwarded to Airline's local manager.

**Section 9.2 Compliance with Laws**

- 9.2.1 Airline shall not use its Exclusive Use Space, Joint Use Space or any part thereof, or permit the same to be used by any of its employees, officers, agents, subtenants, invitees or licensees for any illegal purposes and shall, at all times during the term of this Agreement, comply with all applicable resolutions, laws and rules and regulations of the City of Kenai, State of Alaska or of the U.S. Government, and of any commission thereof that may have jurisdiction to pass laws or ordinances or to make and enforce rules or regulations with respect to the uses hereunder or to the Exclusive Use Space and Joint Use Space.

- 9.2.2 At all times during the term of this Agreement, Airline shall, in connection with Airline's activities and operations at the Airport:
- 9.2.2.1 Comply with and conform to all existing and future statutes, resolutions and ordinances, and the rules and regulations promulgated thereunder, of all federal, state and other governmental bodies of competent jurisdiction that apply to or affect, either directly or indirectly, Airline or Airline's operations and activities under this Agreement.
  - 9.2.2.2 Make, at Airline's own expense, all nonstructural improvements, repairs, and alterations to its Exclusive Use Space, equipment and personal property that are required to comply with or conform to any of such laws, ordinances, and rules and regulations referred to in Section 9.2.2.1, to which this Agreement is expressly subject.
  - 9.2.2.3 Reimburse City for Airline's pro rata share in accordance with the Joint Use Formula of all nonstructural improvements, repairs and alterations to Airline's Joint Use Space that are required to comply with or conform to any of such laws, ordinances, and rules and regulations referred to in Section 9.2.2.1, to which this Agreement is expressly subject.
  - 9.2.2.4 Be and remain an independent contractor with respect to all installations, construction and services performed by or at the request of Airline, hereunder.

### **Section 9.3 Non-Discrimination and Affirmative Action**

Airline, as part of the consideration hereof and as a covenant running with the Agreement, hereby covenants and agrees that:

- 9.3.1 In the event facilities are constructed, maintained or otherwise operated for a purpose for which a Federal Department of Transportation and Transportation Security Administration program or activity is intended or for another purpose involving the provision of similar services or benefits, Airline shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-Discrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as such regulations may be amended.

- 9.3.2 No person on the grounds of race, creed, color, national origin, sex, age or physical handicap shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
- 9.3.3 No person on the grounds of race, creed, color, national origin, sex, age or physical handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of any improvements on, over, or under the Airline Premises and the furnishing of services thereon.
- 9.3.4 Airline shall use the Airline Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-Discrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as such regulations may be amended.
- 9.3.5 Airline agrees that it shall insert the provisions of Sections 9.3.1, 9.3.2, 9.3.3 and 9.3.4, inclusive, in any lease or other agreement by which it grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the premises herein leased.
- 9.3.6 In the event of breach of any of the non-discrimination covenants set forth in this Section 9.3, City shall have the right to terminate this Agreement and to reenter and repossess the premises and the facilities thereon, and hold the same as if this Agreement had never been made or issued. This provision shall not become effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed, including the expiration of appeal rights.
- 9.3.7 Airline will undertake an affirmative action program as required by FAA Regulations, Title 14, Code of Federal Regulations, Part 152, Subpart E, entitled "Non-Discrimination in Airport Aid Program," or otherwise approved by the FAA, to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age or physical handicap, be excluded from participation in any employment activities covered in such Subpart E. No person shall be excluded by Airline on such grounds from participating in or receiving the services or benefits of any program or activity covered by such Subpart E. Airline will require that its covered suborganizations provide assurances to Airline that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by Title 14, Code of Federal Regulations, Part 152, Subpart E, to the same effect.

- 9.3.8 Airline covenants and agrees that no person shall be excluded from participation in, denied the benefits of, or otherwise discriminated against in the performance of this Agreement on the grounds of race, color, national origin, or sex, as provided in Part 23, of Title 49, of the Code of Federal Regulations entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Programs."
  
- 9.3.9 In the event of a breach by Airline of any of the assurances or covenants in Sections 9.3.7 and 9.3.8, City shall have the right to terminate this Agreement, and to reenter and repossess any leased facilities hereunder, and to hold the same as if this Agreement had never been made or issued, but not without the express prior concurrence or direction of the U.S. Department of Transportation or the FAA following suitable review, if any, of such breach and affording Airline a reasonable opportunity to rectify the same, if appropriate.

**ARTICLE 10  
DEFAULT AND TERMINATION**

**Section 10.1 Events of Default**

10.1.1 If Airline:

10.1.1.1 Fails to pay rentals, fees or charges or make any other payment past due hereunder within fifteen (15) days after receipt of written notice of nonpayment;

10.1.1.2 Fails, subject to force majeure events specified in Section 12.13 of this Agreement, to commence immediately to keep and perform any of its covenants and agreements within thirty (30) days after receipt of written notice of default and to diligently pursue the completion of such cure of such non-monetary default;

10.1.1.3 Fails to continue to complete any of its covenants and agreements after performance is commenced; or

10.1.1.4 Is the subject of any petition, proceedings or action by, for, or against Airline under any insolvency, bankruptcy or reorganization act of law;

10.1.2 Then, at the election of City:

10.1.2.1 City may accelerate all rent payments due hereunder which shall then become immediately due and payable.

10.1.2.2 City may terminate this Agreement, in which event Airline immediately shall surrender the Exclusive Use Space and Joint Use Space (Airline Premises) to City, and if Airline fails so to do, City may, without prejudice to any other remedy which it may have for possession, or arrearages in rent, enter upon and take possession of the Airline Premises and expel or remove Airline and any other person who may be occupying the Airline Premises or any part thereof, without being liable for prosecution or any claim of damages therefor, and Airline agrees to pay to City on demand the amount of all loss and damage which City may suffer by reason of such termination, whether through inability to relet the Airline Premises on satisfactory terms or otherwise.

- 10.1.2.3 City may enter upon and take possession of the Airline Premises and expel or remove Airline and any other person who may be occupying the Airline Premises or any part thereof, without being liable for prosecution or any claim for damages therefor, and relet the premises for such terms ending before, on or after the expiration date of the Agreement Term, at such rentals and upon such other conditions (including concessions and prior occupancy periods) as City in its sole discretion may determine, and receive the rent therefor; and Airline agrees to pay to City on demand any deficiency that may arise by reason of such reletting. City shall use reasonable efforts to mitigate its damages by reletting the Airline Premises. In the event City is successful in reletting the Airlines Premises at a rental in excess of that agreed to be paid by Airline pursuant to the terms of this Agreement, City and Airline each mutually agree that Airline shall not be entitled, under any circumstances, to such excess rental, and Airline does hereby specifically waive any claim to such excess rental.
- 10.1.2.4 City may enter upon the Airline Premises, without being liable for prosecution of any claim for damages therefor, and do whatever Airline is obligated to do under the terms of this Agreement; and Airline agrees to reimburse City on demand for any expenses which City may incur in thus effecting compliance with Airline's obligations under this Agreement, and Airline further agrees that City shall not be liable for any damages resulting to the Airline from such action, whether caused by the negligence of City or otherwise.
- 10.1.2.5 Whether or not City retakes possession or relets the Airline Premises, City shall have the right to recover unpaid rent and all damages caused by Airline's default, including attorney fees. Damages shall include, without limitation: All rentals lost, all legal expenses and other related costs incurred by City following Airline's default, all costs incurred by City in restoring the Airline Premises to good order and condition, or in remodeling, renovating or otherwise preparing the Airline Premises for reletting, all costs (including without limitation any brokerage commissions and the value of City's time) incurred by City, plus interest thereon from the date of expenditure until fully repaid at the rate of eight percent (8%) per annum.
- 10.1.2.6 Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, such remedies being cumulative and non-exclusive, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to City hereunder or of any damages accruing to City by reason

of the violation of any of the terms, provisions and covenants herein contained. No act or thing done by City or its agents during the Agreement Term hereby granted shall be deemed a termination of this Agreement or an acceptance of the surrender of the Airline Premises, and no agreement to terminate this Agreement or accept a surrender of the Airline Premises shall be valid unless in writing signed by City. No waiver by City of any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions and covenants herein contained. City's acceptance of the payment of rental or other payments hereunder after the occurrence of an event of default shall not be construed as a waiver of such default, unless City so notifies Airline in writing. Forbearance by City to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default or of City's right to enforce any such remedies with respect to such default or any subsequent default. If, on account of any breach or default by Airline in Airline's obligations under the terms and conditions of this Agreement, it shall become necessary or appropriate for City to employ or consult with an attorney concerning or to enforce or defend any of City's rights or remedies hereunder, Airline agrees to pay any reasonable attorneys' fees so incurred.

- 10.1.3 City shall have all additional rights and remedies as may be provided to landlords by Alaska state law.

## **Section 10.2 Events Permitting Termination of Agreement by Airline**

- 10.2.1 Airline may terminate this Agreement and all of its future obligations hereunder at any time that Airline is not in default in its payments or other obligations to City hereunder, by giving the Manager thirty (30) days advance written notice if:

- 10.2.1.1 City is in default of any material provision of this Agreement; or
- 10.2.1.2 Airline becomes subject to any order, rule or regulation of any Federal or State agency or to a court order which prevents or substantially prevents Airline's use of the Airport for more than ninety (90) days following written notice by Airline to the Manager.

- 10.2.2 With respect to 10.2.1.1, Airline termination shall not be effective unless and until at least thirty (30) days have elapsed after written notice to City specifying the date upon which such termination shall take effect and the reason for such termination. City may cure the cause of such termination within said (30) day period, or such longer time as the parties may agree thereto. If City so cures, Airline's right to terminate ceases for that particular instance or situation, and the Agreement shall continue in full force and effect.
- 10.2.3 Airline may terminate this agreement if Airline terminates its Air Transportation business at the Airport, at any time that Airline is not in default in its payments or other obligations to City hereunder, by giving the Manager sixty (60) days advance written notice. Airline termination shall not be effective unless and until at least sixty (60) days have elapsed after written notice to City specifying the date upon which such termination shall take effect.

### **Section 10.3 Events Permitting Termination of Agreement by City**

City, at its option, may declare this Agreement terminated on the happening of any one or more of the following events, and may exercise all rights of entry and reentry of Airline's Exclusive Use Space:

- 10.3.1 If Airline has failed to cure a default in the Agreement after notice required in Section 10.1 hereinabove;
- 10.3.2 If any act occurs that deprives Airline permanently of the rights, power and privileges necessary for the proper conduct and operation of its Air Transportation business;
- 10.3.3 In the event Airline fails to provide scheduled Air Transportation service for a period of thirty (30) days (except for events of Force Majeure) or to pay rentals and fees when due, City may cancel this Agreement on fifteen (15) days written notice. However, if Airline cures the breach within this fifteen (15) day period, the Agreement shall continue in full force and effect;
- 10.3.4 If Airline abandons and fails to use its Exclusive Use Space for a period of thirty (30) days at any one time, except when such abandonment and cessation are due to fire, earthquake, strike, governmental action, weather conditions which prevent aircraft operations, mechanical failure of aircraft which prohibits operations under FAA regulations, default of City or other cause beyond Airline's control;



10.3.5 If Airline fails to operate at least five (5) weekly scheduled passenger service departures from the Airport, for a period of thirty (30) days or more (except by reason of an event of Force Majeure).

**Section 10.4 Possession by City**

10.4.1 In any of the aforesaid events of Section 10.3, City may take possession of the Airline Premises upon thirty (30) days' notice and remove Airline's effects, without being deemed to have trespassed. On said default, all rights of Airline shall be forfeited, provided City shall have and reserve all of its available remedies at law as a result of said breach of this Agreement.

10.4.2 Failure of City to declare this Agreement terminated on default of Airline for any of the reasons set forth herein shall not operate to bar, destroy or waive the right of City to cancel this Agreement by reason of any subsequent violation of the terms hereof.

**ARTICLE 11  
ASSIGNMENT, SUBLETTING, MERGER AND BANKRUPTCY**

**Section 11.1 Assignment and Subletting**

Airline shall not assign this Agreement, or any part hereof in any manner whatsoever or sublet the Airline Premises or any part thereof or any of the privileges recited herein without the prior written consent of the Manager. However, Airline shall have the right to assign all or any part of its rights and interests under this Agreement to an Affiliate of the Airline or any successor to its business through merger, consolidation, voluntary sale or transfer of substantially all of its assets, and the consent of City thereto shall not be required; provided, however, due written notice of any such assignment shall be given to the Manager.

**Section 11.2 Non-Waiver of Responsibility**

No assignment, transfer, conveyance, sublease or granting a nonexclusive license by Airline shall relieve Airline of its responsibility for payment of rent and performance of all other obligations provided in this Agreement, without specific written consent of the Manager to such relief.

**Section 11.3 Relinquishment of Space**

If Airline desires to relinquish any of its Exclusive Use Space or any rights to Joint Use Space, Airline may notify the Manager of the space available, and the Manager shall use a best effort to reassign the space to another Airline. No reassignment by the Manager, nor any assignment, transfer, conveyance or sublease by Airline shall relieve Airline of its primary responsibility for payment of rent and performance of all other obligations provided in this Agreement, without specific written consent by the Manager to such relief.

**Section 11.4 Ground Handling Agreements**

In the event Airline agrees to ground handle any portion of the operations of another Air Transportation provider, other than an Affiliate of the Airline, Airline shall provide the Manager advance written notice of such proposed activities, including a description of the type and extent of services to be provided.

## Section 11.5 Bankruptcy

Notwithstanding Section 11.1, in the event that a petition for relief under Title 11 of the United States Code or under any similar or successor federal, state or local statute is filed by or against the Airline (a "Filing"):

- 11.5.1 The Airline shall give the City immediate verbal notice of the Filing followed by written notice within ten (10) days of the filing;
- 11.5.2 Within sixty (60) days of the date of the Filing, the Airline will confirm the outstanding amount of any obligations hereunder due the City as of the date of Filing;
- 11.5.3 The Airline will fully and timely perform all obligations arising hereunder commencing as of the date of the Filing and thereafter for the purposes of this provision and of Section 365(d)(3) of Title 11 of the United States Code, the parties agree that, in the event that the Airline shall be the subject of a Filing commenced on a day (the "Filing Date") when the rent due for the then-current month is outstanding and unpaid, the obligation for rent during that month in which the Filing shall have occurred shall be considered to accrue and be due pro rata on a daily basis during that month and the Airline will pay the City the pro rata rent for the period from the Filing Date through the end of that month within thirty (30) days of written demand therefore by the City.
- 11.5.4 If the Airline determines that it wishes to assume the Agreement, the Airline will cure all defaults, provide the City with adequate assurances of future performance and comply with any and all other statutory or legal requirements prior to the effective date of such assumption;
- 11.5.5 If the Airline determines that it wishes to assume the Agreement and assign the Agreement to a third-party, the Airline shall seek the consent of the City, which consent shall not be unreasonably withheld, and shall provide to the City all pertinent information with respect to the proposed assignee, cure all defaults, provide the City with adequate assurances of future performance through the proposed assignee and comply with any and all other statutory or legal requirements;

- 11.5.6 If the Airline wishes to reject the unexpired term of the Agreement, if any, the Airline will not seek to have the effective date of such rejection determined to be a date earlier than that date on which (i) the Airline shall have returned control and possession of the Airline Premises to the City in the condition and on the terms set forth herein and relevant to the redelivery of possession to the City, and (ii) the Airline shall have obtained court approval and authorization for such rejection; and the Airline shall fully and timely pay all rent and other charges through the date of such rejection; and
  
- 11.5.7 The Airline shall be deemed to have expressly consented to the modification of the stays of proceedings in any Filing in the event of any post-Filing default by the Airline under the terms of this Agreement for the purpose of allowing the City to exercise any default rights or remedies arising from such default.

**Section 11.6 Consent**

Consent by the Manager to any type of transfer provided for by this Article 11 shall not in any way be construed to relieve Airline from obtaining further consent for any subsequent transfer or assignment of any nature whatsoever.

**ARTICLE 12  
GENERAL PROVISIONS**

**Section 12.1 Successors and Assigns Bound**

This Agreement shall be binding on and inure to the benefit of the successors and assigns of the parties hereto.

**Section 12.2 Governing Law**

This Agreement and all disputes arising hereunder shall be governed by the laws of the State of Alaska.

**Section 12.3 Severability**

If any covenant, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, condition or provision shall in no way affect any other covenant, condition or provision herein contained, provided that the invalidity of any such covenant, condition or provision does not materially prejudice either party hereto in its respective rights and obligations contained in the valid covenants, conditions or provisions in this Agreement.

**Section 12.4 Quiet Enjoyment**

Airline shall, upon payment of the rentals and fees herein required, and subject to performance and compliance by Airline of the covenants, conditions and agreements on the part of Airline to be performed and complied with hereunder, peaceably have and enjoy the rights, uses and privileges of the Airport, its appurtenances and facilities as granted hereby and by the Rules and Regulations.

**Section 12.5 Taxes**

12.5.1 Airline shall pay, but such payment shall not be considered part of Airport Revenues, all taxes (including any possessory interest tax), assessments and charges of a like nature, if any, which at any time during the term of this Agreement may be levied or become a lien by virtue of any levy, assessment or charge by the Federal government, the State of Alaska, the City of Kenai, the Kenai Peninsula Borough, any municipal corporation, any local government entity, any government successor

in authority to the foregoing, or any other tax or assessment levying bodies, in whole or in part, upon or in respect to any of the space leased under this Agreement (including Airline's pro rata share for any taxes, assessments or charges imposed upon Joint Use Space) or such facilities of the Airport as are made available for use by Airline hereunder, or upon or in respect to any personal property belonging to Airline situated on the space leased under this Agreement. Payment of such taxes, assessments and charges, when and if levied or assessed, shall be made by Airline directly to the taxing or assessing authority charged with collection thereof.

- 12.5.2 Airline may, at its own expense, contest the amount or validity of any tax or assessment, or the inclusion of the space leased under this Agreement as taxable or assessable property, directly against the taxing or assessing authority. Airline shall indemnify City from all taxes, penalties, costs, expenses and attorney's fees incurred by City resulting directly or indirectly from all such tax contests except where Airline prevails in contesting a tax assessed by the City.
- 12.5.3 On any termination of this Agreement, all lawful taxes then levied or a lien upon any such property or taxable interest therein shall be paid in full by Airline forthwith, or as soon as a statement thereof has been issued by the tax collector if termination occurs during the interval between attachment of the lien and issuance of a statement.

**Section 12.6 Liens**

- 12.6.1 Airline shall cause to be removed promptly any and all liens of any nature arising out of or because of any construction performed by Airline or any of its contractors or subcontractors upon Exclusive or Joint Use Space or arising out of or because of the performance of any work or labor by or for it or them at said premises.
- 12.6.2 Notwithstanding the foregoing provision of this Section 12.6, Airline may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay. In the event a lien is filed as a result of Airline's nonpayment, Airline shall, within 10 days after the filing, secure the removal of the lien or deposit with City cash or sufficient corporate surety bond or other security satisfactory to City in an amount equaling 150% of the total lien amount or \$20,000, whichever is greater. Within one year after providing City with security for the lien, Airline shall, upon City's written request, secure the removal of the lien. Should Airline fail to remove the lien within the one year period, Airline acknowledges and agrees that City in its sole unfettered discretion may secure the removal of the lien and apply the security provided by Airline to the costs of discharging the lien, including City's administrative costs and attorney fees. In the event City has accepted a cash deposit as satisfactory security under this Section 12.6, City shall distribute to Airline any

portion of the deposit remaining after full payment of all such costs relating to the discharge of the lien has been made. In the event a mechanic's lien is asserted or filed against the leased premises for improvements made by Airline, Airline shall hold City harmless from such claim, including the cost of defense.

**Section 12.7 Obtaining Federal and State Funds**

City shall use its best efforts to obtain appropriate grants from State or Federal agencies or other sources, when consistent with prudent management of the Airport.

**Section 12.8 Subordination to Agreements with the U.S. Government**

This Agreement is subject and subordinate to the provisions of any agreements heretofore or hereafter made between City and the United States, relative to the operation or maintenance of the Airport, or to the expenditure of federal funds for the improvement or development of the Airport, including the expenditure of federal funds for the development of the Airport in accordance with the provisions of the Federal Aviation Act of 1958, the Federal Aid to Airport Act, the Airport and Airway Development Act of 1970 and the Airport and Airway Improvement Act of 1982, as such acts have been amended or replaced from time-to-time. In the event that the FAA requires, as a condition precedent to the granting of funds for the improvement of the Airport, modifications or changes to this Agreement, Airline agrees to consent to such amendments, modifications, revisions, supplements or deletions of any of the terms, conditions or requirements of this Agreement as may be required to enable City to obtain such grant of funds.

**Section 12.9 Subordination to Bond Ordinances**

This Agreement and all rights of Airline hereunder are especially subordinated and subject to the lien and provisions of any pledge, assignment or security interest made or granted by City to secure any obligations authorized by law to be issued for the development, operation or improvement of the Airport. City and Airline agree that holders of such obligations, and any bond trustee acting on behalf of such holders, shall possess, enjoy and may exercise all rights of City hereunder to the extent such possession, enjoyment and exercise are necessary to ensure compliance by Airline and City with the terms and provisions of any covenant contained in an ordinance, resolution or other instrument relating to such obligations. Airline shall not take any action or suffer to take any action that would adversely affect the tax-exempt status of any obligation issued by City in connection with the Airport.

### **Section 12.10 Incorporation of Exhibits**

All exhibits referred to in this Agreement are intended to be and hereby are specifically made a part of this Agreement.

### **Section 12.11 Entire Agreement**

This Agreement, together with all exhibits attached hereto, constitutes the entire agreement between the parties hereto, and all other representations or statements heretofore made, verbal or written, are merged herein, and this Agreement may be amended only in writing, and executed by duly authorized representatives of the parties hereto.

### **Section 12.12 Non-Waiver of Rights**

No waiver of default by either party of any of the terms, covenants and conditions hereof to be performed, kept and observed by the other party shall be construed, or shall operate, as a waiver of any subsequent default of any of the terms, covenants or conditions herein contained, to be performed, kept and observed by the other party.

### **Section 12.13 Force Majeure**

- 12.13.1 In the event of either party being rendered unable wholly, or in part, by force majeure to carry out its obligations under this Agreement, other than its obligations to make payments of money due hereunder then on such party's giving notice and full particulars of such force majeure in writing to the other party as soon as possible after the occurrence of the cause relied on, then the obligation of the party giving such notice, so far as it is affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period, and such cause shall, as far as possible, be remedied with all reasonable dispatch. In the event either party hereto has with its employees what is commonly known as a labor dispute, each party does hereby reserve unto itself the right to handle said dispute in its own fashion and as it shall, in its uncontrolled discretion, deem best and without interference from the other party.
- 12.13.2 The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemies, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and people, civil disturbances, explosions, inability with reasonable diligence to obtain materials and any other causes not within the control of the party claiming a suspension, which by



the exercise of due diligence such party shall not have been able to avoid or overcome.

#### **Section 12.14 Headings**

The headings of the several articles and sections of this Agreement are inserted only as a matter of convenience and for reference and do not define or limit the scope or intent of any provisions of this Agreement and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

#### **Section 12.15 Nonexclusive Rights**

It is understood and agreed that nothing herein contained shall be construed to grant to Airline any exclusive right or privilege within the meaning of Section 308 of the Federal Aviation Act for the conduct of any activity on the Airport, except that, subject to the terms and provisions hereof, Airline shall have the right to exclusive possession of the Exclusive Use Space leased to Airline under the provisions of this Agreement.

#### **Section 12.16 Inspection of Books and Records**

Each party hereto, at its expense and on reasonable notice, shall have the right from time-to-time to inspect the books, records and other data of the other party relating to the provisions and requirements hereof, provided such inspection is made during regular business hours. Each party shall retain all such records for a period of at least three (3) years, or as required by the FAA, Transportation Security Administration or other federal agency having jurisdiction over the Airlines. On at least thirty (30) days prior written notice, Airline agrees to make any records required hereunder available to City at Airline's offices at the Airport.

#### **Section 12.17 Generally Accepted Accounting Principles**

Whenever any report or disclosure referred to in this Agreement consists, either in whole or in part, of financial information, such report or disclosure shall be prepared in accordance with generally accepted accounting principles, except as specifically provided to the contrary in this Agreement.

**Section 12.18 Consent Not to be Unreasonably Withheld**

Whenever consent, permission or prior written approval is required by either City or Airline, such consent, permission or prior written approval is not to be unreasonably withheld or delayed.

**Section 12.19 Authority of Manager**

All rights and obligations of City under this Agreement may be exercised by the Manager or the Manager's designee, unless specifically provided otherwise or required by law.

**Section 12.20 Amendments**

This Agreement may be amended in whole or in part without further consideration upon mutual written consent of City and Airline.

**Section 12.21 Attorney Fees**

In the event any action or proceeding is brought to collect sums due or to become due hereunder or any portion thereof or to take possession of the Airline Premises or to enforce compliance with this Agreement for failure to observe or perform any of the covenants, terms or conditions of this Agreement, the losing party agrees to pay to the prevailing party such fees, including attorney fees, and costs as the Court may judge reasonable in such action or proceeding, and in any appeal therefrom.

**Section 12.22 Vending Machines**

Airline shall ensure that no amusement, vending or self-ticketing machines, public pay telephones or other machines operated by coins, tokens or credit cards are installed or maintained in or at Airline's Exclusive Use Space or Joint Use Space except with the prior written permission of the Manager.

**Section 12.23 Public Address System**

Airline agrees that the use of City's public address system will be professional and non-promotional. Airline shall not install, cause to be installed or use any other public address system in the passenger terminal building without the prior written approval of the Manager.

**Section 12.24 Employees of Airline**

Airline shall require all of its employees, subcontractors or independent contractors hired by Airline working in view of the public and about the passenger terminal building area to wear clean and neat attire and to display appropriate identification.

**Section 12.25 Removal of Disabled Aircraft**

Airline shall promptly remove any of its disabled aircraft from any part of the Airport (including, without limitation, runways, taxiways, aprons and gate positions) and place any such disabled aircraft in such storage areas as may be designated by the Manager. Airline may store such disabled aircraft only for such length of time and on such terms and conditions as may be established by City. If Airline fails to remove any of its disabled aircraft promptly, the Manager may, after informing Airline of his/her intent to do so, but shall not be obligated to, cause the removal of such disabled aircraft; provided, however, the obligation to remove or store such disabled aircraft shall not be inconsistent with federal laws and regulations. Airline agrees to reimburse City for all costs of such removal, and Airline further hereby releases City from any and all claims for damage, except as the result of negligent or willful misconduct, to the disabled aircraft or otherwise arising from or in any way connected with such removal by City.

**Section 12.26 Licenses, Fees and Permits**

Airline shall obtain and pay for all licenses, fees, permits or other authorization or charges as required under federal, state or local laws and regulations insofar as they are necessary to comply with the requirements of this Agreement and the privileges extended hereunder.

**Section 12.27 National Emergency**

This Agreement and all the provisions hereof shall be subject to whatever right the U.S. Government now has, or in the future may have or acquire, affecting the control, operation, regulation and taking over of said Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency.

**Section 12.28 Time is of the Essence**

Time is of the essence in this Agreement.

**Section 12.29 Employee Parking**

The City shall provide and Airline shall have the right to the use of vehicle parking facilities, for its employees employed at the Airport. Such facilities shall be located in an area designated by the City. City reserves the right to charge Airline and/or its employees reasonable fees, not to exceed actual net costs, for use of such facilities and to regulate such use.

**Section 12.30 Notices**

12.30.1 Notices to City provided for herein shall be sufficient if sent by first class mail and certified mail, return receipt requested, postage prepaid, addressed to: City of Kenai, Kenai Municipal Airport, 210 Fidalgo Avenue, Kenai, Alaska 99611-7794. Notices to City shall also be considered sufficient if sent by tested or otherwise authenticated facsimile at (907) 283-3737 or by recognized overnight courier service, and notices to Airline, if sent by first class mail and certified mail, return receipt requested, postage prepaid, addressed to **4451 Aircraft Dr., Suite 226, Anchorage, AK 99502** or to such other addresses as the parties may designate to each other in writing from time to time. Notices to Airline shall also be considered sufficient if sent by tested or otherwise authenticated facsimile at \_\_\_\_\_ or by a recognized overnight courier service.

12.30.2 All notices, requests, demands or other communications which are required or may be given pursuant to the terms of this Agreement shall be in writing and shall be deemed to have been received (i) on the date of delivery if personally delivered by hand, (ii) upon the third day after such notice is (a) deposited in the United States mail, if mailed by registered or certified mail, postage prepaid, return receipt requested, or (b) sent by a nationally recognized overnight express courier, or (iii) by facsimile upon written confirmation (other than the automatic confirmation that is received from the recipient's facsimile machine) of receipt by the recipient of such notice.

**Section 12.31 No More Favorable Terms**

City shall not enter into any lease, contract or any other agreement with any other Air Transportation company containing more favorable terms than this Agreement, or to grant any tenant engaged in Air Transportation, rights or privileges with respect to the Airport that are not accorded Airline hereunder, unless the same rights, terms and privileges are concurrently made available to Airline.

**ARTICLE 13  
PROVISIONS OF CITY'S DEED**

This Agreement shall be binding on and inure to the benefit of the successors and assigns of the Parties hereto. Airline expressly understands that all provisions of this Agreement are subject to the provisions of the deed under which City holds title to the Airport property and that tenancy established herein is subject to the terms and conditions set forth in that deed of December 1, 1963, wherein the City of Kenai obtained title to the premises from the Administration of General Services pursuant to authority of the provisions of the Federal Property and Administration Services Act of 1949 and the Surplus Property Act of 1944 (58 Stat. 765) as amended and regulations and orders promulgated thereunder and the Airline further agrees to abide by the covenants of such deed and the restrictions set forth therein which are imposed pursuant to authority of Article 4, Section 3, Clause 2 of the Constitution of the United States of America, the Federal Property and Administrative Services Act of 1949 (Public Law 152-81<sup>st</sup> Congress), the Surplus Property Act of 1944 as amended thereby, and the applicable rules, regulations and orders, and that the use of the premises by Airline shall be in accordance with such covenants and conditions the same as though all of such covenants and conditions contained in such deed were set forth in full herein.



STATE OF ALASKA                    )  
  )ss  
THIRD JUDICIAL DISTRICT        )

THIS IS TO CERTIFY that on this \_\_\_\_\_ day of \_\_\_\_\_ 2021, PAUL OSTRANDER, City Manager of the City of Kenai, Alaska, being personally known to me or having produced satisfactory evidence of identification, appeared before me and acknowledged the voluntary and authorized execution of the foregoing instrument on behalf of said City.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission expires: \_\_\_\_\_

Approved by Kenai City Council \_\_\_\_\_

Approved as to lease form by City Attorney \_\_\_\_\_

Approved by Finance Director \_\_\_\_\_

Approved by City Manager \_\_\_\_\_

Return to: City Attorney  
210 Fidalgo Ave.  
Kenai, AK 99611

**EXHIBIT A  
AIRLINE PREMISES - EXCLUSIVE USE SPACE**

INSERT TERMINAL BUILDING DRAWING WITH EXCLUSIVE USE SPACE SHADED  
ONE EXHIBIT A FOR EACH AIRLINE AGREEMENT

Terminal Drawing Not to Scale

Grant Aviation

Exclusive Use Space including the ticket counters, ticket lobby queuing area, office space and operations space indicated above: 1,155 square feet

Terminal apron aircraft parking and GSE Space: 10,730 square feet

RAVN Alaska

Exclusive Use Space including the ticket counters, ticket lobby queuing area, office space and operations space indicated above: 1,452 square feet

Terminal apron aircraft parking and GSE Space: 31,755 square feet

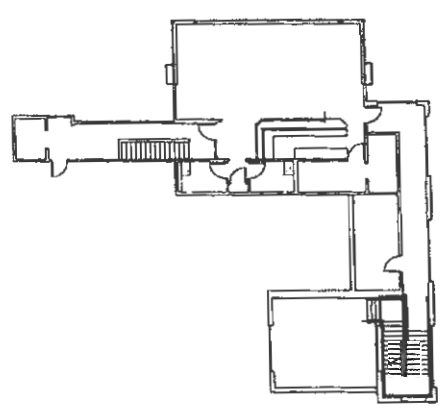
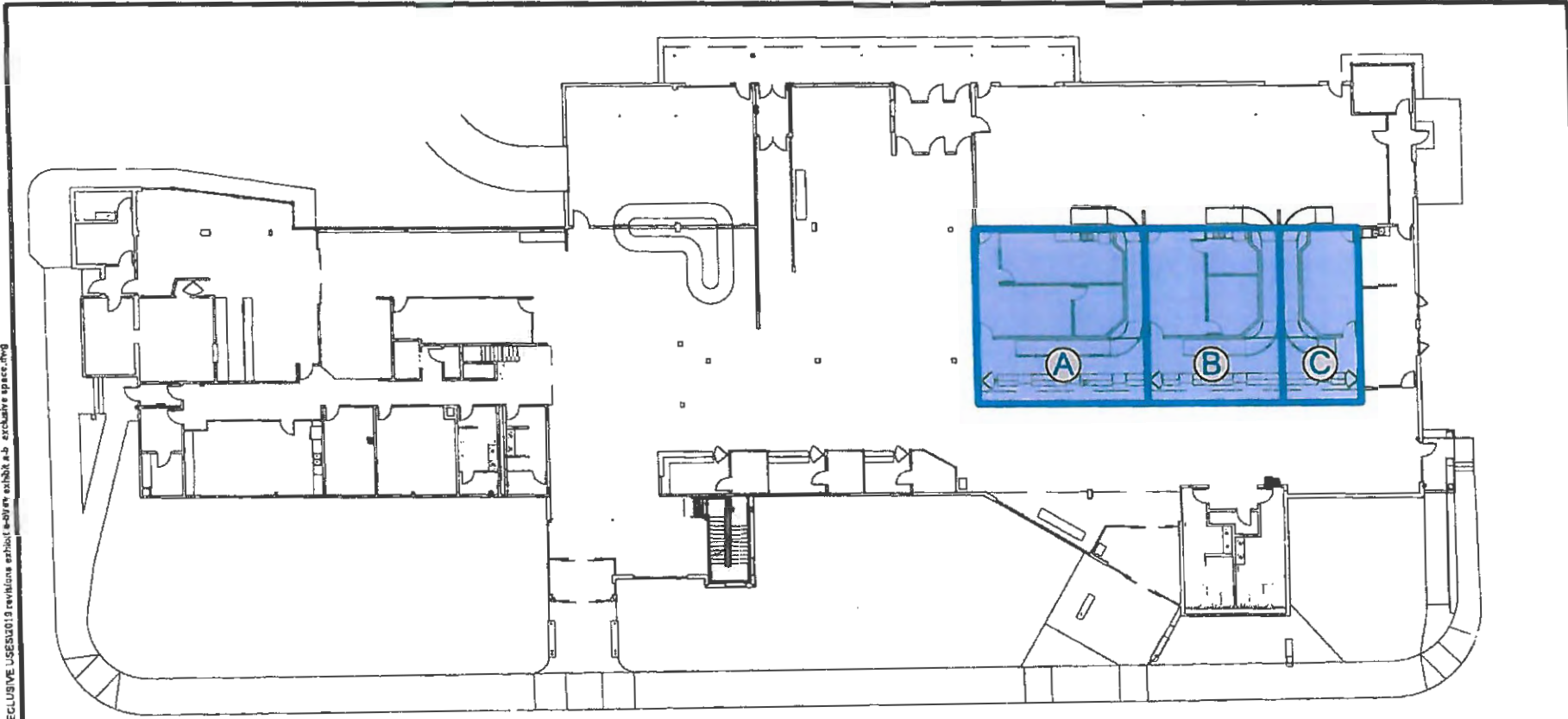
Rambler Air

Exclusive Use Space including the ticket counters, ticket lobby queuing area, office space and operations space indicated above: 670 square feet

Terminal apron aircraft parking and GSE Space: 10,730 square feet



V:\KENAI\MUNICIPAL AIRPORT\EXHIBITS A - B EXCLUSIVE SPACE\1019 revisions exhibit a-b\exhibit a-b exclusive space.dwg



AREA	
Ⓐ	1,452 S.F.
Ⓑ	1,155 S.F.
Ⓒ	670 S.F.

THIS DRAWING IS NOT TO SCALE

LESSOR \_\_\_\_\_

LESSEE \_\_\_\_\_

**WINCE-CORTHELL-BRYSON**

JOB NO: \_\_\_\_\_ REVISED: Platred: 11/04/19

**KENAI MUNICIPAL AIRPORT**  
**EXHIBIT A EXCLUSIVE SPACE**  
**KENAI, ALASKA**

**EXHIBIT B  
AIRLINE PREMISES - JOINT USE SPACE**

INSERT TERMINAL BUILDING DRAWING WITH JOINT USE SPACE SHADED

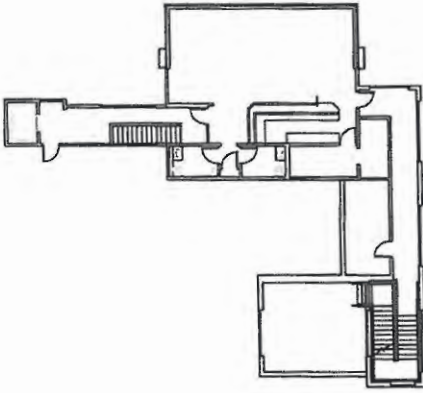
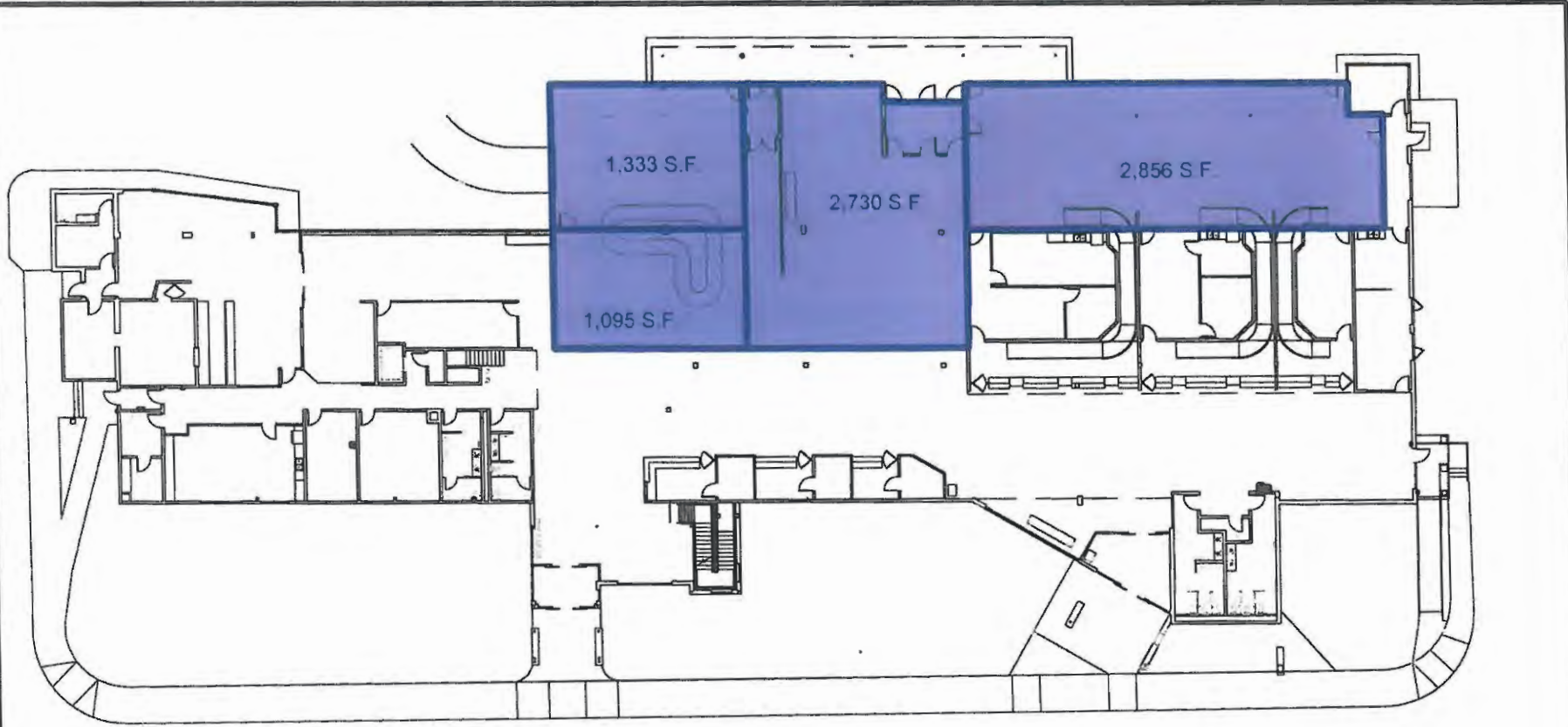
SAME EXHIBIT B FOR ALL AIRLINE AGREEMENTS

Terminal Drawing Not to Scale

**Joint Use Space:**

Area #1	<u>Square Feet</u>
Baggage Claim Area	1,095
Passenger hold room, arrival & Departure Area	2,730
 Area #2	
Baggage make-up area	2,856
Baggage Breakdown area	1,333
 Area #3	
Baggage make-up area	1,095
Baggage Breakdown area	2,730
 Total Joint Use Space	<b>8,014</b>

V:\KICKENAI CERT MANUAL\EXHIBITS A - B EXCLUSIVE USES\1-4-2020 REV EXHIBIT B REV EXHIBIT B JOINT USE SPACE.dwg



BAGGAGE MAKE-UP AREA =	2,856 S.F.
BAGGAGE BREAKDOWN AREA =	1,333 S.F.
BAGGAGE CLAIM AREA =	1,095 S.F.
ARRIVAL/DEPARTURE/WAITING AREA =	2,730 S.F.
<b>TOTAL JOINT USE SPACE =</b>	<b>8,014 S.F.</b>

THIS DRAWING IS NOT TO SCALE

LESSOR \_\_\_\_\_  
 LESSEE \_\_\_\_\_

**WINCE-CORTHELL-BRYSON**

JOB NO: \_\_\_\_\_ REVISED: Plotted: 02/04/20

**KENAI MUNICIPAL AIRPORT**  
**EXHIBIT B JOINT USE SPACE**  
**KENAI, ALASKA**

**EXHIBIT C**  
**AIRLINE RATE SCHEDULE**

Kenai Municipal Airport

Exclusive Space Annual Rate/Sq Ft.	\$ 33.85	<b>Enplanements:</b>		
Joint Use Space #2 Annual Rate/Sq Ft.	\$ 20.51	Tenant 1	64,783	68.19%
Joint Use Space #1 Annual Rate/Sq Ft.	\$ 33.85	Tenant 2	20,021	21.07%
Apron/GSE Space Rent	\$ 0.52	Tenant 3	10,200	10.74%
Signatory Landing Fee/(1,000#s)	\$ 1.70	Tenant 4	-	0.00%
			<u>95,004</u>	100.00%
Joint Rent Subsidy %	20%			

Rambler Air

Area Description	Leased / Used Space (sqft)	Base Rental Rate (psfpy)	Prior Year Enplanement %	Allocated Joint Rental Amount	Joint Rent Subsidy Reduction	Rental Amount
<b>Terminal Rent</b>						
Exclusive use space:						
Area C	670	\$ 33.85	N/A	N/A	N/A	\$ 22,680
Joint use space #2:						
Baggage make-up area	2,856	\$ 20.51	10.74%	\$ 6,289	\$ (1,258)	\$ 5,031
Baggage breakdown area	1,333	\$ 20.51	10.74%	\$ 2,935	\$ (587)	\$ 2,348
Joint use space #1:						
Baggage claim area	1,095	\$ 33.85	10.74%	\$ 3,980	\$ (796)	\$ 3,184
Passenger holdroom, arrival & departure hallways	2,730	\$ 33.85	10.74%	\$ 9,922	\$ (1,984)	\$ <u>7,938</u>
Total Terminal Rent						\$ 41,181
Terminal Apron/GSE Space Rent	10,730	\$ 0.52	N/A	N/A	N/A	\$ <u>5,580</u>
<b>Total Terminal &amp; Apron GSE Space Rent - Annual</b>						\$ 46,761
<b>Total Terminal &amp; Apron GSE Space Rent - Monthly</b>						\$ 3,897
	<b>Projected Landed Wgt (1,000#s)</b>	<b>Landing Fee Rate</b>				<b>Landing Fees</b>
Landing Fees	16,475	\$ 1.70				\$ 28,008
<b>Rambler Air - Total Rents and Fees - Annual</b>						\$ <u>74,769</u>
<b>Rambler Air - Total Rents and Fees - Monthly</b>						\$ <u>6,231</u>
<b>Cost per enplaned passenger</b>						\$ 7.33

Kenai Municipal Airport

Exclusive Space Annual Rate/Sq Ft.	\$ 33.85	<b>Enplanements:</b>		
Joint Use Space #2 Annual Rate/Sq Ft.	\$ 20.51	Tenant 1	64,783	68.19%
Joint Use Space #1 Annual Rate/Sq Ft.	\$ 33.85	Tenant 2	20,021	21.07%
Apron/GSE Space Rent	\$ 0.52	Tenant 3	10,200	10.74%
Signatory Landing Fee/(1,000#s)	\$ 1.70	Tenant 4	-	<u>0.00%</u>
			<u>95,004</u>	100.00%
Joint Rent Subsidy %	20%			

**Grant Aviation**

Area Description	Leased / Used Space (sqft)	Base Rental Rate (psfpy)	Prior Year Enplanement %	Allocated Joint Rental Amount	Joint Rent Subsidy Reduction	Rental Amount
<b>Terminal Rent</b>						
Exclusive use space:						
Area B	1,155	\$ 33.85	N/A	N/A	N/A	\$ 39,097
Joint use space #2:						
Baggage make-up area	2,856	\$ 20.51	21.07%	\$ 12,344	\$ (2,469)	\$ 9,875
Baggage breakdown area	1,333	\$ 20.51	21.07%	\$ 5,762	\$ (1,152)	\$ 4,610
Joint use space #1:						
Baggage claim area	1,095	\$ 33.85	21.07%	\$ 7,811	\$ (1,562)	\$ 6,249
Passenger holdroom, arrival & departure hallways	2,730	\$ 33.85	21.07%	\$ 19,474	\$ (3,895)	\$ <u>15,579</u>
<b>Total Terminal Rent</b>						\$ 75,410
Terminal Apron/GSE Space Rent	10,730	\$ 0.52	N/A	N/A	N/A	\$ <u>5,580</u>
<b>Total Terminal &amp; Apron GSE Space Rent - Annual</b>						\$ 80,990
<b>Total Terminal &amp; Apron GSE Space Rent - Monthly</b>						\$ 6,749
	<b>Projected Landed Wgt (1,000#s)</b>	<b>Landing Fee Rate</b>				<b>Landing Fees</b>
Landing Fees	26,525	\$ 1.70				\$ 45,093
<b>Grant Aviation - Total Rents and Fees Annual</b>						\$ <u>126,083</u>
<b>Grant Aviation - Total Rents and Fees Monthly</b>						\$ <u>10,507</u>
<b>Cost per enplaned passenger</b>						\$ 6.30

Kenai Municipal Airport

Exclusive Space Annual Rate/Sq Ft.	\$ 33.85	<b>Enplanements:</b>		
Joint Use Space #2 Annual Rate/Sq Ft.	\$ 20.51	Tenant 1	64,783	68.19%
Joint Use Space #1 Annual Rate/Sq Ft.	\$ 33.85	Tenant 2	20,021	21.07%
Apron/GSE Space Rent	\$ 0.52	Tenant 3	10,200	10.74%
Signatory Landing Fee/(1,000#s)	\$ 1.70	Tenant 4	-	0.00%
			<u>95,004</u>	100.00%
Joint Rent Subsidy %	20%			

RAVN Alaska

Area Description	Leased / Used Space (sqft)	Base Rental Rate (psfpy)	Prior Year Enplanement %	Allocated Joint Rental Amount	Joint Rent Subsidy Reduction	Rental Amount
<b>Terminal Rent</b>						
Exclusive use space:						
Area A	1,452	\$ 33.85	N/A	N/A	N/A	\$ 49,150
Joint use space #2:						
Baggage make-up area	2,856	\$ 20.51	68.19%	\$ 39,943	\$ (7,989)	\$ 31,954
Baggage breakdown area	1,333	\$ 20.51	68.19%	\$ 18,643	\$ (3,729)	\$ 14,914
Joint use space #1:						
Baggage claim area	1,095	\$ 33.85	68.19%	\$ 25,275	\$ (5,055)	\$ 20,220
Passenger holdroom, arrival & departure hallways	2,730	\$ 33.85	68.19%	\$ 63,015	\$ (12,603)	\$ <u>50,412</u>
<b>Total Terminal Rent</b>						\$ 166,650
Terminal Apron/GSE Space Rent	31,755	\$ 0.52	N/A	N/A	N/A	\$ <u>16,513</u>
<b>Total Terminal &amp; Apron GSE Space Rent - Annual</b>						\$ 183,163
<b>Total Terminal &amp; Apron GSE Space Rent - Monthly</b>						\$ 15,264
	<b>Projected Landed Wgt (1,000#s)</b>	<b>Landing Fee Rate</b>				<b>Landing Fees</b>
Landing Fees	115,624	\$ 1.70				\$ 196,561
<b>RAVN Alaska - Total Rents and Fees Annual</b>						\$ <u>379,724</u>
<b>RAVN Alaska - Total Rents and Fees Monthly</b>						\$ <u>31,644</u>
<b>Cost per enplaned passenger</b>						\$ 5.86

**EXHIBIT D**  
**AIRLINE AND AFFILIATE INSURANCE REQUIREMENTS**

A. Airline Liability Insurance and Comprehensive General Liability Insurance

Insurance limits of liability for Airline and each of its individual Affiliates shall be determined by the capacity in passenger seats of the largest aircraft in Airline's and its Affiliate's fleet as follows:

1. Not less than one hundred fifty million dollars (\$150,000,000) per occurrence for airlines operating aircraft of one hundred (100) seats or more;
2. Not less than one hundred million dollars (\$100,000,000) per occurrence for airlines operating aircraft of between sixty (60) and ninety-nine (99) seats;
3. Not less than fifty million dollars (\$50,000,000) per occurrence for airlines operating aircraft of between twenty (20) and fifty-nine (59) seats;
4. Not less than twenty million dollars (\$20,000,000) per occurrence for airlines operating aircraft of nineteen (19) or fewer seats;
5. Not less than five million dollars (\$5,000,000) per occurrence for airlines operating aircraft of nine (9) or fewer seats;
6. Passenger personal injury not less than twenty-five million dollars (\$25,000,000) per occurrence and in the annual aggregate with respect to non-passenger personal injury.

B. Hangar Keepers Liability Insurance (If Applicable)

Hangar keepers liability insurance in an amount adequate to cover any non-owned property in the care, custody and control of Airline or any of its individual Affiliates on the Airport, but in any event in an amount not less than five million dollars (\$5,000,000).

C. Automobile Liability Insurance

Automobile liability insurance in an amount adequate to cover automobile insurance while on Airport premises in an amount not less than one million dollars (\$1,000,000) per person per occurrence.

D. Workers' Compensation and Employers' Liability Insurance

Statutory coverage and liability limits are required.





Sponsored by: Administration

**CITY OF KENAI**

**RESOLUTION NO. 2021-25**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, AWARDED A CONTRACT FOR EXTERNAL AUDIT SERVICES TO BDO USA, LLP.

WHEREAS, Section 5-10 of Kenai's Municipal Charter provides: "the Council shall order an independent audit of the accounts and evidences of financial transactions of the Department of Finance and of all other departments, offices, and agencies keeping separate or subordinate accounts or making financial transactions, as of the end of every fiscal year at least, and the audit shall be reported to the Council and to the City Administrator"; and,

WHEREAS, on March 26, 2021 the following responsive proposals to perform external audit services for the City were received:

<u>Proposer</u>	<u>Score</u>
BDO USA, LLP.	376.00
Elgee Rehfeld, LLC	327.28; and,

WHEREAS, BDO USA, LLP provided the highest ranked proposal; and,

WHEREAS, the contract amount for completion of the City's FY2021 financial audit will be \$52,000 and the contract amount will increase in subsequent years by a percentage equal to the Anchorage Consumer Price Index for the preceding calendar year; and,

WHEREAS, the FY2022 City of Kenai Annual Budget will include sufficient funding for the City's financial audit for Council's consideration; and,

WHEREAS, award of the contract to BDO USA, LLP satisfies the requirement of Section 5-10 of Kenai's Municipal Charter and is in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA:

**Section 1.** That the City Manager is authorized to execute a contract for the City's external audit services to the highest-ranking proposer, BDO USA, LLP, for a period of three-years and upon mutual consent the City Manager is authorized to execute two, one-year contract extensions if it is determined to be in the best interest of the City without further Council action.

**Section 2.** Upon adoption of the FY2022 City of Kenai Annual Budget and subject to appropriation, the City Manager is authorized to issue a purchase order in the amount of \$52,000 for completion of the FY2021 external audit.

Resolution No. 2021-25  
Page 2 of 2


**Section 3.** That this resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 21<sup>st</sup> day of April, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: 



# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Terry Eubank, Finance Director

**DATE:** April 12, 2021

**SUBJECT:** Resolution 2021-25

The purpose of this memo is to recommend approval of Resolution 2021-25. Resolution 2021-25 will award a three-year contract, with opportunity for two, one-year extensions by mutual consent, for external audit services to BDO USA, LLP.

A request for proposal was released on March 1, 2021. Three responses were received on March 26, 2021 with two deemed responsive and forwarded to the review committee for evaluation. A committee of four, including Vice Mayor Malloy and Council Member Glendening, Scott Curtin and myself, reviewed and ranked the proposals based on experience, technical qualifications, responsiveness, references and cost with the following results:

<u>Proposer</u>	<u>Score</u>
BDO USA, LLP	376.00
Altman, Rogers & Co.	327.28

The selection process utilized was a request for proposal and not a bid. BDO USA, LLP provided a cost proposal of \$52,000 for year one of the contract. The fee amount for subsequent years will increase by the increase in the Anchorage Consumer Price Index. The FY2022 City of Kenai Annual Budget will include sufficient funding for the City’s financial audit for Council’s consideration

BDO USA, LLP was the highest-ranking proposer and execution of a contract for external audit services with BDO USA, LLP is recommended.



Sponsored by: Administration

**CITY OF KENAI**

**RESOLUTION NO. 2021-26**

A RESOLUTION OF THE CITY OF KENAI, ALASKA AUTHORIZING THE USE OF PREVIOUSLY APPROPRIATED FUNDS FOR THE WILDWOOD DRIVE REHABILITATION PROJECT.

WHEREAS, there currently resides \$329,000 within the Municipal Roadway Improvements Fund for projects yet to be identified, funds that were provided during FY19 and FY20; and,

WHEREAS, conditions on Wildwood Drive have continued to deteriorate prompting a request to utilize these funds to improve the roadway; and,

WHEREAS, funds will be used to acquire engineering services to provide construction documents with the intent of bidding in early summer with remaining funds used for construction, and,

WHEREAS, engineering and construction of this project is in the best interest of the City and its residents.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA:

**Section 1.** Council authorizes the use of funds within Municipal Roadway Improvements Fund in the amount of \$329,000 which were previously appropriated for projects to be identified, to be used for rehabilitation of Wildwood Drive.

**Section 2.** That this resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 21st day of April, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: *J. Lub*



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Scott Curtin

**DATE:** April 12, 2021

**SUBJECT:** Resolution 2021-26 – Wildwood Drive Rehabilitation Project

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The purpose of this memo is to request Council's support of Resolution 2021-26. Wildwood Drive continues to be one of the poorest rated condition roadways within the City. This resolution will move \$329,000 in funds, appropriated in previous fiscal years intended for "roadway projects yet to be determined" into a Capital Project identified as the Wildwood Drive Rehabilitation Project.

A Request for Proposals will be released this spring for Professional Engineering Services to develop bid ready construction documents, with the intent of releasing an invitation to bid for construction in early summer.

The project consists of approximately 2500 linear feet of roadway from the Spur Highway to near the entrance of the correctional facility. Completion of this work will allow the Streets Department to more effectively maintain this roadway.

Council's support is respectfully requested.







Sponsored by: Administration

**CITY OF KENAI**

**RESOLUTION NO. 2021-27**

A RESOLUTION OF THE CITY OF KENAI, ALASKA, AUTHORIZING A BUDGET TRANSFER IN THE GENERAL FUND, FIRE DEPARTMENT.

WHEREAS, the City of Kenai was awarded \$15,000 from the 2020 State Homeland Security Program (SHSP) Grant which was appropriated by Ordinance No 3165-2020 to update the City's Emergency Operations Plan (EOP); and,

WHEREAS, initially the workplan included hiring an independent contractor to perform the work; and,

WHEREAS, the new workplan utilizes a temporary employee to assist in updating information within the plan; and,

WHEREAS, wages and benefits for a temporary employee whose work is specific to this project are eligible expenditures of the grant; and,

WHEREAS, the original appropriation placed the funds in the Fire Department Professional Services account requiring a budget transfer to accommodate the new workplan.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA:

**Section 1.** That the following budget revision is authorized.

General Fund – Fire Department:

Decrease Appropriations -	
Professional Services	<u>\$13,387</u>
Increase Appropriations -	
Salaries	\$12,350
Social Security	766
Medicare	179
Workers' Compensation Insurance	30
Unemployment Insurance	<u>62</u>
	<u>\$13,387</u>

**Section 2.** That this resolution takes effect immediately upon passage.


PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 21<sup>st</sup> day of April, 2021.



\_\_\_\_\_  
BRIAN GABRIEL, SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: 





# KENAI

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## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Tony Prior, Fire Chief  
**DATE:** April 12, 2021  
**SUBJECT:** **Resolution 2021-27**

---

State Homeland Security Program (SHSP) Grant 2020 appropriated \$15,000 into Fire Department - Professional Services account to hire an independent contractor to update the City's Emergency Operation Plan (EOP). After initial work on the project was completed, it was identified that we could hire a temporary employee with previous experience in this scope of work to assist in the updates to the EOP. This would change the original workplan and allow us to have a more interactive role in the updates to the EOP.

We're requesting to transfer \$13,387 from Professional Services to Salaries and Benefits to hire a part time employee for 20 weeks to assist in completing updates to the EOP.

We respectfully request your consideration and support of Resolution 2021-27.

**KENAI CITY COUNCIL – REGULAR MEETING  
APRIL 7, 2021 – 6:00 P.M.  
KENAI CITY COUNCIL CHAMBERS  
210 FIDALGO AVE., KENAI, AK 99611  
MAYOR BRIAN GABRIEL, PRESIDING**

**MINUTES**

**A. CALL TO ORDER**

A Regular Meeting of the Kenai City Council was held on April 7, 2021, in City Hall Council Chambers, Kenai, AK. Mayor Gabriel called the meeting to order at approximately 6:00 p.m.

**1. Pledge of Allegiance**

Mayor Gabriel led those assembled in the Pledge of Allegiance.

**2. Roll Call**

There were present:

Brian Gabriel, Mayor  
Henry Knackstedt  
Jim Glendinging  
Victoria Askin

Robert Molloy  
Teea Winger  
Glenese Pettey

A quorum was present.

Also in attendance were:

Paul Ostrander, City Manager  
Scott Bloom, City Attorney  
Jamie Heinz, City Clerk

**3. Agenda Approval**

Mayor Gabriel noted the following revisions to the agenda and packet:

- Add to item D.8.      **Resolution No. 2021-21**
- Amendment Memo

**MOTION:**

Vice Mayor Molloy **MOVED** to approve the agenda with the requested additions, and with the revision of moving Resolution 2021-21 to be considered first under public hearings. Council Member Knackstedt **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

**VOTE:**            There being no objections, **SO ORDERED**.

**4. Consent Agenda**

**MOTION:**

Council Member Knackstedt **MOVED** to approve the consent agenda and requested **UNANIMOUS CONSENT**; and Council Member Pettey **SECONDED** the motion.

Council Member Glendening requested that Minutes from the Regular Meeting of March 17, 2021 be removed from the consent agenda.

The remaining items on the Consent Agenda were read into the record.

Mayor Gabriel opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

**VOTE:** There being no objections, **SO ORDERED.**

\*All items listed with an asterisk (\*) are considered to be routine and non-controversial by the council and will be approved by one motion. There will be no separate discussion of these items unless a council member so requests, in which case the item will be removed from the consent agenda and considered in its normal sequence on the agenda as part of the General Orders.

**B. SCHEDULED PUBLIC COMMENTS**

1. **Steven Rouse** - Kenai Peninsula Housing Initiatives (KPHI) Report on Senior and Affordable Rental Housing on City of Kenai Donated Land.

Steven Rouse, Executive Director of the Kenai Peninsula Housing Initiatives (KPHI) gave a presentation to Council explaining that KPHI is a nonprofit housing organization that provides low-income, senior and special needs residents of the Kenai Peninsula with affordable housing options, and clarified their strategies for achieving their goals. Their completed projects were reviewed, which included facilities in Homer, Soldotna, Ninilchik, Seward, and the newly-completed projects built on land that the City of Kenai donated to them. He thanked Council for this donation and requested they consider donating an additional 2.5 acres, for which he presented a site plan for proposed units they could build on this lot.

2. **Pat Porter** - Kenai Dog Park Update.

Former Mayor Pat Porter provided an update on the progress of the development of the Dog Park, noting that they are aiming for completion in the spring of 2022. The land has already been cleared with help from volunteers, and upcoming plans for the next year involve leveling the ground and seeding in the coming growing season, and installing fencing in the fall. Other initiatives include a flyer campaign in local schools to name the park, attending the 4<sup>th</sup> of July celebration to distribute brochures and gather support, working with Wildwood Correctional Center to build agility equipment, applying for a Rasmussen grant, and creating a GoFundMe account.

3. **Coy West** - Presentation on City of Kenai Marketing.

Coy West, CEO of Diving Point, provided an update on the success of his agency's marketing strategies over the previous year. He reviewed the goals of his campaign and their approach to branding and promoting the City of Kenai, which focuses on businesses, families and travelers.

Strategies focused heavily on creating an online presence with wide outreach, involving the “I Love Kenai” website and merchandise, along with extensive social media campaigns. Other notable achievements include installing street banners with the new City logo, and winning 3<sup>rd</sup> place on an online list of 25 Best Beach Towns in America. Outreach data was reviewed, and he revealed the new Kenai Silver Salmon Derby poster.

### **C. UNSCHEDULED PUBLIC COMMENTS**

Brittany Brown, Executive Director of the Kenai Chamber of Commerce, provided an update on the Shop Local and Grocery program, noting they have created a lot of excitement throughout the state. She noted that Governor Dunleavy had recently held a press conference at the Kenai Visitors Center, and afterwards met with the Kenai Chamber and Soldotna Chamber Board of Directors and stated that Kenai was the “land of opportunity.” She reported that the shop local program now had 60 participating small businesses and has paid out almost \$190,000 in direct incentives. The Grocery and Necessary Goods program expended its funds in 10 days, and the Chamber is still receiving positive feedback from the public.

### **D. PUBLIC HEARINGS**

9. **Resolution No. 2021-21** - Approving Development Incentives for a Lease of Airport Reserve Lands for Schilling Rentals, LLC., on Lot 5A, Block 1, FBO Subdivision 2018 Replat.

**[Clerk’s note: During Agenda Approval this item was moved to the top of Public Hearings.]**

#### **MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-21 and Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

**UNANIMOUS CONSENT** was requested.

**VOTE:** There being no objection; **SO ORDERED.**

1. **Ordinance No. 3196-2021** - Accepting and Appropriating Federal Funds from the Institute of Museum and Library Services Passed Through the Alaska State Library for Employee Training.

#### **MOTION:**

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3196-2021 and Council Member Glendening **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

It was noted that it is heartening to see that the Library is focused on continuing education for its staff, which shows a commitment to excellence.

**VOTE:**

YEA: Gabriel, Askin, Glendening, Knackstedt, Molloy, Pettey, Winger  
NAY:

**MOTION PASSED UNANIMOUSLY.**

- 2. **Ordinance No. 3197-2021** - Amending Kenai Municipal Code Section 23.50.010 - Employee Classification, to Amend the Class, Title, and Range, to Include a Capital Projects Manager.

**MOTION:**

Council Member Pettey **MOVED** to enact Ordinance No. 3197-2021 and Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

It was noted that this is a necessary and timely move to have this manager position created.

**VOTE:**

YEA: Askin, Glendening, Knackstedt, Molloy, Pettey, Winger, Gabriel  
NAY:

**MOTION PASSED UNANIMOUSLY.**

- 3. **Ordinance No. 3198-2021** - Amending Kenai Municipal Code Section 1.15.130 - Telephonic Participation, to Provide for Remote Electronic Participation.

**MOTION:**

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3198-2021 and Council Member Glendening **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

It was clarified that this ordinance applies to City Council procedures only, and will allow Council to participate on Zoom rather than telephonically when they cannot attend in person. This ordinance does not apply to City commissions, committees or public participants—there may be legislation in the future to deal with those situations.

**VOTE:**

YEA: Glendening, Knackstedt, Molloy, Pettey, Winger, Gabriel, Askin  
NAY:

**MOTION PASSED UNANIMOUSLY.**

- 4. **Ordinance No. 3199-2021** - Conditionally Waiving Certain Provisions of Title 17- Public Utilities and Enterprises, Related to Penalty, Interest and Shutoff for Nonpayment of Fees for Water and Sewer Utility Customers that Certified to the City That They Were Impacted by COVID-19 Pursuant to the City Manager’s Executive Order No. 2 During the Effective Period of the City’s Emergency Disaster Declaration.

**MOTION:**

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3199-2021 and Council Member Knackstedt **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

Administration was thanked for bringing this legislation forward, noting that this is well needed and necessary to affect the needs of our community who have been impacted by COVID-19.

**VOTE:**

YEA: Knackstedt, Molloy, Pettey, Winger, Gabriel, Askin, Glendening  
NAY:

**MOTION PASSED UNANIMOUSLY.**

- 5. **Ordinance No. 3200-2021** - Accepting and Appropriating an Amendment to a COVID CARES Act for Older Adults and Their Caregivers 2021 Grant Passed through the State of Alaska for Kenai Senior Center Expenditures in Support of its Response to the COVID-19 Public Health Emergency.

**MOTION:**

Council Member Askin **MOVED** to enact Ordinance No. 3200-2021 and Council Member Knackstedt **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

**MOTION TO AMEND:**

Council Member Knackstedt **MOVED** to amend Ordinance No. 3200-2021 as follows:

- Amend the title of the Ordinance to read: AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, ACCEPTING AND APPROPRIATING AN AMENDMENT TO A TITLE III GRANT PASSED THROUGH THE STATE OF ALASKA FOR KENAI SENIOR CENTER EXPENDITURES IN SUPPORT OF ITS RESPONSE TO THE COVID-19 PUBLIC HEALTH EMERGENCY.
- Amend the forth WHEREAS to read: WHEREAS, the State of Alaska, Department of Health and Social Services, Division of Senior and Disabilities Services requested proposals from current NTS grantees to provide additional support services to older adults

and people with disabilities in the community during the COVID-19 Public Health Emergency; and,

- Amend the fifth WHEREAS to read: WHEREAS, the Kenai Senior Center has been awarded a \$22,000 amendment to its FY21 NTS grant for services offered beginning March 1, 2021 – June 30, 2021; and,
- Delete the seventh and eighth WHEREAS’s:
- Replace \$xx,xxx in Section 1 to \$22,000.
- Replace the Federal Grants amount in Section 2 from \$xx,xxx to \$22,000, Change the Equipment amount from \$xx,xxx to \$18,000, and change the Supplies amount from \$xx,xxx to \$4,000.

Vice Mayor Molloy **SECONDED** the motion.

**UNANIMOUS CONSENT** was requested.

**VOTE ON AMENDMENT:** There being no objection; **SO ORDERED.**

**VOTE ON MAIN MOTION AS AMENDED:**

YEA: Molloy, Pettey, Winger, Gabriel, Askin, Glendening, Knackstedt  
NAY:

**MOTION PASSED UNANIMOUSLY.**

6. **Ordinance No. 3201-2021** - Increasing Estimated Revenues and Appropriations in the Airport Fund and Appropriating Funds in the Airport Snow Removal Equipment Capital Project Fund for the Purchase of Snow Removal Equipment – Multi-Purpose Broom/Blower.

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance No. 3201-2021 and Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

Airport Director Bondurant noted that they had not anticipated their blower going down this year and it was originally included in the plan for FY22, but the heavy winter had cause extensive need for repairs. She was thanked for her wonderful working relationship with FAA and her service to City of Kenai, and it was noted that, since 2007, she was responsible for \$41 million in grants being received.

**VOTE:**

YEA: Pettey, Winger, Gabriel, Askin, Glendening, Knackstedt, Molloy  
NAY:

**MOTION PASSED UNANIMOUSLY.**

**7. Ordinance No. 3204-2021** - Increasing Estimated Revenues and Appropriations in the General Fund to Provide Funding for Approved Small Businesses Grants in Excess of Budgeted Amounts for the Grant Disbursement Program for Small Businesses that Did Not Previously Apply for Full Assistance from the City in 2020.

- 1. Motion for Introduction
- 2. Motion for Second Reading (Requires a Unanimous Vote)
- 3. Motion for Adoption (Requires Five Affirmative Votes)

**MOTION FOR INTRODUCTION:**

Vice Mayor Molloy **MOVED** to introduce Ordinance No. 3204-2021 and Council Member Knackstedt **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

**VOTE ON INTRODUCTION:** There being no objection; **SO ORDERED**.

**MOTION FOR SECOND READING:**

Vice Mayor Molloy **MOVED** to hold a second reading of Ordinance No. 3204-2021 and Council Member Knackstedt **SECONDED** the motion.

**VOTE ON SECOND READING:**

YEA: Winger, Gabriel, Askin, Glendening, Knackstedt, Molloy, Pettey  
NAY:

**MOTION PASSED UNANIMOUSLY.**

**MOTION FOR ENACTMENT:**

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3204-2021 and Council Member Knackstedt **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

**VOTE ON MOTION TO ENACT:**

YEA: Gabriel, Askin, Glendening, Knackstedt, Molloy, Pettey, Winger  
NAY:

**MOTION PASSED UNANIMOUSLY.**

**8. Resolution No. 2021-20** - Adopting Policy No. 2021-01, Procedures for Selecting and Appointing a Qualified Person or Persons to Fill Vacancies on the City Council.

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-20 and Council Member Pettey **SECONDED** the motion.



Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

**MOTION TO AMEND:**

Vice Mayor Molloy **MOVED** to amend Resolution 2021-20 by making the following changes:

- Amend D.5. of the policy to read: Once one of the candidates receives a simple majority of votes, or the outcome is decided by lot, Council will make and pass a motion to appoint that person to fill the vacant seat.
- Amend D.2. of the policy to add the following sentence at the end of the paragraph: Steps D.2. through D.5. will be completed for each seat.

Council Member Knackstedt **SECONDED** the motion.

**UNANIMOUS CONSENT** was requested.

**VOTE ON AMENDMENT:** There being no objection; **SO ORDERED.**

**UNANIMOUS CONSENT** was requested.

**VOTE ON MAIN MOTION AS AMENDED:** There being no objection; **SO ORDERED.**

9. **Resolution No. 2021-21** - Approving Development Incentives for a Lease of Airport Reserve Lands for Schilling Rentals, LLC., on Lot 5A, Block 1, FBO Subdivision 2018 Replat.

**[Clerk's note: During Agenda Approval this item was moved to the top of Public Hearings.]**

10. **Resolution No. 2021-22** - Authorizing a Budget Transfer in the Airport Fund, Airfield Department and Authorizing Award of a Contract for Sand Screening.

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-22 and Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

City Manager Ostrander was thanked for his attention to detail and diligence on this legislation. Clarification was provided that Triangle Recycling is owned by Robert Peterkin.

**UNANIMOUS CONSENT** was requested.

**VOTE:** There being no objection; **SO ORDERED.**

11. **Resolution No. 2021-23** - Approving an Administrative Permit Process for Commercial Removal of Dead or Dying Trees from City Property.

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-23 and Vice Mayor Molloy **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

City Manager Ostrander clarified that the current permit process was for private individuals only, so this new permit process would allow for commercial entities to clear trees on City property as well. Concerns were expressed about what these businesses would do with the slash, and it was clarified that this was not yet defined but a plan would be put into place, as well as working with the individual contractors depending on their abilities and needs.

Parks Director Frates clarified that with the non-commercial permit, people can call up and ask for suggestions for where to clear trees. Sometimes they have their own suggestions, but as long as it is on City property we can go and vet it.

**UNANIMOUS CONSENT** was requested.

**VOTE:** There being no objection; **SO ORDERED.**

**E. MINUTES**

1. \*Regular Meeting of March 17, 2021.

**MOTION:**

Council Member Glendening **MOVED** to approve minutes with the Regular Meeting Minutes of March 17, 2021 following correction: On page 9, under item K.2. Additional Public Comment, on the last sentence of the first paragraph, delete "Borough Board" and add "Planning Commission." Vice Mayor Molloy **SECONDED** the motion.

**UNANIMOUS CONSENT** was requested.

**VOTE:** There being no objection; **SO ORDERED.**

**G. NEW BUSINESS**

1. \***Action/Approval** - Bills to be Ratified.

Approved by the consent agenda.

2. \***Action/Approval** - Liquor License Renewals for Three Bears and Playa Azul.

Approved by the consent agenda.

3. \***Ordinance No. 3202-2021** - Amending Kenai Municipal Code Sections 1.15.120, Rules Of Order, and 1.90.050, Proceedings, to Adopt the Most Current Edition of Robert's Rules of Order Newly Revised as the Adopted Rules of Parliamentary Procedure for the City Council and for City Boards, Commissions, and Committees.

Introduced by the consent agenda and Public Hearing set for April 21, 2021.

4. **\*Ordinance No. 3203-2021** - Accepting and Appropriating a Volunteer Fire Assistance Grant from the United States Department of Agriculture Forest Service Passed Through the State of Alaska Division of Forestry for the Purchase of Forestry Firefighting Equipment.

Introduced by the consent agenda and Public Hearing set for April 21, 2021.

5. **Action/Approval** - Special Use Permit to Kenai Home Builder's Association for the Use of the Multipurpose Facility.

**MOTION:**

Vice Mayor Molloy **MOVED** to approve the Special Use Permit to Kenai Home Builder's Association for the Use of the Multipurpose Facility. Council Member Askin **SECONDED** the motion.

Clarification was provided that this annual event is going to be held at the Kenai Multipurpose Facility in 2021 instead of the Soldotna Sports Complex where it has been held in past years, due to scheduling conflicts. It was noted that the City owns large tents that can be used for events like this, and the suggestion was put forth to offer these tents to the Kenai Home Builder's Association in case they need them.

**UNANIMOUS CONSENT** was requested.

**VOTE:** There being no objections, **SO ORDERED.**

6. **Action/Approval** - Confirmation of Mayoral Nomination for Appointment to Beautification Committee.

**MOTION:**

Council Member Glendening **MOVED** to confirm Mayoral Nomination for Appointment of Janet Phillips to the Beautification Committee. Council Member Winger **SECONDED** the motion.

**UNANIMOUS CONSENT** was requested.

It was noted that Janet Phillips is somewhat new to the community, but has extensive experience that would be relevant to the committee.

**VOTE:** There being no objections, **SO ORDERED.**

7. **Discussion** - Condition of the Kenai Recreation Center.

**MOTION:**

Council Member Winger **MOVED** to enter into executive session to discuss the conditions of the Kenai Recreation Center, which pursuant to AS 44.62.310(c)(1)(3) is a matter of which the immediate knowledge may have an adverse effect upon the finances of the City, and requested

the presence, as needed, of the City Manager, City Attorney, and Finance Director. Council Member Glendening **SECONDED** the motion.

Clarification was provided from the City Attorney that the executive session was necessary because the specific issues to be discussed could have financial impacts on the City if they were spoken about publicly.

**VOTE:**

YEA: Glendening, Molloy, Pettey, Winger, Gabriel  
 NAY: Askin, Knackstedt

**MOTION PASSED.**

Council reconvened in regular session and it was noted for the record that the Council met in executive session with Administration to go over the Kenai Recreation Center and repairs that are needed.

**8. Discussion - Spruce Bark Beetle Mitigation Planning.**

The possibility of pursuing federal funding opportunities to help mitigate the spruce bark beetle problems was discussed. It was noted that State Senator Micciche and Borough Mayor Charlie Pierce were in support of this, and would work with the City to receive this funding. Concern was expressed for the problem, which is of great public concern and for which there is public need. It was also noted that state and federal assistance comes from tax dollars, and private citizens are encouraged to take personal responsibility for their property in order to avoid government intrusion or handouts.

**9. Discussion - Hazard Pay for City Employees.**

The topic of offering hazard pay to City employees was discussed. It was explained that during the COVID-19 public health emergency many City employees were unable to work from home due to being classified as essential to City operations, which jeopardized their health and income opportunities. It was noted that this issue would be best if brought forward through legislation, which could then be deliberated on the floor and amended. Clarification was provided that no other municipalities in Alaska have offered hazard pay to their employees.

**10. Discussion - COVID-19 Response.**

City Manager Ostrander reported that there was currently one City employee in COVID-19 protocol, and that Central Peninsula General Hospital was no longer reporting hospitalizations. The State of Alaska through the Department of Health and Social Services is offering grant funds to municipalities to cover cost of testing and/or vaccinations, and the City of Kenai has been allocated up to \$326,985. Administration is pursuing the possibility of setting up a mobile vaccination clinic, and legislation to appropriate these funds may be presented at an upcoming Council meeting.

The Kenai Senior Center will resume offering meals in their dining room beginning Friday, April 9, 2021 with RSVP and limited seating. Other programs and activities are going well.

## H. COMMISSION / COMMITTEE REPORTS

1. Council on Aging – No report. Next meeting April 8, 2021.
2. Airport Commission – No report. Next meeting April 8, 2021.
3. Harbor Commission – No report. Next meeting April 12, 2021.
4. Parks and Recreation Commission – Council Member Winger reported on the actions of the April 1, 2021 meeting. Next meeting May 6, 2021.
5. Planning and Zoning Commission – Council Member Glendening reported on the actions of the March 24, 2021 meeting. Next meeting April 14, 2021.
6. Beautification Committee – No report. Next meeting April 13, 2021.
7. Mini-Grant Steering Committee – No report.

## I. REPORT OF THE MAYOR

Mayor Gabriel reported on the following:

- Hoped everybody had happy Easter;
- Plans on attending the Chamber of Commerce luncheon where Representative Don Young will be presenting.

## J. ADMINISTRATION REPORTS

1. City Manager - City Manager P. Ostrander reported on the following:
  - The contracts for the airport restaurant and bar concessionaires are scheduled to end by the end of FY2021, but because air travel is still down and their revenues have been impacted they will be extended month to month;
  - The FY2022 Budget document will be available to Council on Friday, April 9, 2021;
  - Attended Governor Dunleavy's press conference, where Jim Cockrell was nominated to be the new DPS commissioner;
  - Expressed appreciation for City employees Jim Lackey, Terry Russ, Matt Landry, Brandon Huntley and Ben Griess, who have done an exceptional job of keeping our airport runway clear;
  - Update on Bluff Project: issued an intent to award to HDR, negotiations will occur over the next few weeks in order to establish the scope of work and contractual amount.
2. City Attorney – City Attorney Bloom reported on the following:
  - There was an item in the Governor's budget which would transfer the responsibilities and cost of misdemeanor prosecution from the State to municipalities. He has been working with Alaska Municipal League and other municipalities to challenge this, and the first committees have now recommended it stay out of the Governor's budget.
3. City Clerk – No report

**K. ADDITIONAL PUBLIC COMMENT**

1. Citizens Comments (*Public comment limited to five (5) minutes per speaker*) - None
2. Council Comments

Council Member Winger reported on local school activities including graduation, prom, drive-in movie night, KCHS cheerleader awards, and wrestling team donations. Congratulated all schools and parents for making adjustments in response to COVID-19.

Council Member Glendening was heartened by the informational presentations given by Coy West, Pat Porter and Steven Rouse, and all the great work they are doing on their respective projects. Noted he is looking forward to summer, the 4<sup>th</sup> of July, the upcoming baseball season, and a return to normalcy.

Council Member Pettey encouraged everyone to attend the Chamber of Commerce luncheon on Friday where Representative Don Young will be presenting. She expressed sorrow for the loss of Dr. Peter Hansen, and wished to send condolences to his family.

Council Member Askin shared news about recent research on blue disposable masks with gray lining, which showed that they contain graphene that can be harmful to the wearer's lungs. She expressed gratitude Administration's hard work.

Council Member Knackstedt noted that he will also be attending the Chamber of Commerce luncheon on Friday to hear Representative Don Young. He also announced that there will be a birthday party for Marion Nelson on Friday evening at Veronica's Old Town Café that is open for everyone to attend.

Council shared their grief over the passing of Dr. Peter Hansen and gave condolences to his family. The Mayor noted the City will issue a proclamation for him, and his service will take place on April 17<sup>th</sup>, 2021.

**L. EXECUTIVE SESSION – None.**

**M. PENDING ITEMS – None.**

**N. ADJOURNMENT**

**O. INFORMATION ITEMS**

1. Purchase Orders Between \$2,500 and \$15,000.

There being no further business before the Council, the meeting was adjourned at 10:09 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of April 7, 2021.

---

Jamie Heinz, MMC  
City Clerk

**PAYMENTS OVER \$15,000.00 WHICH NEED COUNCIL RATIFICATION  
COUNCIL MEETING OF: APRIL 21, 2021**

<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>DEPARTMENT</b>	<b>ACCOUNT</b>	<b>AMOUNT</b>
REBORN AGAIN JANITORIAL	MARCH SERVICES	AIRPORT	REPAIR & MAINTENANCE	4,231.25
PREMERA BLUE CROSS	APRIL PREMIUM	VARIOUS	LIABILITY	223,492.58
PERS	PERS	VARIOUS	LIABILITY	94,477.90
ENSTAR	GAS USAGE	VARIOUS	UTILITIES	42,773.60
HOMER ELECTRIC	ELECTRIC USAGE	VARIOUS	UTILITIES	108,760.91

**INVESTMENTS**

<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>MATURITY DATE</b>	<b>AMOUNT</b>	<b>Effect. Int.</b>
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# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**FROM:** Jamie Heinz, City Clerk  
**DATE:** April 15, 2021  
**SUBJECT:** **Liquor License Renewal**

---

The following establishment submitted an application to the Alcohol and Marijuana Control Office for renewal of their liquor license:

- Don Jose's, LLC D/B/A Don Jose's Mexican Restaurant

Pursuant to KMC 2.40, a review of City accounts has been completed on the applicants and they have satisfied all obligations to the City. With the approval of Council, a letter of non-objection to the liquor license renewals will be forwarded to the ABC Board and the applicants.

Your consideration is appreciated.



Submit

by Jamie Heinz 3/19/2021 1:03:52 PM (Form Submission)

Approve

by Jeremy Hamilton 4/2/2021 10:54:08 AM (Fire Marshall Review)

- The task was assigned to Jeremy Hamilton. The due date is: March 30, 2021 5:00 PM 3/19/2021 1:03 PM

Approve

by Michael Wesson 3/19/2021 3:00:51 PM (Building Official Review)

- The task was assigned to Michael Wesson. The due date is: March 30, 2021 5:00 PM 3/19/2021 1:03 PM

Approve

by David Ross 3/19/2021 2:44:16 PM (Police Department Review)

- Jamie Heinz reassigned the task to David Ross 3/19/2021 1:07 PM
- Jamie Heinz reassigned the task to Jamie Heinz, David Ross 3/19/2021 1:06 PM
- Jamie Heinz reassigned the task to David Ross 3/19/2021 1:05 PM
- The task was assigned to Jamie Heinz, David Ross. The due date is: March 30, 2021 5:00 PM 3/19/2021 1:03 PM

Object


Cured 3/29/2021

by Tina Williamson 3/29/2021 11:42:02 AM (Finance Asst Review)

- The task was assigned to Tina Williamson. The due date is: March 30, 2021 5:00 PM 3/19/2021 1:03 PM

Approve

by Cindy Herr 3/19/2021 2:14:35 PM (Legal Asst Review)

-  *No monies owed for outstanding fines or restitutions*
- The task was assigned to Cindy Herr. The due date is: March 30, 2021 5:00 PM 3/19/2021 1:03 PM

Approve

by Wilma Anderson 3/23/2021 9:08:03 AM (Lands Review)

- The task was assigned to Wilma Anderson. The due date is: March 30, 2021 5:00 PM 3/19/2021 1:03 PM

Approve

by Terry Eubank 3/29/2021 3:11:48 PM (Finance Review)

- The task was assigned to Terry Eubank. The due date is: April 7, 2021 5:00 PM 3/29/2021 11:42 AM

Approve

by Scott Bloom 3/29/2021 12:08:11 PM (Legal Review)

- The task was assigned to Scott Bloom. The due date is: April 7, 2021 5:00 PM 3/29/2021 11:42 AM

Approve

by Ryan Foster 3/29/2021 5:23:14 PM (P&amp;Z Department Review)

- The task was assigned to Ryan Foster. The due date is: April 7, 2021 5:00 PM 3/29/2021 11:42 AM

**Date**

3/19/2021

**Establishment Information**

---

**License Type**

Beverage Dispensary

**Licensee**

Don Jose's LLC

**Doing Business As**

Don Jose's Mexican Restaurant

**Premises Address**

205 S. Willow Street

**City, State**

Kenai, AK

**Contact Information**

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**Contact Licensee**

Jose Ramos

**Contact Phone No.**

229-7196

**Contact Email**

salmonalaska@yahoo.com

**Additional Contact Information**

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**Name**

**Phone No.**

**Email**

**Documents**

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**File Upload**

#3039 dba Don Joses Mexican Restaurant Temp License and 21-22 Complete Renewal Packet.pdf	5.45MB
3039 LGB Notice - City of Kenai in KPB 31921.pdf	565.58KB



THE STATE of ALASKA GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE 550 West 7th Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269.0350

March 19, 2021

City of Kenai

Kenai Peninsula Borough

Via Email: jheinz@kenai.city ; MBerg@kpb.us ; MJenkins@kpb.us ; SNess@kpb.us ; BTaylor@kpb.us ; TShassetz@kpb.us ;

Re: Notice of Liquor License Renewal Application

Table with 6 columns: License Number, DBA, Type, City, Borough, Community Council. Row 1: 3039, Don Jose's Mexican Restaurant, Beverage Dispensary, Kenai, Kenai Peninsula Borough, None

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director and the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Handwritten signature of Glen Klinkhart

Glen Klinkhart, Director amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board

**Master Checklist: Renewal Liquor License Application**

Doing Business As:	Don Jose's Mexican Restaurant	License Number:	3039
License Type:	Beverage Dispensary		
Examiner:	<i>Kristina S.</i>	Transaction #:	100031037

Document	Received	Completed	Notes
AB-17: Renewal Application	12/31	<i>3-15-21</i>	<i>receipt for fees 100060159</i>
App and License Fees	12/31	<i>3-15-21</i>	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation	<i>3-11-21</i>	<i>3-15-21</i>	<i>need 2019 AB-29 / fees</i>
AB-30: Minimum Operation	12/31		
AB-33: Restaurant Affidavit			
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No
Selling alcohol in response to written order (package stores)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

LGB 1 Response: *Kenai*

LGB 2 Response: *KPB*

- Waive   
  Protest   
  Lapsed   
  Waive   
  Protest   
  Lapsed



Alaska Alcoholic Beverage Control Board  
**Form AB-17: 2021/2022 License Renewal Application**

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2020 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2021 will be expired per AS 04.11.540, 3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

**Establishment Contact Information**

Licensee (Owner):	Don Jones LLC	License #:	3039
License Type:	Beverage Dispensary		
Doing Business As:	Don Jones Mexican Restaurant		
Premises Address:	205 S Willow St		
Local Governing Body:	Kenai Peninsula Borough (city of Kenai)		
Community Council:	None		

If your mailing address has changed, write the NEW address below:

Mailing Address:	
City:	State: ZIP:

**Section 1 – Licensee Contact Information**

**Contact Licensee:** The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.

This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

Contact Licensee:	Juse Ramos	Contact Phone:	907-229-7196
Contact Email:	Salmonalaska@yahoo.com		

**Optional:** If you wish for AMCO staff to communicate with anyone other than the Contact Licensee about your license, list them below:

Name of Contact:	LISA FINK	Contact Phone:	678-382-9654
Contact Email:	Finklisa@gmail.com		

Name of Contact:		Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			

AMCO





Alaska Alcoholic Beverage Control Board

Form AB-17: 2021/2022 License Renewal Application

Section 2 - Entity or Community Ownership Information

Sole Proprietors should skip this Section.

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.

https://www.commerce.alaska.gov/cbp/main/search/entity/

Alaska CBPL Entity #: 50813 D

READ BEFORE PROCEEDING: Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of \$48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The only exception to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.

- Corporations of any type including non-profit must list ONLY the following:
- All shareholders who own 10% or more stock in the corporation
- Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
Limited Liability Corporations, of any type must list ONLY the following:
- All Members with an ownership interest of 10% or more
- All Managers (of the LLC, not the DBA) regardless of percentage owned
Partnerships of any type, including Limited Partnerships must list ONLY the following:
- Each Partner with an interest of 10% or more
- All General Partners regardless of percentage owned

Important Note: You must list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.

Table with 5 columns: Name of Official, Title(s), Phone, % Owned, Mailing Address, City, State, ZIP. Row 1: Jose Ramos, Member, 907-949-1160, 51, 127 W Pioneer Ave, Homer, AK, 99603

Table with 5 columns: Name of Official, Title(s), Phone, % Owned, Mailing Address, City, State, ZIP. Row 1: Marc C Ramos, Member, 907-947-5200, 49, 127 W Pioneer Ave, Homer, AK, 99603

Table with 5 columns: Name of Official, Title(s), Phone, % Owned, Mailing Address, City, State, ZIP. Row 1: (Empty)



# Form AB-17: 2021/2022 License Renewal Application

## Section 3 – Sole Proprietor Ownership Information

**Corporations, LLC's and Partnerships of ALL kinds should skip this section.**

**READ BEFORE PROCEEDING:** Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of \$48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned

**Important Note:** All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require. **If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.**

This individual is an:  Applicant  Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an:  Applicant  Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

## Section 4 – License Operation

Check ONE BOX for EACH CALENDAR YEAR that best describes how this liquor license was operated:

- |   | 2019                                | 2020                                |
|---|-------------------------------------|-------------------------------------|
| 1. The license was <b>regularly operated continuously</b> throughout each year. (Year round)  | <input type="checkbox"/>            | <input type="checkbox"/>            |
| 2. The license was <b>only operated during a specific season</b> each year. (Seasonal)<br><i>If your operation dates have changed, list them below.</i><br>_____ to _____   | <input type="checkbox"/>            | <input type="checkbox"/>            |
| 3. The license was only operated to meet the minimum requirement of 240 total hours each calendar year.<br><i>A complete AB-30, Proof of Minimum Operation Checklist, and all documentation must be provided with this form.</i>  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| 4. The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both calendar years. <i>A complete Form AB-29, Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.</i><br><i>we already have waiver for 19 ✓</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

**If you have not met the minimum number of hours of operation in 2020, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason.**

## Section 5 – Violations and Convictions

- Have **ANY** Notices of Violation been issued for this license **OR** has **ANY** person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2019 or 2020?
- Yes  No

**If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)**

**If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.**

AMCO  
DEC 9 1 2020



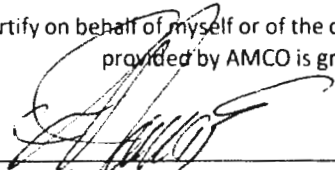
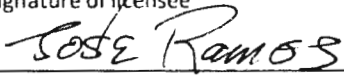
# Form AB-17: 2021/2022 License Renewal Application

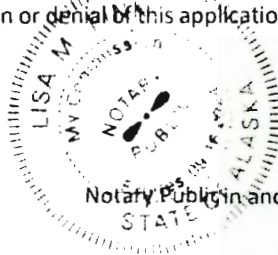
## Section 6 – Certifications

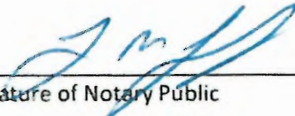
As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.
- I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name from what is currently approved and on file with the Alcoholic Beverage Control Board.

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

  
 \_\_\_\_\_  
 Signature of licensee  
  
 \_\_\_\_\_  
 Printed name of licensee



  
 \_\_\_\_\_  
 Signature of Notary Public  
 Notary Public in and for the State of: Alaska  
 My commission expires: 9/16/24

Subscribed and sworn to before me this 30<sup>TH</sup> day of DECEMBER, 2020.

- Restaurant/Eating Place applications must include a completed AB-33: Restaurant Receipts Affidavit
- Recreational Site applications must include a completed Recreational Site Statement
- Tourism applications must include a completed Tourism Statement
- Wholesale applications must include a completed AB-25: Supplier Certification

All renewal and supplemental forms are available online

**Any application that is not complete or does not include ALL required completed forms and fees will not be processed and will be returned per AS 04.11.270, 3 AAC 304.105.**

### FOR OFFICE USE ONLY

License Fee:	\$ <u>2500.<sup>00</sup></u>	Application Fee:	\$ 300.00	Misc. Fee:	\$
Total Fees Due:					\$ <u>2800.<sup>00</sup></u>

AMCO

DEC 31 2020



Department of Commerce, Community, and Economic Development  
**CORPORATIONS, BUSINESS & PROFESSIONAL  
 LICENSING**

Page 125

[State of Alaska / Commerce / Corporations, Business, and Professional Licensing / Search & Database Download / Corporations / Entity Details](#)

## ENTITY DETAILS

### Name(s)

Type	Name
Legal Name	DON JOSE'S, LLC

**Entity Type:** Limited Liability Company

**Entity #:** 56813D

**Status:** Good Standing

**AK Formed Date:** 9/28/1995

**Duration/Expiration:** Perpetual

**Home State:** ALASKA

**Next Biennial Report Due:** 1/2/2023

**Entity Mailing Address:** 127 W PIONEER AVE, HOMER, AK 99603

**Entity Physical Address:** 2052 E NORTHERN LIGHTS BLVD, ANCHORAGE, AK 99508

### Registered Agent

**Agent Name:** JOSE RAMOS

**Registered Mailing Address:** 127 PIONEER, HOMER, AK 99603

**Registered Physical Address:** 127 PIONEER, HOMER, AK 99603

### Officials

AK Entity #	Name	Titles	Owned
	Jose' Ramos	Member	51.00
	Maria C Ramos	Member	49.00

Show Former

# Filed Documents

Date Filed	Type	Filing	Certificate
10/12/1994	Biennial Report		
9/28/1995	Creation Filing		
9/28/1995	Creation Filing	<a href="#">Click to View</a>	
12/16/1996	Biennial Report	<a href="#">Click to View</a>	
12/31/1998	Biennial Report	<a href="#">Click to View</a>	
12/14/2000	Biennial Report	<a href="#">Click to View</a>	
1/03/2003	Biennial Report	<a href="#">Click to View</a>	
7/20/2005	Biennial Report	<a href="#">Click to View</a>	
10/15/2006	Biennial Report	<a href="#">Click to View</a>	
4/24/2009	Biennial Report	<a href="#">Click to View</a>	
3/10/2011	Biennial Report	<a href="#">Click to View</a>	
11/28/2012	Biennial Report	<a href="#">Click to View</a>	
10/23/2014	Biennial Report	<a href="#">Click to View</a>	
12/21/2016	Biennial Report	<a href="#">Click to View</a>	
10/15/2018	Biennial Report	<a href="#">Click to View</a>	
12/08/2020	Biennial Report	<a href="#">Click to View</a>	

License Detail

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# LICENSE DETAILS

**License #:** 1039972[Print E](#)**Business Name:** DON JOSE'S LLC**Status:** Active**Issue Date:** 07/19/2016**Expiration Date:** 12/31/2021**Mailing Address:** 127 W PIONEER AVE  
HOMER, AK 99603**Physical Address:** 127 W PIONEER AVE  
HOMER, AK 99603

## Owners

DON JOSE'S, LLC

## Activities

**Line of Business**

72 - Accommodation and Food Services

**NAICS**

722110 - FULL-SERVICE RESTAURANTS

**Professional L**

## Endorsements

No Endorsements Found

## License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed periods between an expiration date and renewal date.

No Lapses on record for the last 4 years.

[Close License Detail](#)[Print Friendly Version](#)

Alaska Business License # 1039972

**Alaska Department of Commerce, Community, and Economic Development**

Division of Corporations, Business, and Professional Licensing  
PO Box 110806, Juneau, AK 99811-0806

This is to certify that

**DON JOSE'S LLC**

127 W PIONEER AVE, HOMER, AK 99603

owned by

DON JOSE'S, LLC

is licensed by the department to conduct business for the period

December 28, 2019 to December 31, 2021  
for the following line(s) of business:

72 - Accommodation and Food Services



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.  
It is not transferable or assignable.

Julie Anderson  
Commissioner



# Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC  
Borough Clerk

March 24, 2021

**Sent via email:** jheinz@kenai.city

Kenai City Hall  
City of Kenai

RE: Non-Objection of Application

Licensee/Applicant	:	Don Jose's LLC
Business Name	:	Don Jose's Mexican Restaurant
License Type	:	Beverage Dispensary
License Location	:	205 S. Willow Street, Kenai, AK 99611, City of Kenai
License No.	:	3039
Application Type	:	License Renewal

Dear Ms. Heinz,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC  
Borough Clerk

JB/ts

Encl.

cc: salmonalaska@yahoo.com; jheinz@kenai.city; MBerg@kpb.us; SNess@kpb.us; MJenkins@kpb.us



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Mary L. Bondurant, Airport Manager  
**DATE:** April 9, 2021  
**SUBJECT:** **Action/Approval – Special Use Permit State of Alaska DNR/Forestry**

---

The State of Alaska, Department of Natural Resources/Division of Forestry is requesting a Special Use Permit for a three-month term from July 1, 2021 through September 30, 2021.

The Permit is for aircraft loading and parking on approximately 30,000 square foot of the apron adjacent to their lease lot for firefighting related activity.

The State of Alaska is current on all fees owed and we have a current Certificate of Insurance.

Airport Commission reviewed the request at the April 8, 2021 Commission meeting and recommends Council approval.

Does Council authorize the City Manager to approve a Special Use Permit to the State of Alaska DNR/Division of Forestry?

Thank you for your consideration.

attachments



### SPECIAL USE PERMIT 2021

The CITY OF KENAI (City) grants to STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES/DIVISION OF FORESTRY (Permittee), whose address is 550 W. Seventh Avenue, Suite 1450, Anchorage, AK 99501-3566, a Special Use Permit to conduct aeronautical and/or aviation-related activities at the Kenai Municipal Airport subject to the requirements and the conditions set forth below.

- 1. **Premises.** Permittee shall have the non-exclusive right to use 30,000 square feet as described in the attached diagram shown in the attached Exhibit A for the uses identified in this Permit.
- 2. **Term.** The term of this Permit shall be for three months commencing on July 1, 2021, and ending on September 30, 2021. Regardless of the date of signature, this Permit shall be effective as of July 1, 2021.
- 3. **Permit Fees.** Permittee shall pay the following fees for the privileges extended to Permittee under this Permit:

A. **Permit:** Permittee shall pay a monthly fee plus applicable sales tax as follows:

July	\$ 3025.00
August	\$ 3025.00
September	\$ 3025.00

B. **Proximity Card for Gate Access:** In addition to the general permit fee, Permittee shall pay a deposit of One Hundred Dollars (\$100.00) for the use of each proximity card issued to Permittee by City to allow for gate access to the Airport to conduct the uses permitted hereunder. City shall refund this deposit to Permittee when the card is returned to City. City may exercise a right of offset to apply the deposit to any outstanding balance due to City from Permittee at the termination of this Permit.

C. **Other Fees:** City may assess additional fees for aviation or aviation support activities and uses not defined in this Permit. If a fee has not been established for those activities or services, a fee will be established by the Airport Manager.

Payment shall be directed to City of Kenai, ATTN: Finance Department, 210 Fidalgo Avenue, Kenai, AK 99611 and a courtesy notice of payment provided to Airport Administration at 305 North Willow Street, Suite 200, Kenai, AK 99611. All permit fees are payable in advance of each month unless otherwise provided. In the event of delinquency, interest at the rate of 10% per annum, and penalty of 10% shall also be due (KMC 1.75.010). Interest shall accrue from the date due until the date paid in full. Failure

to timely make payments is grounds for termination of this Permit. (See ¶ 22, Termination).

**4. Use.** City authorizes Permittee's non-exclusive use of the Premises for the following purpose(s):

Aircraft loading and parking. NOTE: This permit does not guarantee the exclusive use of the area identified in Exhibit A. City reserves the right to re-assign Permittee, upon reasonable notice, to other areas as airport needs may require.

Permittee shall have the right of ingress and egress to the Airport using only designated gate access locations (which may require a proximity card) for the use of the Premises. This Permit, and any access rights allowed hereunder, are for Permittee's use only and may not be transferred or assigned.

Use of the Premises by Permittee is subject to the reasonable administrative actions of the City of Kenai for the protection and maintenance of the Premises and of adjacent and contiguous lands or facilities and is further subject to the following conditions:

Permittee acknowledges that the use granted herein is subject to the Kenai Municipal Code and municipal regulations governing the Kenai Municipal Airport and as those laws and regulations may be amended from time to time.

Solicitation of donations or operation of a business or other commercial enterprise not contemplated by this Permit is prohibited without the written consent of City.

No person may repair an aircraft, aircraft engine, propeller, or apparatus in an area of the Airport other than that specifically designated for that purpose by the Airport Manager or designated representative. The Airport Manager or designated representative reserves the right to designate reasonable areas where aircraft owners may perform services on their own aircraft.

**5. Airport Operations.** Permittee shall ensure that the Permittee, its employees, and guests, and anyone else acting by, on behalf of, or under the authority of Permittee on the Airport, that perform any repairs or activities authorized under this Permit act in a manner that ensures the safety of people and the Airport, the protection of public health and the environment, and the safety and integrity of the Airport and any premises on the Airport. Permittee shall employ qualified personnel and maintain equipment sufficient for the purposes of this provision. The Permittee shall immediately notify City of any condition, problem, malfunction, or other occurrence that threatens the safety of the Airport, the safety of persons using the Airport, the public health or the environment, or the safety or integrity of any premises on the Airport.



**6. Inspection.** The Federal Aviation Administration (FAA) and/or City shall have the right and authority to inspect, at any time for any purpose whatsoever, the Premises as well as any and all equipment used by the Permittee under this Permit.

**7. Coordination with Airport Management.** Permittee shall coordinate all activities on the Airport with Airport Management, or a designated representative, and shall abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee.

**8. Radio Transmitting Equipment.** Permittee shall discontinue the use of any machine or device which interferes with any government-operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

**9. Insurance.** Permittee shall secure and keep in force adequate insurance, as stated below, to protect City and Permittee. Where specific limits are stated, the limits are the minimum acceptable limits. If Permittee's insurance policy contains higher limits, City is entitled to coverage to the extent of the higher limits.

**A.** Commercial General Liability insurance, including premises, all operations, property damage, personal injury and death, broad-form contractual, with a per-occurrence limit of not less than \$1,000,000 combined single limit. The policy must include an endorsement under which the insurer extends coverage to Permittee's fuel handling activities. The policy must name the City as an additional insured.

**B.** Worker's compensation insurance with coverage for all employees engaged in work under this Permit or at the Premises as required by AS 23.30.045. Permittee is further responsible to provide worker's compensation insurance for any subcontractor who directly or indirectly provides services to Permittee under this Permit.

**C.** Commercial Automobile Coverage with not less than \$1,000,000 combined single limit per occurrence. This insurance must cover all owned, hired, and non-owned motor vehicles the Permittee uses on the Airport. The policy must name the City as an additional insured.

**D.** All insurance required must meet the following additional requirements:

- i. All policies will be by a company/corporation currently rated "A-" or better by A.M. Best.
- ii. Permittee shall submit to the City proof of continuous insurance coverage in the form of insurance policies, certificates, endorsements,

or a combination thereof, and signed by a person authorized by the insurer to bind coverage on its behalf.

- iii. Permittee shall request a waiver of subrogation against City from Permittee's insurer and the waiver of subrogation, where possible, shall be provided at no cost to City.
- iv. Provide the City with notification at least 30 days before any termination, cancellation, or material change in insurance coverage of any policy required hereunder.
- v. Evidence of insurance coverage must be submitted to City by July 1, 2021. The effective date of the insurance shall be no later than July 1, 2021.

City may increase the amount or revise the type of required insurance on written demand without requiring amendments to this Permit. City will base any increase or revision on reasonable and justifiable grounds. Within two weeks of the written demand, Permittee shall submit to City evidence of insurance coverage that meets the requirements of the City.

**10. Assumption of Risk.** Permittee assumes full control and sole responsibility as between Permittee and City for the activities of Permittee, its personnel, employees, and persons acting on behalf of or under the authority of the Permittee anywhere on the Airport. Permittee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the Kenai Municipal Airport and its exercise of the privileges granted in this Permit.

**11. Indemnity, Defend, and Hold Harmless Agreement.** Permittee agrees to fully indemnify, defend, and hold harmless, the City of Kenai, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, judgments, penalties, and expenses of every type and description, including any fees and/or costs reasonably incurred by the City's staff attorneys and outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of the Permittee in connection with or arising from or out of Permittee's activities on or use of the Premises, Permittee's access to the Kenai Municipal Airport, and/or Permittee's exercise of the privileges granted in this Permit. This shall be a continuing obligation and shall remain in effect after termination of this Permit.

**12. Fuel Spill Prevention and Response Plan.** Areas of the apron have been seal coated to protect asphalt from adverse effects of petroleum product spills. The City requires that

Permittee provide adequate absorbent materials and tools available on the Premises and at the airport in order to maintain a fuel spill and response capability. Permittee shall be liable for any damage caused by and costs associated with any spill, the cleanup of any spill, or the discharge of petroleum products or hazardous materials due to Permittee's use of the apron and/or use of the Airport.

Permittee shall provide to City an acceptable fuel spill prevention and response plan and will maintain fuel spill and response capability. Permittee further agrees to have a copy of the fuel spill prevention and response plan located in the Permittee's fuel dispensing equipment at all times. Permittee must comply with the Airport's Storm Water Pollution Prevention Plan as appropriate to Permittee's activities.

Permittee shall not store any personal property, solid waste, petroleum products, Hazardous Material as defined by 14 CFR § 171.8, hazardous waste (ignitable, corrosive, reactive, or toxic) or any hazardous substance on any portion of the Airport. Permittee is aware that there are significant penalties for improperly disposing of the Hazardous Materials and other waste and for submitting false information regarding Hazardous Materials, including the possibility of fine and imprisonment for knowing violations.

Permittee shall immediately remove the material in the event of spillage or dripping of gasoline, oil, grease, or any other material which may be unsightly or detrimental to the pavement or surface in or on any area of the Airport.

Permittee may not construct or install any above-ground or underground fuel storage tanks or dispensing systems at the Airport.

No person shall smoke on an aircraft-parking ramp, inside an aircraft hangar, or within 50' of any aircraft fuel facility or fuel truck.

Permittee is subject to FAA Advisory Circular 150/5230-4 Aircraft Fuel Storage, Handling, and Dispensing on Airports, the National Fire Protection Associations' "Standard for Aircraft Fueling Servicing" in NFPA 407 (1996 version), and the current version of the International Fire Codes. All inspections of fuel facilities, by City or other regulating entities to which Permittee is subject, shall be conducted to assure compliance with the fire safety practices listed in these referenced documents.

**13. Hazardous Substances and Materials.** Permittee shall conform and be subject to the requirements of 14 CFR § 139.321 regarding the handling and storage of hazardous substances and materials.

**14. No Discrimination.** Permittee shall not discriminate against any person because of the person's race, creed, color national origin, sex, age, or handicap. Permittee recognizes

the right of City to take any action necessary to enforce this requirement of the Permit. Permittee will furnish services provided under this Permit on a reasonable, and not unjustly discriminatory, basis to all users of the Airport and shall charge reasonable, and not unjustly discriminatory, prices for each product or service provided at the Airport.

**15. Licenses and Permits.** Permittee shall obtain and maintain all required federal, state, and local licenses, certificates, and other documents required for its operations under the Permit. Permittee shall provide proof of compliance to City upon request by the City.

**16. Compliance with Law/Grant Assurances.** This Permit, and Permittee's activities conducted under this Permit, is subject to all executive orders, policies and operational guidelines and all applicable requirements of federal, state, and City statutes, ordinances, and regulations in effect during the term of this Permit. Further, Permittee shall comply with all applicable requirements imposed on the Airport by federal law to ensure that the Airport's eligibility for federal money or for participation in federal aviation programs is not jeopardized. This Permit is subordinate to the City's grant assurances and federal obligations.

**17. No Exclusivity.** The privileges granted under this Permit are not exclusive to Permittee. City has the right to grant to others any right or privilege on the Airport.

**18. Assignment.** The privileges granted under this Permit are personal to Permittee and may not be assigned by Permittee.

**19. No Joint Venture.** City shall not be construed or held to be a partner or joint venturer of Permittee in the conduct of its business or activities on the Premises or elsewhere at the Kenai Municipal Airport.

**20. No Waiver.** Failure to insist upon a strict compliance with the terms, conditions, and requirements herein contained, or referred to, shall not constitute or be construed as a waiver or relinquishment of the right to exercise such terms, conditions, or requirements.

**21. Personalty.** Permittee shall remove any and all personal property, including all vehicles, from the Premises at the termination of this Permit (or any renewal thereof). Personal property placed or used upon the Premises will be removed and/or impounded by the City, if not removed upon termination of this Permit and when so removed and/or impounded, such property may be redeemed by the owner thereof only upon the payment to the City of the costs of removal plus storage charges of \$25.00 per day. The City of Kenai is not responsible for any damage to or theft of any personalty of Permittee or of its customers.

**22. Termination; Default.** This Permit may be terminated by either party hereto by giving 30 days advance written notice to the other party. City may terminate the Permit immediately, or upon notice shorter than 30 days, to protect public health and safety or due to a failure of Permittee to comply with condition or term of this Permit which failure remains uncured after notice by City to Permittee providing Permittee with a reasonable time period under the circumstances to correct the violation or breach.

**23. Landing Fees; Fee Schedule.** Timely payment of landing fees and other required Airport fees is a condition of this Permit and, as such, failure to timely pay landing and other airport fees is grounds for termination. Without limiting the foregoing, Permittee shall pay landing fees for aircraft landings as set out in the City's comprehensive schedule of rates, charges and fees. Permittee shall make payment within 30 days following the end of each month and without demand or invoicing from City. Permittee shall also provide Airport Administration with monthly certified gross take-off weight reports within ten days following the end of each month for landings for the preceding month. Airport landing fees shall be paid at the Airport Administration Building, 305 North Willow Street, Suite 200, Kenai, AK 99611.

**24. Impoundment.** At the discretion of the Airport Manager, City may impound any aircraft parked on the Premises after termination of this Permit. Impoundment may be accomplished by affixing a seal to the door of the aircraft or the moving of the aircraft for impoundment purposes. Inconvenience or damage that may result from such movement will be at the risk of Permittee. An impoundment fee plus a towage fee shall be charged on each aircraft impounded. In addition, a daily storage fee shall be charged for each day the aircraft remains impounded. Any impounded aircraft that is not redeemed within 90 days after impoundment shall be considered abandoned and shall be subject to sale at public auction. Notice of any auction shall be published. Publication shall be in a newspaper of general circulation in that area for at least once during each of three consecutive weeks not more than 30 days nor less than seven days before the time of the auction.

**25. Definitions.** As used in this Permit, "Permittee" means State, Department of Natural Resources, Division of Forestry, and where the context reasonably indicates, its officers, agents, and employees. "Airport" means the Kenai Municipal Airport.

**CITY OF KENAI**

**STATE OF ALASKA  
DEPARTMENT OF NATURAL  
RESOURCES, DIVISION  
OF FORESTRY**

By: \_\_\_\_\_  
Paul Ostrander                                  Date  
City Manager

By: \_\_\_\_\_  
Timothy Dabney                                 Date  
Deputy Director,  
Division of Forestry

**ACKNOWLEDGMENTS**

STATE OF ALASKA                                 )  
  ) ss.  
THIRD JUDICIAL DISTRICT                     )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, the foregoing instrument was acknowledged before me by Paul Ostrander, City Manager, of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

STATE OF ALASKA                                 )  
  ) ss.  
THIRD JUDICIAL DISTRICT                     )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, the foregoing instrument was acknowledged before me by Timothy Dabney, Deputy Director, DNR/Division of Forestry, on behalf of the State of Alaska.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

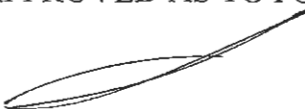
ATTEST:

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Jamie Heinz, City Clerk

SEAL:

APPROVED AS TO FORM:



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Scott M. Bloom, City Attorney

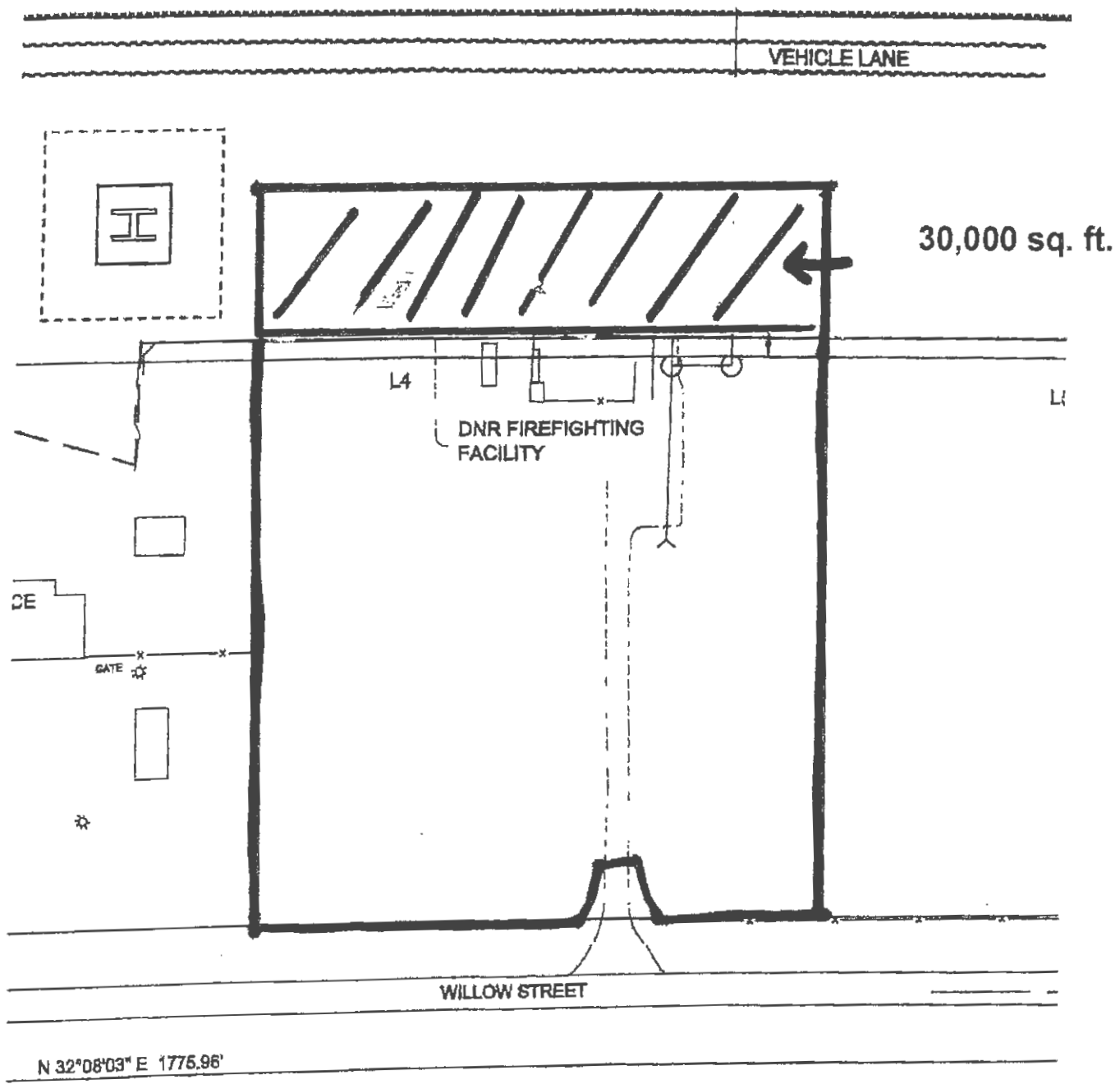


Exhibit A





## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Mary L. Bondurant, Airport Manager  
**DATE:** April 9, 2021  
**SUBJECT:** **Action/Approval – Special Use Permit Pacific Star Seafoods, Inc.**

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Pacific Star Seafoods, Inc. is requesting a Special Use Permit for a two-month term from June 1, 2021 through July 31, 2021.

The Permit is for on or off-loading fish on approximately 15,000 square foot of the apron.

Airport Commission reviewed the request at the April 8, 2021 Commission meeting and recommends Council approval.

Does Council authorize the City Manager to approve a Special Use Permit to Pacific Star Seafoods, Inc.?

Thank you for your consideration.

attachments

### SPECIAL USE PERMIT 2021

The CITY OF KENAI (City) grants to PACIFIC STAR SEAFOODS, INC. (Permittee), whose address is 672 Bridge Access, Kenai, Alaska 99611, a Special Use Permit for the purpose of on or off-loading fish at the Kenai Municipal Airport subject to the requirements and the conditions set forth below.

- 1. **Premises.** Permittee shall have the non-exclusive right to use 15,000 square feet as described in the attached diagram shown in the attached Exhibit A for the uses identified in this Permit.
- 2. **Term.** The term of this Permit shall be for two months commencing on June 1, 2021, and ending on July 31, 2021. Regardless of the date of signature, this Permit shall be effective as of June 1, 2021.
- 3. **Permit Fees.** Permittee shall pay the following fees for the privileges extended to Permittee under this Permit:

A. **Permit:** Permittee shall pay a monthly fee plus applicable sales tax as follows:

June	\$ 1,512.50
July	\$ 1,512.50

B. **Proximity Card for Gate Access:** In addition to the general permit fee, Permittee shall pay a deposit of One Hundred Dollars (\$100.00) for the use of each proximity card issued to Permittee by City to allow for gate access to the Airport to conduct the uses permitted hereunder. City shall refund this deposit to Permittee when the card is returned to City. City may exercise a right of offset to apply the deposit to any outstanding balance due to City from Permittee at the termination of this Permit.

C. **Other Fees:** City may assess additional fees for aviation or aviation support activities and uses not defined in this Permit. If a fee has not been established for those activities or services, a fee will be established by the Airport Manager.

Payment shall be directed to City of Kenai, ATTN: Finance Department, 210 Fidalgo Avenue, Kenai, AK 99611 and a courtesy notice of payment provided to Airport Administration at 305 North Willow Street, Suite 200, Kenai, AK 99611. All permit fees are payable in advance of each month unless otherwise provided. In the event of delinquency, interest at the rate of 10% per annum, and penalty of 10% shall also be due (KMC 1.75.010). Interest shall accrue from the date due until the date paid in full. Failure to timely make payments is grounds for termination of this Permit. (See ¶ 22, Termination).

**4. Use.** City authorizes Permittee's non-exclusive use of the Premises for the following purpose(s):

On or off-loading fish. NOTE: This permit does not guarantee the exclusive use of the area identified in Exhibit A. City reserves the right to re-assign Permittee, upon reasonable notice, to other areas as airport needs may require.

Permittee shall have the right of ingress and egress to the Airport using only designated gate access locations (which may require a proximity card) for the use of the Premises. This Permit, and any access rights allowed hereunder, are for Permittee's use only and may not be transferred or assigned.

Use of the Premises by Permittee is subject to the reasonable administrative actions of the City of Kenai for the protection and maintenance of the Premises and of adjacent and contiguous lands or facilities and is further subject to the following conditions:

Permittee acknowledges that the use granted herein is subject to the Kenai Municipal Code and municipal regulations governing the Kenai Municipal Airport and as those laws and regulations may be amended from time to time.

Solicitation of donations or operation of a business or other commercial enterprise not contemplated by this Permit is prohibited without the written consent of City.

No person may repair an aircraft, aircraft engine, propeller, or apparatus in an area of the Airport other than that specifically designated for that purpose by the Airport Manager or designated representative. The Airport Manager or designated representative reserves the right to designate reasonable areas where aircraft owners may perform services on their own aircraft.

**5. Airport Operations.** Permittee shall ensure that the Permittee, its employees, and guests, and anyone else acting by, on behalf of, or under the authority of Permittee on the Airport, that perform any repairs or activities authorized under this Permit act in a manner that ensures the safety of people and the Airport, the protection of public health and the environment, and the safety and integrity of the Airport and any premises on the Airport. Permittee shall employ qualified personnel and maintain equipment sufficient for the purposes of this provision. The Permittee shall immediately notify City of any condition, problem, malfunction, or other occurrence that threatens the safety of the Airport, the safety of persons using the Airport, the public health or the environment, or the safety or integrity of any premises on the Airport.

**6. Inspection.** The Federal Aviation Administration (FAA) and/or City shall have the right and authority to inspect, at any time for any purpose whatsoever, the Premises as well as any and all equipment used by the Permittee under this Permit.

**7. Coordination with Airport Management.** Permittee shall coordinate all activities on the Airport with Airport Management, or a designated representative, and shall abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee.

**8. Radio Transmitting Equipment.** Permittee shall discontinue the use of any machine or device which interferes with any government-operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

**9. Insurance.** Permittee shall secure and keep in force adequate insurance, as stated below, to protect City and Permittee. Where specific limits are stated, the limits are the minimum acceptable limits. If Permittee's insurance policy contains higher limits, City is entitled to coverage to the extent of the higher limits.

**A.** Commercial General Liability insurance, including premises, all operations, property damage, personal injury and death, broad-form contractual, with a per-occurrence limit of not less than \$1,000,000 combined single limit. The policy must include an endorsement under which the insurer extends coverage to Permittee's fuel handling activities. The policy must name the City as an additional insured.

**B.** Worker's compensation insurance with coverage for all employees engaged in work under this Permit or at the Premises as required by AS 23.30.045. Permittee is further responsible to provide worker's compensation insurance for any subcontractor who directly or indirectly provides services to Permittee under this Permit.

**C.** Commercial Automobile Coverage with not less than \$1,000,000 combined single limit per occurrence. This insurance must cover all owned, hired, and non-owned motor vehicles the Permittee uses on the Airport. The policy must name the City as an additional insured.

**D.** All insurance required must meet the following additional requirements:

- i. All policies will be by a company/corporation currently rated "A-" or better by A.M. Best.
- ii. Permittee shall submit to the City proof of continuous insurance coverage in the form of insurance policies, certificates, endorsements,

or a combination thereof, and signed by a person authorized by the insurer to bind coverage on its behalf.

- iii. Permittee shall request a waiver of subrogation against City from Permittee's insurer and the waiver of subrogation, where possible, shall be provided at no cost to City.
- iv. Provide the City with notification at least 30 days before any termination, cancellation, or material change in insurance coverage of any policy required hereunder.
- v. Evidence of insurance coverage must be submitted to City by June 1, 2021. The effective date of the insurance shall be no later than June 1, 2021.

City may increase the amount or revise the type of required insurance on written demand without requiring amendments to this Permit. City will base any increase or revision on reasonable and justifiable grounds. Within two weeks of the written demand, Permittee shall submit to City evidence of insurance coverage that meets the requirements of the City.

**10. Assumption of Risk.** Permittee assumes full control and sole responsibility as between Permittee and City for the activities of Permittee, its personnel, employees, and persons acting on behalf of or under the authority of the Permittee anywhere on the Airport. Permittee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the Kenai Municipal Airport and its exercise of the privileges granted in this Permit.

**11. Indemnity, Defend, and Hold Harmless Agreement.** Permittee agrees to fully indemnify, defend, and hold harmless, the City of Kenai, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, judgments, penalties, and expenses of every type and description, including any fees and/or costs reasonably incurred by the City's staff attorneys and outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of the Permittee in connection with or arising from or out of Permittee's activities on or use of the Premises, Permittee's access to the Kenai Municipal Airport, and/or Permittee's exercise of the privileges granted in this Permit. This shall be a continuing obligation and shall remain in effect after termination of this Permit.

**12. Fuel Spill Prevention and Response Plan.** Areas of the apron have been seal coated to protect asphalt from adverse effects of petroleum product spills. The City requires that

Permittee provide adequate absorbent materials and tools available on the Premises and at the airport in order to maintain a fuel spill and response capability. Permittee shall be liable for any damage caused by and costs associated with any spill, the cleanup of any spill, or the discharge of petroleum products or hazardous materials due to Permittee's use of the apron and/or use of the Airport.

Permittee shall provide to City an acceptable fuel spill prevention and response plan and will maintain fuel spill and response capability. Permittee further agrees to have a copy of the fuel spill prevention and response plan located in the Permittee's fuel dispensing equipment at all times. Permittee must comply with the Airport's Storm Water Pollution Prevention Plan as appropriate to Permittee's activities.

Permittee shall not store any personal property, solid waste, petroleum products, Hazardous Material as defined by 14 CFR § 171.8, hazardous waste (ignitable, corrosive, reactive, or toxic) or any hazardous substance on any portion of the Airport. Permittee is aware that there are significant penalties for improperly disposing of the Hazardous Materials and other waste and for submitting false information regarding Hazardous Materials, including the possibility of fine and imprisonment for knowing violations.

Permittee shall immediately remove the material in the event of spillage or dripping of gasoline, oil, grease, or any other material which may be unsightly or detrimental to the pavement or surface in or on any area of the Airport.

Permittee may not construct or install any above-ground or underground fuel storage tanks or dispensing systems at the Airport.

No person shall smoke on an aircraft-parking ramp, inside an aircraft hangar, or within 50' of any aircraft fuel facility or fuel truck.

Permittee is subject to FAA Advisory Circular 150/5230-4 Aircraft Fuel Storage, Handling, and Dispensing on Airports, the National Fire Protection Associations' "Standard for Aircraft Fueling Servicing" in NFPA 407 (1996 version), and the current version of the International Fire Codes. All inspections of fuel facilities, by City or other regulating entities to which Permittee is subject, shall be conducted to assure compliance with the fire safety practices listed in these referenced documents.

**13. Hazardous Substances and Materials.** Permittee shall conform and be subject to the requirements of 14 CFR § 139.321 regarding the handling and storage of hazardous substances and materials.

**14. No Discrimination.** Permittee shall not discriminate against any person because of the person's race, creed, color national origin, sex, age, or handicap. Permittee recognizes

the right of City to take any action necessary to enforce this requirement of the Permit. Permittee will furnish services provided under this Permit on a reasonable, and not unjustly discriminatory, basis to all users of the Airport and shall charge reasonable, and not unjustly discriminatory, prices for each product or service provided at the Airport.

**15. Licenses and Permits.** Permittee shall obtain and maintain all required federal, state, and local licenses, certificates, and other documents required for its operations under the Permit. Permittee shall provide proof of compliance to City upon request by the City.

**16. Compliance with Law/Grant Assurances.** This Permit, and Permittee's activities conducted under this Permit, is subject to all executive orders, policies and operational guidelines and all applicable requirements of federal, state, and City statutes, ordinances, and regulations in effect during the term of this Permit. Further, Permittee shall comply with all applicable requirements imposed on the Airport by federal law to ensure that the Airport's eligibility for federal money or for participation in federal aviation programs is not jeopardized. This Permit is subordinate to the City's grant assurances and federal obligations.

**17. No Exclusivity.** The privileges granted under this Permit are not exclusive to Permittee. City has the right to grant to others any right or privilege on the Airport.

**18. Assignment.** The privileges granted under this Permit are personal to Permittee and may not be assigned by Permittee.

**19. No Joint Venture.** City shall not be construed or held to be a partner or joint venturer of Permittee in the conduct of its business or activities on the Premises or elsewhere at the Kenai Municipal Airport.

**20. No Waiver.** Failure to insist upon a strict compliance with the terms, conditions, and requirements herein contained, or referred to, shall not constitute or be construed as a waiver or relinquishment of the right to exercise such terms, conditions, or requirements.

**21. Personalty.** Permittee shall remove any and all personal property, including all vehicles, from the Premises at the termination of this Permit (or any renewal thereof). Personal property placed or used upon the Premises will be removed and/or impounded by the City, if not removed upon termination of this Permit and when so removed and/or impounded, such property may be redeemed by the owner thereof only upon the payment to the City of the costs of removal plus storage charges of \$25.00 per day. The City of Kenai is not responsible for any damage to or theft of any personalty of Permittee or of its customers.

**22. Termination; Default.** This Permit may be terminated by either party hereto by giving 30 days advance written notice to the other party. City may terminate the Permit immediately, or upon notice shorter than 30 days, to protect public health and safety or due to a failure of Permittee to comply with condition or term of this Permit which failure remains uncured after notice by City to Permittee providing Permittee with a reasonable time period under the circumstances to correct the violation or breach.

**23. Landing Fees; Fee Schedule.** Timely payment of landing fees and other required Airport fees is a condition of this Permit and, as such, failure to timely pay landing and other airport fees is grounds for termination. Without limiting the foregoing, Permittee shall pay landing fees for aircraft landings as set out in the City's comprehensive schedule of rates, charges and fees. Permittee shall make payment within 30 days following the end of each month and without demand or invoicing from City. Permittee shall also provide Airport Administration with monthly certified gross take-off weight reports within ten days following the end of each month for landings for the preceding month. Airport landing fees shall be paid at the Airport Administration Building, 305 North Willow Street, Suite 200, Kenai, AK 99611.

**24. Impoundment.** At the discretion of the Airport Manager, City may impound any aircraft parked on the Premises after termination of this Permit. Impoundment may be accomplished by affixing a seal to the door of the aircraft or the moving of the aircraft for impoundment purposes. Inconvenience or damage that may result from such movement will be at the risk of Permittee. An impoundment fee plus a towage fee shall be charged on each aircraft impounded. In addition, a daily storage fee shall be charged for each day the aircraft remains impounded. Any impounded aircraft that is not redeemed within 90 days after impoundment shall be considered abandoned and shall be subject to sale at public auction. Notice of any auction shall be published. Publication shall be in a newspaper of general circulation in that area for at least once during each of three consecutive weeks not more than 30 days nor less than seven days before the time of the auction.

**25. Definitions.** As used in this Permit, "Permittee" means State, Department of Natural Resources, Division of Forestry, and where the context reasonably indicates, its officers, agents, and employees. "Airport" means the Kenai Municipal Airport.



**CITY OF KENAI**

**PACIFIC STAR SEAFOODS, INC.**

By: \_\_\_\_\_  
Paul Ostrander Date

By: \_\_\_\_\_  
Nate Berga

**ACKNOWLEDGMENTS**

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, the foregoing instrument was acknowledged before me by Paul Ostrander, City Manager, of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, the foregoing instrument was acknowledged before me by Nate Berga, Plant Manager, Pacific Star Seafoods, Inc., on behalf of the State of Alaska.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_


ATTEST:

---

Jamie Heinz, City Clerk

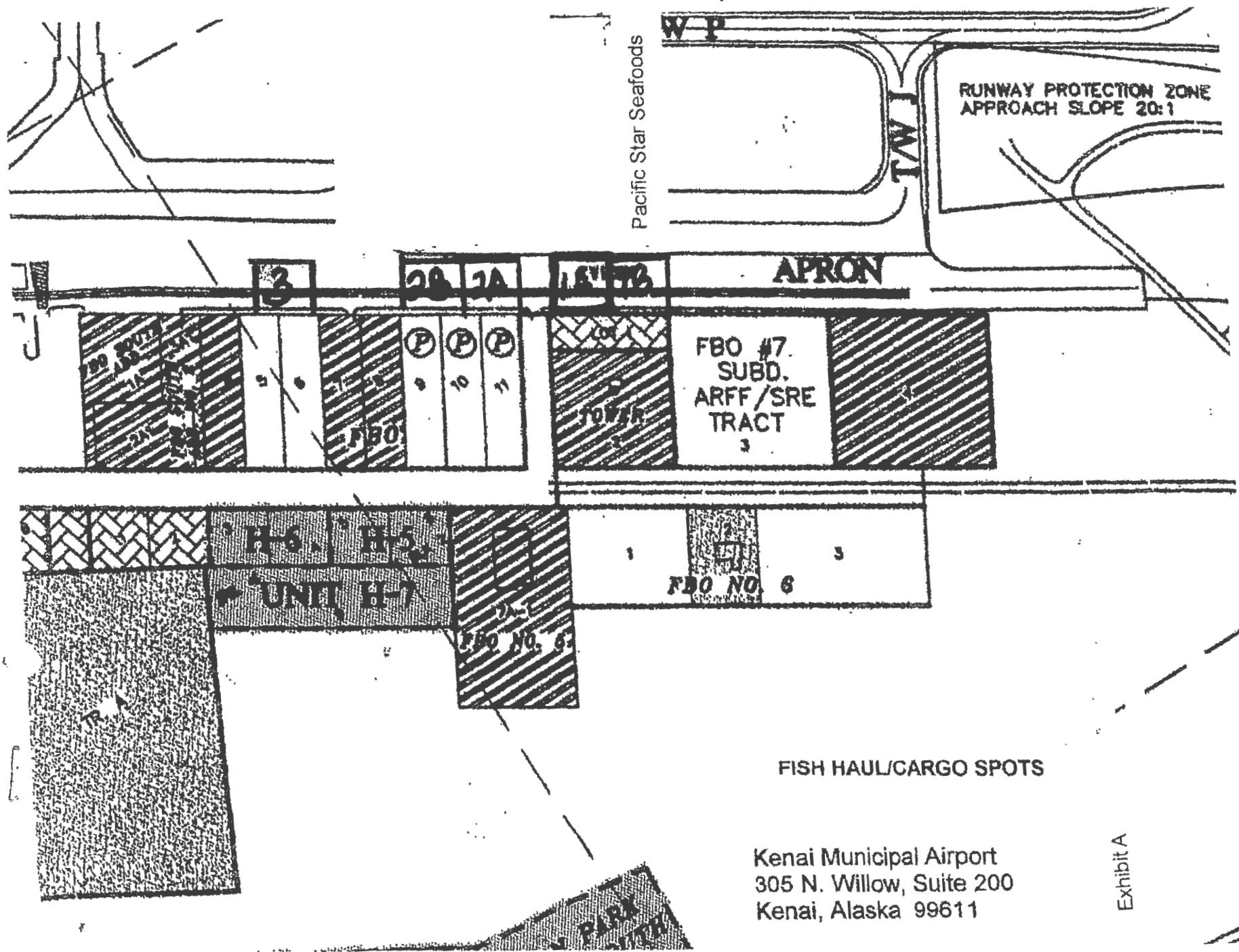
SEAL:

APPROVED AS TO FORM:



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Scott M. Bloom, City Attorney



Kenai Municipal Airport  
 305 N. Willow, Suite 200  
 Kenai, Alaska 99611

Exhibit A



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Mary L. Bondurant, Airport Manager  
**DATE:** April 9, 2021  
**SUBJECT:** **Action/Approval – Special Use Permit Everts Air Fuel, Inc.**

---

Everts Air Fuel, Inc. is requesting a Special Use Permit for a one-year term from July 1, 2021 through June 30, 2022.

The Permit is for aircraft loading and parking on approximately 30,000 square foot of the apron.

Everts Air Fuel, Inc. is current on all fees owed and we have a current Certificate of Insurance.

Airport Commission reviewed the request at the April 8, 2021 Commission meeting and recommends Council approval.

Does Council authorize the City Manager to approve a Special Use Permit to Everts Air Fuel, Inc.?

Thank you for your consideration.

attachments

## SPECIAL USE PERMIT – 2021

The CITY OF KENAI (City) grants to EVERTS AIR FUEL, INC. (Permittee), whose address is P.O. Box 60908, Fairbanks, AK 99706, a Special Use Permit to conduct aeronautical and/or aviation-related activities at the Kenai Municipal Airport subject to the requirements and the conditions set forth below.

1. **Premises.** Permittee shall have the non-exclusive right to use 30,000 square feet as described in the attached Exhibit A for the uses identified in this Permit.
  
2. **Term.** The term of this Permit shall be for 1 year commencing on July 1, 2021 and ending on June 30, 2022. Regardless of the date of signature, this Permit shall be effective as of July 1, 2021.
  
3. **Permit Fees.** Permittee shall pay the following fees for the privileges extended to Permittee under this Permit:
  - A. **Permit:** Permittee shall pay a monthly fee of \$3,025.00 plus applicable sales tax.
  
  - B. **Proximity Card for Gate Access:** In addition to the general permit fee, Permittee shall pay a deposit of One Hundred Dollars (\$100.00) for the use of each proximity card issued to Permittee by City to allow for gate access to the Airport to conduct the uses permitted hereunder. City shall refund this deposit to Permittee when the card is returned to City. City may exercise a right of offset to apply the deposit to any outstanding balance due to City from Permittee at the termination of this Permit.
  
  - C. **Other Fees:** City may assess additional fees for aviation or aviation support activities and uses not defined in this Permit. If a fee has not been established for those activities or services, a fee will be established by the Airport Manager.

Payment shall be directed to City of Kenai, ATTN: Finance Department, 210 Fidalgo Avenue, Kenai, AK 99611 and a courtesy notice of payment provided to Airport Administration at 305 North Willow Street, Suite 200, Kenai, AK 99611. All permit fees are payable in advance of each month unless otherwise provided. In the event of delinquency, interest at the rate of 10% per annum, and penalty of 10% shall also be due (KMC 1.75.010). Interest shall accrue from the date due until the date paid in full. Failure to timely make payments is grounds for termination of this Permit. (See ¶ 22, Termination)

4. **Use.** City authorizes Permittee's non-exclusive use of the Premises for the following purpose(s):

Aircraft Loading and Parking. NOTE: This permit does not guarantee the exclusive use of the area identified in Exhibit A. City reserves the right to re-assign Permittee, upon reasonable notice, to other areas as airport needs may require.

Permittee shall have the right of ingress and egress to the Airport using only designated gate access locations (which may require a proximity card) for the use of the Premises. This Permit, and any access rights allowed hereunder, are for Permittee's use only and may not be transferred or assigned.

Use of the Premises by Permittee is subject to the reasonable administrative actions of the City of Kenai for the protection and maintenance of the Premises and of adjacent and contiguous lands or facilities and is further subject to the following conditions:

Permittee acknowledges that the use granted herein is subject to the Kenai Municipal Code and municipal regulations governing the Kenai Municipal Airport and as those laws and regulations may be amended from time to time.

Solicitation of donations or operation of a business or other commercial enterprise not contemplated by this Permit is prohibited without the written consent of City.

No person may repair an aircraft, aircraft engine, propeller, or apparatus in an area of the Airport other than that specifically designated for that purpose by the Airport Manager or designated representative. The Airport Manager or designated representative reserves the right to designate reasonable areas where aircraft owners may perform services on their own aircraft.

**5. Airport Operations.** Permittee shall ensure that the Permittee, its employees, and guests, and anyone else acting by, on behalf of, or under the authority of Permittee on the Airport, that perform any repairs or activities authorized under this Permit act in a manner that ensures the safety of people and the Airport, the protection of public health and the environment, and the safety and integrity of the Airport and any premises on the Airport. Permittee shall employ qualified personnel and maintain equipment sufficient for the purposes of this provision. The Permittee shall immediately notify City of any condition, problem, malfunction, or other occurrence that threatens the safety of the Airport, the safety of persons using the Airport, the public health or the environment, or the safety or integrity of any premises on the Airport.

**6. Inspection.** The Federal Aviation Administration (FAA) and/or City shall have the right and authority to inspect, at any time for any purpose whatsoever, the Premises as well as any and all equipment used by the Permittee under this Permit.

**7. Coordination with Airport Management.** Permittee shall coordinate all activities on the Airport with Airport Management, or a designated representative, and shall abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee.

**8. Radio Transmitting Equipment.** Permittee shall discontinue the use of any machine or device which interferes with any government-operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

**9. Insurance.** Permittee shall secure and keep in force adequate insurance, as stated below, to protect City and Permittee. Where specific limits are stated, the limits are the minimum acceptable limits. If Permittee's insurance policy contains higher limits, City is entitled to coverage to the extent of the higher limits.

**A.** Commercial General Liability insurance, including premises, all operations, property damage, personal injury and death, broad-form contractual, with a per-occurrence limit of not less than \$1,000,000 combined single limit. The policy must include an endorsement under which the insurer extends coverage to Permittee's fuel handling activities. The policy must name the City as an additional insured.

**B.** Worker's compensation insurance with coverage for all employees engaged in work under this Permit or at the Premises as required by AS 23.30.045. Permittee is further responsible to provide worker's compensation insurance for any subcontractor who directly or indirectly provides services to Permittee under this Permit.

**C.** Commercial Automobile Coverage with not less than \$1,000,000 combined single limit per occurrence. This insurance must cover all owned, hired, and non-owned motor vehicles the Permittee uses on the Airport. The policy must name the City as an additional insured.

**D.** All insurance required must meet the following additional requirements:

- i. All policies will be by a company/corporation currently rated "A-" or better by A.M. Best.
- ii. Permittee shall submit to the City proof of continuous insurance coverage in the form of insurance policies, certificates, endorsements, or a combination thereof, and signed by a person authorized by the insurer to bind coverage on its behalf.
- iii. Permittee shall request a waiver of subrogation against City from

Permittee's insurer and the waiver of subrogation, where possible, shall be provided at no cost to City.

- iv. Provide the City with notification at least 30 days before any termination, cancellation, or material change in insurance coverage of any policy required hereunder.
- v. Evidence of insurance coverage must be submitted to City by July 1, 2021. The effective date of the insurance shall be no later than July 1, 2021.

City may increase the amount or revise the type of required insurance on written demand without requiring amendments to this Permit. City will base any increase or revision on reasonable and justifiable grounds. Within two weeks of the written demand, Permittee shall submit to City evidence of insurance coverage that meets the requirements of the City.

**10. Assumption of Risk.** Permittee assumes full control and sole responsibility as between Permittee and City for the activities of Permittee, its personnel, employees, and persons acting on behalf of or under the authority of the Permittee anywhere on the Airport. Permittee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the Kenai Municipal Airport and its exercise of the privileges granted in this Permit.

**11. Indemnity, Defend, and Hold Harmless Agreement.** Permittee agrees to fully indemnify, defend, and hold harmless, the City of Kenai, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, judgments, penalties, and expenses of every type and description, including any fees and/or costs reasonably incurred by the City's staff attorneys and outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of the Permittee in connection with or arising from or out of Permittee's activities on or use of the Premises, Permittee's access to the Kenai Municipal Airport, and/or Permittee's exercise of the privileges granted in this Permit. This shall be a continuing obligation and shall remain in effect after termination of this Permit.

**12. Fuel Spill Prevention and Response Plan.** Areas of the Apron have been seal coated to protect asphalt from adverse effects of petroleum product spills. The City requires that Permittee provide adequate absorbent materials and tools available on the Premises and at the airport in order to maintain a fuel spill and response capability. Permittee shall be liable for any damage caused by and costs associated with any spill, the cleanup of any spill, or the



discharge of petroleum products or hazardous materials due to Permittee's use of the Apron and/or use of the Airport.

Permittee shall provide to City an acceptable fuel spill prevention and response plan and will maintain fuel spill and response capability. Permittee further agrees to have a copy of the fuel spill prevention and response plan located in the Permittee's fuel dispensing equipment at all times. Permittee must comply with the Airport's Storm Water Pollution Prevention Plan as appropriate to Permittee's activities.

Permittee shall not store any personal property, solid waste, petroleum products, Hazardous Material as defined by 14 CFR § 171.8, hazardous waste (ignitable, corrosive, reactive, or toxic) or any hazardous substance on any portion of the Airport. Permittee is aware that there are significant penalties for improperly disposing of the Hazardous Materials and other waste and for submitting false information regarding Hazardous Materials, including the possibility of fine and imprisonment for knowing violations.

Permittee shall immediately remove the material in the event of spillage or dripping of gasoline, oil, grease, or any other material which may be unsightly or detrimental to the pavement or surface in or on any area of the Airport.

Permittee may not construct or install any above-ground or underground fuel storage tanks or dispensing systems at the Airport.

No person shall smoke on an aircraft-parking ramp, inside an aircraft hangar, or within 50' of any aircraft fuel facility or fuel truck.

Permittee is subject to FAA Advisory Circular 150/5230-4 Aircraft Fuel Storage, Handling, and Dispensing on Airports, the National Fire Protection Associations' "Standard for Aircraft Fueling Servicing" in NFPA 407 (1996 version), and the current version of the International Fire Codes. All inspections of fuel facilities, by City or other regulating entities to which Permittee is subject, shall be conducted to assure compliance with the fire safety practices listed in these referenced documents.

**13. Hazardous Substances and Materials.** Permittee shall conform and be subject to the requirements of 14 CFR § 139.321 regarding the handling and storage of hazardous substances and materials.

**14. No Discrimination.** Permittee shall not discriminate against any person because of the person's race, creed, color national origin, sex, age, or handicap. Permittee recognizes the right of City to take any action necessary to enforce this requirement of the Permit. Permittee will furnish services provided under this Permit on a reasonable, and not unjustly

discriminatory, basis to all users of the Airport and shall charge reasonable, and not unjustly discriminatory, prices for each product or service provided at the Airport.

**15. Licenses and Permits.** Permittee shall obtain and maintain all required federal, state, and local licenses, certificates, and other documents required for its operations under the Permit. Permittee shall provide proof of compliance to City upon request by the City.

**16. Compliance with Law/Grant Assurances.** This Permit, and Permittee's activities conducted under this Permit, is subject to all executive orders, policies and operational guidelines and all applicable requirements of federal, state, and City statutes, ordinances, and regulations in effect during the term of this Permit. Further, Permittee shall comply with all applicable requirements imposed on the Airport by federal law to ensure that the Airport's eligibility for federal money or for participation in federal aviation programs is not jeopardized. This Permit is subordinate to the City's grant assurances and federal obligations.

**17. No Exclusivity.** The privileges granted under this Permit are not exclusive to Permittee. City has the right to grant to others any right or privilege on the Airport.

**18. Assignment.** The privileges granted under this Permit are personal to Permittee and may not be assigned by Permittee.

**19. No Joint Venture.** City shall not be construed or held to be a partner or joint venturer of Permittee in the conduct of its business or activities on the Premises or elsewhere at the Kenai Municipal Airport.

**20. No Waiver.** Failure to insist upon a strict compliance with the terms, conditions, and requirements herein contained, or referred to, shall not constitute or be construed as a waiver or relinquishment of the right to exercise such terms, conditions, or requirements.

**21. Personalty.** Permittee shall remove any and all personal property, including all vehicles, from the Premises at the termination of this Permit (or any renewal thereof). Personal property placed or used upon the Premises will be removed and/or impounded by the City, if not removed upon termination of this Permit and when so removed and/or impounded, such property may be redeemed by the owner thereof only upon the payment to the City of the costs of removal plus storage charges of \$25 per day. The City of Kenai is not responsible for any damage to or theft of any personalty of Permittee or of its customers.

**22. Termination; Default.** This Permit may be terminated by either party hereto by giving 30 days advance written notice to the other party. City may terminate the Permit immediately, or upon notice shorter than 30 days, to protect public health and safety or due



ACKNOWLEDGMENTS

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, the foregoing instrument was acknowledged before me by Paul Ostrander, City Manager, of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, the foregoing instrument was acknowledged before me by Erik Newbrook, General Manager, Everts Air Fuel, Inc., on behalf of the State of Alaska.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Jamie Heinz, City Clerk

SEAL:

APPROVED AS TO FORM:

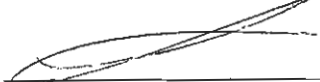
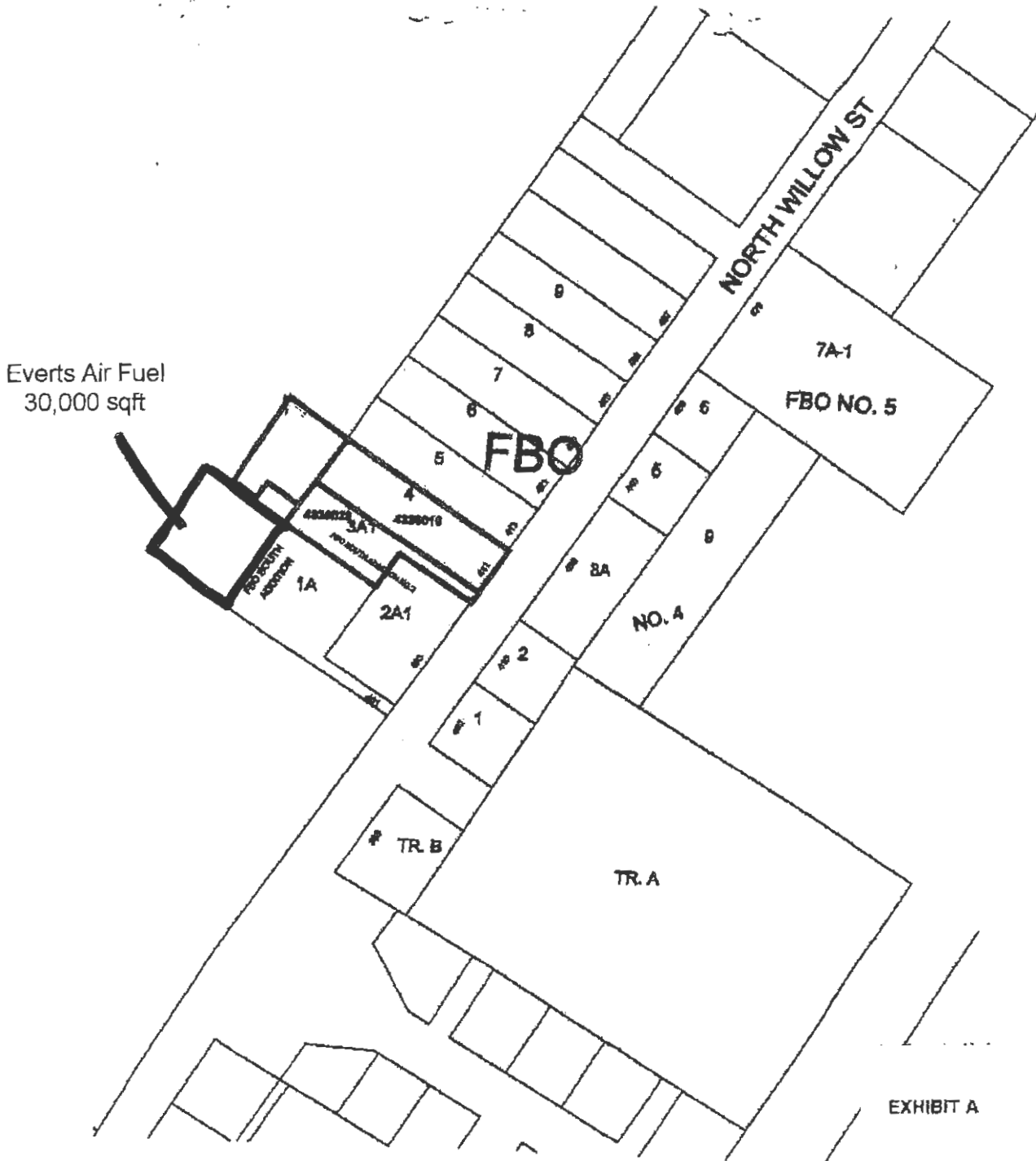
  
\_\_\_\_\_  
Scott M. Bloom, City Attorney

EXHIBIT A





## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Mary L. Bondurant, Airport Manager  
**DATE:** April 9, 2021  
**SUBJECT:** **Action/Approval – Special Use Permit UPSCO United Parcel Service Co., Inc.**

---

UPSCO United Parcel Service Co., Inc. is requesting a Special Use Permit for a one-year term from July 1, 2021 through June 30, 2022.

The Permit is for aircraft loading and parking on approximately 4,000 square foot of the apron.

UPSCO United Parcel Service Co., Inc. is current on all fees owed and we have a current Certificate of Insurance.

Airport Commission reviewed the request at the April 8, 2021 Commission meeting and recommends Council approval.

Does Council authorize the City Manager to approve a Special Use Permit to UPSCO United Parcel Service Co., Inc.?

Thank you for your consideration.

attachments

## SPECIAL USE PERMIT 2021

The CITY OF KENAI (City) grants to UPSCO United Parcel Service Co., Inc. (Permittee), whose address is 6200 Lockheed Ave., Anchorage, AK 99502, a Special Use Permit to conduct aeronautical and/or aviation-related activities at the Kenai Municipal Airport subject to the requirements and the conditions set forth below.

1. **Premises.** Permittee shall have the non-exclusive right to use 4,000 square feet as described in the attached Exhibit A for the uses identified in this Permit.
2. **Term.** The term of this Permit shall be for 1 year commencing on July 1, 2021 and ending on June 30, 2022. Regardless of the date of signature, this Permit shall be effective as of July 1, 2021.
3. **Permit Fees.** Permittee shall pay the following fees for the privileges extended to Permittee under this Permit:
  - A. **Permit:** Permittee shall pay a monthly fee of \$403.33 plus applicable sales tax.
  - B. **Proximity Card for Gate Access:** In addition to the general permit fee, Permittee shall pay a deposit of one hundred dollars (\$100.00) for the use of each proximity card issued to Permittee by City to allow for gate access to the Airport to conduct the uses permitted hereunder. City shall refund this deposit to Permittee when the card is returned to City. City may exercise a right of offset to apply the deposit to any outstanding balance due to City from Permittee at the termination of this Permit.
  - C. **Other Fees:** City may assess additional fees for aviation or aviation support activities and uses not defined in this Permit. If a fee has not been established for those activities or services, a fee will be established by the Airport Manager.

Payment shall be directed to City of Kenai, ATTN: Finance Department, 210 Fidalgo Avenue, Kenai, AK 99611 and a courtesy notice of payment provided to Airport Administration at 305 North Willow Street, Suite 200, Kenai, AK 99611. All permit fees are payable in advance of each month unless otherwise provided. In the event of delinquency, interest at the rate of ten percent (10%) per annum, and penalty of ten percent (10%) shall also be due (KMC 1.75.010). Interest shall accrue from the date due until the date paid in full. Failure to timely make payments is grounds for termination of this Permit. (See ¶ 22, Termination)

4. **Use.** City authorizes Permittee's non-exclusive use of the Premises for the following purpose(s):

Aircraft Loading and Parking. NOTE: This permit does not guarantee the exclusive use of the area identified in Exhibit A. City reserves the right to re-assign Permittee, upon reasonable notice, to other areas as airport needs may require.

Permittee shall have the right of ingress and egress to the Airport using only designated gate access locations (which may require a proximity card) for the use of the Premises. This Permit, and any access rights allowed hereunder, are for Permittee's use only and may not be transferred or assigned.

Use of the Premises by Permittee is subject to the reasonable administrative actions of the City of Kenai for the protection and maintenance of the Premises and of adjacent and contiguous lands or facilities and is further subject to the following conditions:

Permittee acknowledges that the use granted herein is subject to the Kenai Municipal Code and municipal regulations governing the Kenai Municipal Airport and as those laws and regulations may be amended from time to time.

Solicitation of donations or operation of a business or other commercial enterprise not contemplated by this Permit is prohibited without the written consent of City.

No person may repair an aircraft, aircraft engine, propeller, or apparatus in an area of the Airport other than that specifically designated for that purpose by the Airport Manager or designated representative. The Airport Manager or designated representative reserves the right to designate reasonable areas where aircraft owners may perform services on their own aircraft.

**5. Airport Operations.** Permittee shall ensure that the Permittee, its employees, and guests, and anyone else acting by, on behalf of, or under the authority of Permittee on the Airport, that perform any repairs or activities authorized under this Permit act in a manner that ensures the safety of people and the Airport, the protection of public health and the environment, and the safety and integrity of the Airport and any premises on the Airport. Permittee shall employ qualified personnel and maintain equipment sufficient for the purposes of this provision. The Permittee shall immediately notify City of any condition, problem, malfunction, or other occurrence that threatens the safety of the Airport, the safety of persons using the Airport, the public health or the environment, or the safety or integrity of any premises on the Airport.

**6. Inspection.** The Federal Aviation Administration (FAA) and/or City shall have the right and authority to inspect, at any time for any purpose whatsoever, the Premises as well as any and all equipment used by the Permittee under this Permit.



**7. Coordination with Airport Management.** Permittee shall coordinate all activities on the Airport with Airport Management, or a designated representative, and shall abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee.

**8. Radio Transmitting Equipment.** Permittee shall discontinue the use of any machine or device which interferes with any government-operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

**9. Insurance.** Permittee shall secure and keep in force adequate insurance, as stated below, to protect City and Permittee. Where specific limits are stated, the limits are the minimum acceptable limits. If Permittee's insurance policy contains higher limits, City is entitled to coverage to the extent of the higher limits.

**A.** Commercial General Liability insurance, including premises, all operations, property damage, personal injury and death, broad-form contractual, with a per-occurrence limit of not less than \$1,000,000 combined single limit. The policy must include an endorsement under which the insurer extends coverage to Permittee's fuel handling activities. The policy must name the City as an additional insured.

**B.** Worker's compensation insurance with coverage for all employees engaged in work under this Permit or at the Premises as required by AS 23.30.045. Permittee is further responsible to provide worker's compensation insurance for any subcontractor who directly or indirectly provides services to Permittee under this Permit.

**C.** Commercial Automobile Coverage with not less than \$1,000,000 combined single limit per occurrence. This insurance must cover all owned, hired, and non-owned motor vehicles the Permittee uses on the Airport. The policy must name the City as an additional insured.

**D.** All insurance required must meet the following additional requirements:

- i. All policies will be by a company/corporation currently rated "A-" or better by A.M. Best.
- ii. Permittee shall submit to the City proof of continuous insurance coverage in the form of insurance policies, certificates, endorsements, or a combination thereof, and signed by a person authorized by the insurer to bind coverage on its behalf.
- iii. Permittee shall request a waiver of subrogation against City from

Permittee's insurer and the waiver of subrogation, where possible, shall be provided at no cost to City.

- iv. Provide the City with notification at least thirty (30) days before any termination, cancellation, or material change in insurance coverage of any policy required hereunder.
- v. Evidence of insurance coverage must be submitted to City by July 1, 2021. The effective date of the insurance shall be no later than July 1, 2021.

City may increase the amount or revise the type of required insurance on written demand without requiring amendments to this Permit. City will base any increase or revision on reasonable and justifiable grounds. Within two weeks of the written demand, Permittee shall submit to City evidence of insurance coverage that meets the requirements of the City.

**10. Assumption of Risk.** Permittee assumes full control and sole responsibility as between Permittee and City for the activities of Permittee, its personnel, employees, and persons acting on behalf of or under the authority of the Permittee anywhere on the Airport. Permittee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the Kenai Municipal Airport and its exercise of the privileges granted in this Permit.

**11. Indemnity, Defend, and Hold Harmless Agreement.** Permittee agrees to fully indemnify, defend, and hold harmless, the City of Kenai, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, judgments, penalties, and expenses of every type and description, including any fees and/or costs reasonably incurred by the City's staff attorneys and outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of the Permittee in connection with or arising from or out of Permittee's activities on or use of the Premises, Permittee's access to the Kenai Municipal Airport, and/or Permittee's exercise of the privileges granted in this Permit. This shall be a continuing obligation and shall remain in effect after termination of this Permit.

**12. Fuel Spill Prevention and Response Plan.** Areas of the Apron have been seal coated to protect asphalt from adverse effects of petroleum product spills. The City requires that Permittee provide adequate absorbent materials and tools available on the Premises and at the airport in order to maintain a fuel spill and response capability. Permittee shall be liable for any damage caused by and costs associated with any spill, the cleanup of any spill, or the

discharge of petroleum products or hazardous materials due to Permittee's use of the Apron and/or use of the Airport.

Permittee shall provide to City an acceptable fuel spill prevention and response plan and will maintain fuel spill and response capability. Permittee further agrees to have a copy of the fuel spill prevention and response plan located in the Permittee's fuel dispensing equipment at all times. Permittee must comply with the Airport's Storm Water Pollution Prevention Plan as appropriate to Permittee's activities.

Permittee shall not store any personal property, solid waste, petroleum products, Hazardous Material as defined by 14 CFR § 171.8, hazardous waste (ignitable, corrosive, reactive, or toxic) or any hazardous substance on any portion of the Airport. Permittee is aware that there are significant penalties for improperly disposing of the Hazardous Materials and other waste and for submitting false information regarding Hazardous Materials, including the possibility of fine and imprisonment for knowing violations.

Permittee shall immediately remove the material in the event of spillage or dripping of gasoline, oil, grease, or any other material which may be unsightly or detrimental to the pavement or surface in or on any area of the Airport.

Permittee may not construct or install any above-ground or underground fuel storage tanks or dispensing systems at the Airport.

No person shall smoke on an aircraft-parking ramp, inside an aircraft hangar, or within fifty feet (50') of any aircraft fuel facility or fuel truck.

Permittee is subject to FAA Advisory Circular 150/5230-4 Aircraft Fuel Storage, Handling, and Dispensing on Airports, the National Fire Protection Associations' "Standard for Aircraft Fueling Servicing" in NFPA 407 (1996 version), and the current version of the International Fire Codes. All inspections of fuel facilities, by City or other regulating entities to which Permittee is subject, shall be conducted to assure compliance with the fire safety practices listed in these referenced documents.

**13. Hazardous Substances and Materials.** Permittee shall conform and be subject to the requirements of 14 CFR § 139.321 regarding the handling and storage of hazardous substances and materials.

**14. No Discrimination.** Permittee shall not discriminate against any person because of the person's race, creed, color national origin, sex, age, or handicap. Permittee recognizes the right of City to take any action necessary to enforce this requirement of the Permit. Permittee will furnish services provided under this Permit on a reasonable, and not unjustly

discriminatory, basis to all users of the Airport and shall charge reasonable, and not unjustly discriminatory, prices for each product or service provided at the Airport.

**15. Licenses and Permits.** Permittee shall obtain and maintain all required federal, state, and local licenses, certificates, and other documents required for its operations under the Permit. Permittee shall provide proof of compliance to City upon request by the City.

**16. Compliance with Law/Grant Assurances.** This Permit, and Permittee's activities conducted under this Permit, is subject to all executive orders, policies and operational guidelines and all applicable requirements of federal, state, and City statutes, ordinances, and regulations in effect during the term of this Permit. Further, Permittee shall comply with all applicable requirements imposed on the Airport by federal law to ensure that the Airport's eligibility for federal money or for participation in federal aviation programs is not jeopardized. This Permit is subordinate to the City's grant assurances and federal obligations.

**17. No Exclusivity.** The privileges granted under this Permit are not exclusive to Permittee. City has the right to grant to others any right or privilege on the Airport.

**18. Assignment.** The privileges granted under this Permit are personal to Permittee and may not be assigned by Permittee.

**19. No Joint Venture.** City shall not be construed or held to be a partner or joint venturer of Permittee in the conduct of its business or activities on the Premises or elsewhere at the Kenai Municipal Airport.

**20. No Waiver.** Failure to insist upon a strict compliance with the terms, conditions, and requirements herein contained, or referred to, shall not constitute or be construed as a waiver or relinquishment of the right to exercise such terms, conditions, or requirements.

**21. Personalty.** Permittee shall remove any and all personal property, including all vehicles, from the Premises at the termination of this Permit (or any renewal thereof). Personal property placed or used upon the Premises will be removed and/or impounded by the City, if not removed upon termination of this Permit and when so removed and/or impounded, such property may be redeemed by the owner thereof only upon the payment to the City of the costs of removal plus storage charges of \$25.00 per day. The City of Kenai is not responsible for any damage to or theft of any personalty of Permittee or of its customers.

**22. Termination; Default.** This Permit may be terminated by either party hereto by giving thirty (30) days advance written notice to the other party. City may terminate the Permit immediately, or upon notice shorter than thirty (30) days, to protect public health



ACKNOWLEDGMENTS

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, the foregoing instrument was acknowledged before me by PAUL OSTRANDER, City Manager, of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, the foregoing instrument was acknowledged before me by Tyler McNeese, the Extended Center Manager, on behalf of UPSCO, United Parcel Service Co., Inc.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

Approved as to Form:



\_\_\_\_\_  
Scott Bloom  
City Attorney





4,000 sqft  
UPS

Exhibit A



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Mary L. Bondurant, Airport Manager  
**DATE:** April 9, 2021  
**SUBJECT:** **Action/Approval – Special Use Permit Empire Airlines, Inc.**

---

Empire Airlines, Inc. is requesting a Special Use Permit for a one-year term from July 1, 2021 through June 30, 2022.

The Permit is for aircraft parking on approximately 11,250 square foot of the apron.

Empire Airlines, Inc. is current on all fees owed and we have a current Certificate of Insurance.

Airport Commission reviewed the request at the April 8, 2021 Commission meeting and recommends Council approval.

Does Council authorize the City Manager to approve a Special Use Permit to Empire Airlines, Inc.?

Thank you for your consideration.

attachments



## SPECIAL USE PERMIT- 2021

The CITY OF KENAI (City) grants to EMPIRE AIRLINES, INC. (Permittee), whose address is 11559 N. Atlas Road, Hayden, ID 83835, a Special Use Permit for the purpose of aircraft parking at the Kenai Municipal Airport subject to the requirements and the conditions set forth below.

1. **Premises.** Permittee shall have the non-exclusive right to use 11,250 square feet as described in the attached Exhibit A for the uses identified in this Permit.
2. **Term.** The term of this Permit shall be for 1 year commencing on July 1, 2021 and ending on June 30, 2022. Regardless of the date of signature, this Permit shall be effective as of July 1, 2021.
3. **Permit Fees.** Permittee shall pay the following fees for the privileges extended to Permittee under this Permit:
  - A. **Permit:** Permittee shall pay a monthly fee of \$1,134.37 plus applicable sales tax.
  - B. **Proximity Card for Gate Access:** In addition to the general permit fee, Permittee shall pay a deposit of one hundred dollars (\$100.00) for the use of each proximity card issued to Permittee by City to allow for gate access to the Airport to conduct the uses permitted hereunder. City shall refund this deposit to Permittee when the card is returned to City. City may exercise a right of offset to apply the deposit to any outstanding balance due to City from Permittee at the termination of this Permit.
  - C. **Other Fees:** City may assess additional fees for aviation or aviation support activities and uses not defined in this Permit. If a fee has not been established for those activities or services, a fee will be established by the Airport Manager.

Payment shall be directed to City of Kenai, ATTN: Finance Department, 210 Fidalgo Avenue, Kenai, AK 99611 and a courtesy notice of payment provided to Airport Administration at 305 North Willow Street, Suite 200, Kenai, AK 99611. All permit fees are payable in advance of each month unless otherwise provided. In the event of delinquency, interest at the rate of ten percent (10%) per annum, and penalty of ten percent (10%) shall also be due (KMC 1.75.010). Interest shall accrue from the date due until the date paid in full. Failure to timely make payments is grounds for termination of this Permit. (See ¶ 22, Termination)

**4. Use.** City authorizes Permittee's non-exclusive use of the Premises for the following purpose(s):

Aircraft Parking. NOTE: This permit does not guarantee the exclusive use of the area identified in Exhibit A. City reserves the right to re-assign Permittee, upon reasonable notice, to other areas as airport needs may require.

Permittee shall have the right of ingress and egress to the Airport using only designated gate access locations (which may require a proximity card) for the use of the Premises. This Permit, and any access rights allowed hereunder, are for Permittee's use only and may not be transferred or assigned.

Use of the Premises by Permittee is subject to the reasonable administrative actions of the City of Kenai for the protection and maintenance of the Premises and of adjacent and contiguous lands or facilities and is further subject to the following conditions:

Permittee acknowledges that the use granted herein is subject to the Kenai Municipal Code and municipal regulations governing the Kenai Municipal Airport and as those laws and regulations may be amended from time to time.

Solicitation of donations or operation of a business or other commercial enterprise not contemplated by this Permit is prohibited without the written consent of City.

No person may repair an aircraft, aircraft engine, propeller, or apparatus in an area of the Airport other than that specifically designated for that purpose by the Airport Manager or designated representative. The Airport Manager or designated representative reserves the right to designate reasonable areas where aircraft owners may perform services on their own aircraft.

**5. Airport Operations.** Permittee shall ensure that the Permittee, its employees, and guests, and anyone else acting by, on behalf of, or under the authority of Permittee on the Airport, that perform any repairs or activities authorized under this Permit act in a manner that ensures the safety of people and the Airport, the protection of public health and the environment, and the safety and integrity of the Airport and any premises on the Airport. Permittee shall employ qualified personnel and maintain equipment sufficient for the purposes of this provision. The Permittee shall immediately notify City of any condition, problem, malfunction, or other occurrence that threatens the safety of the Airport, the safety of persons using the Airport, the public health or the environment, or the safety or integrity of any premises on the Airport.

**6. Inspection.** The Federal Aviation Administration (FAA) and/or City shall have the right and authority to inspect, at any time for any purpose whatsoever, the Premises as well as any and all equipment used by the Permittee under this Permit.

**7. Coordination with Airport Management.** Permittee shall coordinate all activities on the Airport with Airport Management, or a designated representative, and shall abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee.

**8. Radio Transmitting Equipment.** Permittee shall discontinue the use of any machine or device which interferes with any government-operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

**9. Insurance.** Permittee shall secure and keep in force adequate insurance, as stated below, to protect City and Permittee. Where specific limits are stated, the limits are the minimum acceptable limits. If Permittee's insurance policy contains higher limits, City is entitled to coverage to the extent of the higher limits.

**A.** Commercial General Liability insurance, including premises, all operations, property damage, personal injury and death, broad-form contractual, with a per-occurrence limit of not less than \$1,000,000 combined single limit. The policy must include an endorsement under which the insurer extends coverage to Permittee's fuel handling activities. The policy must name the City as an additional insured.

**B.** Worker's compensation insurance with coverage for all employees engaged in work under this Permit or at the Premises as required by AS 23.30.045. Permittee is further responsible to provide worker's compensation insurance for any subcontractor who directly or indirectly provides services to Permittee under this Permit.

**C.** Commercial Automobile Coverage with not less than \$1,000,000 combined single limit per occurrence. This insurance must cover all owned, hired, and non-owned motor vehicles the Permittee uses on the Airport. The policy must name the City as an additional insured.

**D.** All insurance required must meet the following additional requirements:

- i. All policies will be by a company/corporation currently rated "A-" or better by A.M. Best.
- ii. Permittee shall submit to the City proof of continuous insurance coverage in the form of insurance policies, certificates, endorsements,

or a combination thereof, and signed by a person authorized by the insurer to bind coverage on its behalf.

- iii. Permittee shall request a waiver of subrogation against City from Permittee's insurer and the waiver of subrogation, where possible, shall be provided at no cost to City.
- iv. Provide the City with notification at least thirty (30) days before any termination, cancellation, or material change in insurance coverage of any policy required hereunder.
- v. Evidence of insurance coverage must be submitted to City by July 1, 2021. The effective date of the insurance shall be no later than July 1, 2021.

City may increase the amount or revise the type of required insurance on written demand without requiring amendments to this Permit. City will base any increase or revision on reasonable and justifiable grounds. Within two weeks of the written demand, Permittee shall submit to City evidence of insurance coverage that meets the requirements of the City.

**10. Assumption of Risk.** Permittee assumes full control and sole responsibility as between Permittee and City for the activities of Permittee, its personnel, employees, and persons acting on behalf of or under the authority of the Permittee anywhere on the Airport. Permittee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the Kenai Municipal Airport and its exercise of the privileges granted in this Permit.

**11. Indemnity, Defend, and Hold Harmless Agreement.** Permittee agrees to fully indemnify, defend, and hold harmless, the City of Kenai, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, judgments, penalties, and expenses of every type and description, including any fees and/or costs reasonably incurred by the City's staff attorneys and outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of the Permittee in connection with or arising from or out of Permittee's activities on or use of the Premises, Permittee's access to the Kenai Municipal Airport, and/or Permittee's exercise of the privileges granted in this Permit. This shall be a continuing obligation and shall remain in effect after termination of this Permit.

**12. Fuel Spill Prevention and Response Plan.** Areas of the Apron have been seal coated to protect asphalt from adverse effects of petroleum product spills. The City requires that Permittee provide adequate absorbent materials and tools available on the Premises and at the airport in order to maintain a fuel spill and response capability. Permittee shall be liable for any damage caused by and costs associated with any spill, the cleanup of any spill, or the discharge of petroleum products or hazardous materials due to Permittee's use of the Apron and/or use of the Airport.

Permittee shall provide to City an acceptable fuel spill prevention and response plan and will maintain fuel spill and response capability. Permittee further agrees to have a copy of the fuel spill prevention and response plan located in the Permittee's fuel dispensing equipment at all times. Permittee must comply with the Airport's Storm Water Pollution Prevention Plan as appropriate to Permittee's activities.

Permittee shall not store any personal property, solid waste, petroleum products, Hazardous Material as defined by 14 CFR § 171.8, hazardous waste (ignitable, corrosive, reactive, or toxic) or any hazardous substance on any portion of the Airport. Permittee is aware that there are significant penalties for improperly disposing of the Hazardous Materials and other waste and for submitting false information regarding Hazardous Materials, including the possibility of fine and imprisonment for knowing violations.

Permittee shall immediately remove the material in the event of spillage or dripping of gasoline, oil, grease, or any other material which may be unsightly or detrimental to the pavement or surface in or on any area of the Airport.

Permittee may not construct or install any above-ground or underground fuel storage tanks or dispensing systems at the Airport.

No person shall smoke on an aircraft-parking ramp, inside an aircraft hangar, or within fifty feet (50') of any aircraft fuel facility or fuel truck.

Permittee is subject to FAA Advisory Circular 150/5230-4 Aircraft Fuel Storage, Handling, and Dispensing on Airports, the National Fire Protection Associations' "Standard for Aircraft Fueling Servicing" in NFPA 407 (1996 version), and the current version of the International Fire Codes. All inspections of fuel facilities, by City or other regulating entities to which Permittee is subject, shall be conducted to assure compliance with the fire safety practices listed in these referenced documents.

**13. Hazardous Substances and Materials.** Permittee shall conform and be subject to the requirements of 14 CFR § 139.321 regarding the handling and storage of hazardous substances and materials.

**14. No Discrimination.** Permittee shall not discriminate against any person because of the person's race, creed, color national origin, sex, age, or handicap. Permittee recognizes the right of City to take any action necessary to enforce this requirement of the Permit. Permittee will furnish services provided under this Permit on a reasonable, and not unjustly discriminatory, basis to all users of the Airport and shall charge reasonable, and not unjustly discriminatory, prices for each product or service provided at the Airport.

**15. Licenses and Permits.** Permittee shall obtain and maintain all required federal, state, and local licenses, certificates, and other documents required for its operations under the Permit. Permittee shall provide proof of compliance to City upon request by the City.

**16. Compliance with Law/Grant Assurances.** This Permit, and Permittee's activities conducted under this Permit, is subject to all executive orders, policies and operational guidelines and all applicable requirements of federal, state, and City statutes, ordinances, and regulations in effect during the term of this Permit. Further, Permittee shall comply with all applicable requirements imposed on the Airport by federal law to ensure that the Airport's eligibility for federal money or for participation in federal aviation programs is not jeopardized. This Permit is subordinate to the City's grant assurances and federal obligations.

**17. No Exclusivity.** The privileges granted under this Permit are not exclusive to Permittee. City has the right to grant to others any right or privilege on the Airport.

**18. Assignment.** The privileges granted under this Permit are personal to Permittee and may not be assigned by Permittee.

**19. No Joint Venture.** City shall not be construed or held to be a partner or joint venturer of Permittee in the conduct of its business or activities on the Premises or elsewhere at the Kenai Municipal Airport.

**20. No Waiver.** Failure to insist upon a strict compliance with the terms, conditions, and requirements herein contained, or referred to, shall not constitute or be construed as a waiver or relinquishment of the right to exercise such terms, conditions, or requirements.

**21. Personalty.** Permittee shall remove any and all personal property, including all vehicles, from the Premises at the termination of this Permit (or any renewal thereof). Personal property placed or used upon the Premises will be removed and/or impounded by the City, if not removed upon termination of this Permit and when so removed and/or impounded, such property may be redeemed by the owner thereof only upon the payment to the City of the costs of removal plus storage charges of \$25.00 per day. The City of Kenai is not responsible for any damage to or theft of any personalty of Permittee or of its customers.

**22. Termination; Default.** This Permit may be terminated by either party hereto by giving thirty (30) days advance written notice to the other party. City may terminate the Permit immediately, or upon notice shorter than thirty (30) days, to protect public health and safety or due to a failure of Permittee to comply with condition or term of this Permit which failure remains uncured after notice by City to Permittee providing Permittee with a reasonable time period under the circumstances to correct the violation or breach.

**23. Landing Fees; Fee Schedule.** Timely payment of landing fees and other required Airport fees is a condition of this Permit and, as such, failure to timely pay landing and other airport fees is grounds for termination. Without limiting the foregoing, Permittee shall pay landing fees for aircraft landings as set out in the City's comprehensive schedule of rates, charges and fees. Permittee shall make payment within thirty (30) days following the end of each month and without demand or invoicing from City. Permittee shall also provide Airport Administration with monthly certified gross take-off weight reports within ten (10) days following the end of each month for landings for the preceding month. Airport landing fees shall be paid at the Airport Administration Building, 305 North Willow Street, Suite 200, Kenai, AK 99611.

**24. Impoundment.** At the discretion of the Airport Manager, City may impound any aircraft parked on the Premises after termination of this Permit. Impoundment may be accomplished by affixing a seal to the door of the aircraft or the moving of the aircraft for impoundment purposes. Inconvenience or damage that may result from such movement will be at the risk of Permittee. An impoundment fee plus a towage fee shall be charged on each aircraft impounded. In addition, a daily storage fee shall be charged for each day the aircraft remains impounded. Any impounded aircraft that is not redeemed within ninety (90) days after impoundment shall be considered abandoned and shall be subject to sale at public auction. Notice of any auction shall be published. Publication shall be in a newspaper of general circulation in that area for at least once during each of three (3) consecutive weeks not more than thirty (30) days nor less than seven (7) days before the time of the auction.

**25. Definitions.** As used in this Permit, "Permittee" means Empire Airlines, Inc. and where the context reasonably indicates, its officers, agents, and employees. "Airport" means the Kenai Municipal Airport.





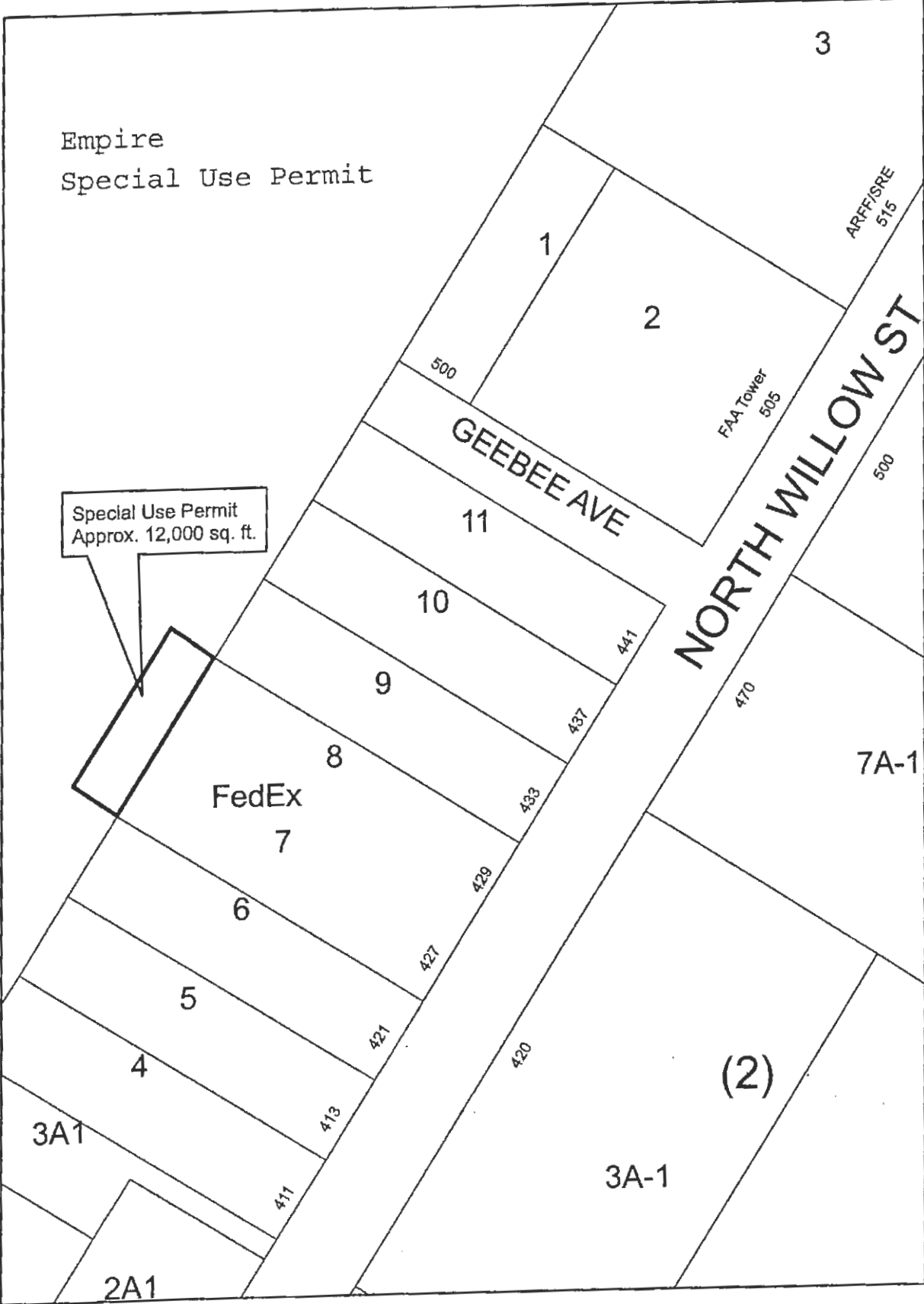


EXHIBIT A



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Mary L. Bondurant, Airport Manager

**DATE:** April 9, 2021

**SUBJECT:** **Action/Approval – First Amendment to Agreement for Janitorial Services**

---

On July 1, 2020, the City of Kenai entered into an Agreement for Janitorial Services with Reborn Again Janitorial Service for a period of one year with the option to extend for four successive one-year terms by mutual consent of Owner and Contractor.

The Contractor requests to renew under the same terms and conditions. The Airport has a current Certificate of Insurance on file.

Airport Commission reviewed the request at the April 8, 2021 Commission meeting and recommends Council approval.

Does Council authorize the City Manager to enter into the First Amendment to Agreement for Janitorial Services with Reborn Again Janitorial Services?

Thank you for your consideration.

attachments

**FIRST AMENDMENT TO AGREEMENT FOR JANITORIAL SERVICES**

The Agreement for Janitorial Services made the 1<sup>st</sup> day of July 2020, by and between the CITY OF KENAI, hereinafter called "Owner", whose address is 210 Fidalgo Avenue, Kenai, AK 99611-7794, and, Reborn Again Janitorial Services, whose mailing address is P.O.Box 927, Kenai, AK 99611, hereinafter called "Contractor," is hereby amended as follows:

1). Pursuant to Section 2 of the Agreement for Janitorial Services the term of the Agreement for Janitorial Service for the Kenai Municipal Airport is extended for one year, beginning on July 1, 2021 and ending on June 30, 2022.

2). All other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

DATED this \_\_\_\_ day of June 2021.

CITY OF KENAI

By: \_\_\_\_\_  
Paul Ostrander, City Manager

Reborn Again Janitorial Services

Reborn Again Janitorial Services

By: \_\_\_\_\_  
Sylvia Trevino, Owner

By: \_\_\_\_\_  
Erica Jackson, Owner

(If Lessee is a corporate-style entity)

ATTEST:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

STATE OF ALASKA                    )  
  )ss  
THIRD JUDICIAL DISTRICT         )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of June, 2021, by Paul Ostrander, City Manager for the City of Kenai.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

STATE OF ALASKA                    )  
  )ss  
THIRD JUDICIAL DISTRICT         )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of June, 2021, by Reborn Again Janitorial Services, an Alaskan corporation on behalf of the corporation.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

Approved as for form: \_\_\_\_\_  
Scott Bloom, City Attorney

Approved by Finance: \_\_\_\_\_  
Terry Eubank, Finance Director



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3205-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, AUTHORIZING A BUDGET TRANSFER IN THE GENERAL FUND, FIRE AND NON-DEPARTMENTAL DEPARTMENTS AND INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE PUBLIC SAFETY IMPROVEMENT CAPITAL PROJECT FUND TO PROVIDE SUPPLEMENTAL FUNDING TO THE FIRE STATION #2 STATION ALERTING PROJECT AND THE DISPATCH BASE STATION RADIO REPLACEMENT PROJECT.

WHEREAS, funding was provided through State Homeland Security Program (SHSP) 2019 to upgrade and install Station Alerting equipment at the Airport Station (Station 2) as well as radio upgrades to our 911 Dispatch Center; and,

WHEREAS, upon completion of the original project, operations and functionality of the apparatus bay doors at both Station 2 and Station 1 were lost or partially lost; and,

WHEREAS, additional work is needed to complete the interface with Station Alerting at Station 2 as well as work to regain local operations/control of the bay doors through our dispatch center at Station 1; and,

WHEREAS, Kachemak Electric was able to complete the interface at Station 2; and,

WHEREAS, bids have been received from Kachemak Electric, US Digital Design, and Randy's Glass that combined, come to \$10,643 to purchase equipment/materials needed and labor to restore operational functions at Station 1, including connectivity to upgraded equipment installed by ProComm during the Dispatch Base Station Radio Upgrade,

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the following budget revision is authorized

General Fund

Transfer From - Fire Department	
Salaries	<u>\$10,643</u>
Transfer To – Non-Departmental	
Transfer to Other Funds	<u>\$10,643</u>

**Section 2.** That the estimated revenues and appropriations be increased as follows:

Public Safety Improvement Capital Project Fund:  
Increase Estimated Revenues –

Transfer from General Fund \$10,643

Increase Appropriations:

Fire Station #2 Station Alerting – Construction \$1,000

Dispatch Base Station Radio Replacement – Construction \$9,643

\$10,643

**Section 4.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 5.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 5<sup>th</sup> day of May, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: 

Introduced: April 21, 2021  
Enacted: May 5, 2021  
Effective: May 5, 2021



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Tony Prior, Fire Chief  
**DATE:** April 12, 2021  
**SUBJECT:** Ordinance 3205-2021

---

The City of Kenai was awarded grant funding from the State of Alaska Homeland Security Program (Ordinance 3093-2019), and \$393,000 of the grant was an upgrade to the Base Station Radio System for Kenai Dispatch Center and \$45,000 to install Station Alerting Equipment at the Airport Station (Station 2). During the installation of the new equipment at the Public Safety building, by Pro-Comm, we experienced a partial loss of control of our apparatus bay doors at Station 1 and all local controls of bay doors at the Airport Fire Station. Kachemak Electric was consulted to figure a solution and regain operations of the apparatus bay doors and restore operations to the status prior to changing/updating equipment. They were able to get the front bay doors of Station 1 operational, but were unable to get rear doors of Station 1 operational. Old wiring of the doors and electrical contacts were not replaced/upgraded, causing the loss of local control after installation of the new radio system. It was recommended that we install new wiring and reroute it into new components installed by Pro-Comm. With that upgrade we will also be able to program the door functions into the Station Alerting system making functions identical to the functions programmed at the Airport Fire Station.

Work has been completed at the airport station to connect Station Alerting to the functions of the bay doors there, however, local control by dispatch center was lost.

We have received quotes totaling \$10,643.00 for labor, materials, and equipment to complete upgrades to our Public Safety building (Station 1). This will restore local control of the apparatus bay doors at Station 1 and integrate Station Alerting operations of doors at Station 1.

We respectfully request your support of Ordinance 3205-2021.



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3206-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, ACCEPTING AND APPROPRIATING PRIVATE DONATIONS TO THE KENAI ANIMAL SHELTER FOR THE CARE OF ANIMALS.

WHEREAS, the Kenai Animal Shelter recently received monetary donations from a number of donors totaling \$1,021.30, and those funds are intended to support the care of animals at the shelter; and,

WHEREAS, the Animal Control Chief has identified equipment needs, including technology improvements, for the utilization of those donated funds; and,

WHEREAS, the acceptance of these donations to further the mission of the Animal Shelter is in the best interest of the City and its residents.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the City Manager is authorized to accept these donated funds and to expend them as authorized by this ordinance and in line with the intentions of the donors.

**Section 2.** That the estimated revenues and appropriations be increased as follows:

General Fund:

Increase Estimated Revenues –	
Donations – Animal Control	<u>\$1,021.30</u>
Increase Appropriations –	
Animal Control – Small Tools	<u>\$1,021.30</u>

**Section 3.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.

**Section 4.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.




Ordinance No. 3206-2021  
Page 2 of 2

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 5<sup>th</sup> day of May, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: 

Introduced: April 21, 2021  
Enacted: May 5, 2021  
Effective: May 5, 2021



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council

**THROUGH:** Paul Ostrander, City Manager

**FROM:** David Ross – Police Chief

**DATE:** April 7, 2021

**SUBJECT:** Ordinance No. 3206-2021, Donation to Kenai Animal Shelter

---

The Kenai Animal shelter received a number of unsolicited private donations recently totaling \$1021.30. The individual donors include: Shannon Richards, Shari Tanttila, Robert & Karen Honda, Angela Vermillion, James Carpenter, Peninsula Radiation Oncology, Lowell Frank, Shasta Brinner, Rita Drahein, Viann Mac and 3 anonymous donors. The Animal Control Chief has identified improvements to be made at the shelter with these funds that will improve the care of animals. Those improvements being pursued will allow for digital display of animals in the lobby of the shelter and the ability to share that digital display at other city facilities.

I am respectfully requesting consideration of the ordinance accepting and appropriating those donated funds to assist in the care of animals as they were intended.



Sponsored by: Administration

CITY OF KENAI

ORDINANCE NO. 3207-2021

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE GENERAL FUND – POLICE DEPARTMENT AND ACCEPTING GRANTS FROM THE UNITED STATES DEPARTMENT OF JUSTICE AND ALASKA MUNICIPAL LEAGUE JOINT INSURANCE ASSOCIATION FOR THE PURCHASE OF BALLISTIC VESTS.

WHEREAS, the Kenai Police Department participates in a Ballistic Vest Partnership (BVP) grant program through the Department of Justice, which covers 50% of the cost of ballistic vests purchased for officers; and,

WHEREAS, the City’s current insurance company, Alaska Municipal League Joint Insurance Association (AMLJIA), also has a ballistic vest reimbursement program, which covers 50% of the cost of ballistic vest purchased for officers; and,

WHEREAS, three ballistic vests were recently purchased for a total of \$2,950.20 and the two programs together will cover 100% of the cost of those ballistic vests.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

Section 1. That the City Manager is authorized to accept and expend United States Department of Justice and AMLJIA grant funds for the purchase of ballistic vests.

Section 2. That the estimated revenues and appropriations be increased as follows:

General Fund:

Increase Estimated Revenues –	
Federal Grants – Police	\$1,475.10
Miscellaneous Grants	<u>1,475.10</u>
	<u>\$2,950.20</u>
Increase Appropriations –	
Police – Small Tools	<u>\$2,950.20</u>

Section 3. Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 4.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 5<sup>TH</sup> day of May, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: 

Introduced: April 21, 2021  
Enacted: May 5, 2021  
Effective: May 5, 2021



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** David Ross, Police Chief

**DATE:** April 12, 2021

**SUBJECT:** **Ordinance No. 3207-2021 Accepting Grant Funds for Ballistic Vests**

---

The police department participates in the United States Department of Justice' Ballistic Vest Partnership (BVP), which provides grant funds for half the cost of Officer ballistic vests. The City's insurance carrier, AMLJIA, also has a grant program by which they cover half the cost of ballistic vests purchased by officers.

The Police Department recently purchased three ballistic vests for officers, at a total cost of \$2,950.20, and anticipates that cost to be covered 100% by the two programs.

I am respectfully requesting consideration of the ordinance accepting and appropriating the grant funds for the purpose they were intended.



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3209-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, ACCEPTING AND APPROPRIATING A GRANT FROM DEREK KAUFMAN FUND THROUGH THE ALASKA COMMUNITY FOUNDATION FOR THE PURCHASE OF LIBRARY MATERIALS.

WHEREAS, the Kenai Community Library received a \$500 grant for general support from Derek Kaufman Fund, a Hilcorp donor advised fund of the Alaska Community Foundation; and,

WHEREAS, the grant will be used to purchase library materials; and,

WHEREAS, it is in the best interest of the City of Kenai and the Kenai Community Library to appropriate these grant funds for the purpose intended.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the City Manager is authorized to accept a grant in the amount of \$500 from the Alaska Community Foundation, execute any necessary grant agreements, and to expend the grant in accordance with grant provisions and this Ordinance.

**Section 2.** That the estimated revenues and appropriations be increased as follows:

General Fund:	
Increase Estimated Revenues –	
Other Grants - Library	<u>\$500</u>
Increase Appropriations –	
Books - Library	<u>\$500</u>

**Section 3.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 4.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 5th day of May, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: 

Introduced: April 21, 2021  
Enacted: May 5, 2021  
Effective: May 5, 2021



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Katja Wolfe, Library Director

**DATE:** April 12, 2021

**SUBJECT:** **Ordinance 3209-2021 – Grant from Derek Kaufman Fund**

---

The purpose of this ordinance is to accept and appropriate a \$500 grant for general support from Derek Kaufman Fund, a Hilcorp donor advised fund of the Alaska Community Foundation. The funds will be used for the purchase of library materials. We would like to thank the Hilcorp donor for their generosity.

Your consideration is appreciated.





Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3210-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA AMENDING KENAI MUNICIPAL CODE SECTIONS 23.25.020 - PAY PLAN AND ADOPTION, 23.55.020 – COMPENSATION STRUCTURE BY GRADE FOR EMPLOYEES IN THE CLASSIFIED SERVICE, 23.55.050 – HOURLY RATES, REMOVING THE APPENDED SALARY SCHEDULE FROM THE CITY’S CODE OF ORDINANCES TO ALLOW FOR ADOPTION OF THE SALARY SCHEDULE THROUGH THE ORDINANCE ADOPTING A BUDGET FOR THE FOLLOWING FISCAL YEAR OR BY RESOLUTION.

WHEREAS, the City of Kenai fiscal year budget includes the annual Salary Schedule, which reflects cost of living allowance increases or personnel amendments approved by City Council and is adopted annually with the budget for the following fiscal year; and,

WHEREAS, the current fiscal year Salary Schedule for classified employees and department head service employees is appended to Kenai Municipal Code Chapter 23.55; and,

WHEREAS, the City Manager is responsible for administration of the Personnel Code and preparing recommended revisions and amendments as necessary; and,

WHEREAS, concurrent adoption of the Salary Schedule with the budget is necessary to assure that the City Council can consider the financial implications of any changes to the Salary Schedule on the annual budget; and,

WHEREAS, by requiring the current fiscal year Salary Schedule to be appended to Code, which requires 30 days to become effective, the City is prevented from adopting the budget for the following fiscal year after June 1<sup>st</sup> as allowed by Kenai Municipal Code 7.25.010 (g), which allows the budget to be adopted following a public hearing up to the tenth day of June; and,

WHEREAS, amending the process for adopting the Salary Schedule to allow adoption by the budget ordinance or by resolution ensures public notification and an opportunity to be heard concerning the salary ranges and steps for City employees prior to its effective date as well as allow for greater flexibility in adopting the budget for the following fiscal year; and,

WHEREAS, amending Kenai Municipal Code to remove the appended Salary Schedule table allows concurrent adopting of the salary schedule and the budget for the following fiscal year up to the tenth day of June and is in the best interests of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** Amendment of Section of the Kenai Municipal Code: That Kenai Municipal Code, Section 23.25.020 – Pay plan and adoption, is hereby amended as follows:

---

The City Manager shall submit the pay plan and rules for its administration to the City Council for adoption. Before the pay plan and the rules for its administration are adopted by the Council, the City Manager shall assign each job class to one (1) of the pay ranges provided in the pay plan. A salary schedule [FOR THE DEPARTMENT HEAD SERVICE SHALL BE PART OF THE PAY PLAN. THE COUNCIL SHALL ADOPT A PLAN AND RULES BY ORDINANCE SALARY SCHEDULE] shall be effective upon enactment by City Council of the ordinance adopting a budget for the following fiscal year or by resolution.

**Section 2.** Amendment of Section of the Kenai Municipal Code: That Kenai Municipal Code, Section 23.55.020 – Compensation structure by grade for employees in the classified service, is hereby amended as follows:

(a) Compensation structure by grade for employees in the classified service is hereby established in accordance with the [TABLE THAT IS APPENDED TO THIS TITLE AND WHICH MAY BE AMENDED, MODIFIED, OR REPLACED BY ORDINANCE, IN WHICH CASE A COPY OF THE AMENDED, MODIFIED, OR REPLACEMENT TABLE SHALL BE SUBSTITUTED FOR THE PRIOR TABLE AND PLACED IN THE CODE AT THE END OF THIS TITLE] most recent Salary Schedule effective upon enactment by City Council of the ordinance adopting a budget for the following fiscal year or by resolution.

**Section 3.** Amendment of Section of the Kenai Municipal Code: That Kenai Municipal Code, Section 23.55.050 – Hourly rates is hereby amended as follows:

(a) Hourly rates for employees in the classified service not exempted from minimum wage and overtime provisions of the Fair Labor Standards Act (with various experience, skills, and responsibilities) are hereby established in accordance with the [TABLE THAT IS APPENDED TO THIS TITLE AND WHICH MAY BE AMENDED, MODIFIED, OR REPLACED BY ORDINANCE, IN WHICH CASE A COPY OF THE AMENDED, MODIFIED, OR REPLACEMENT TABLE SHALL BE SUBSTITUTED FOR THE PRIOR TABLE AND PLACED IN THE CODE AT THE END OF THIS TITLE] most recent Salary Schedule effective upon enactment by City Council of the ordinance adopting a budget for the following fiscal year or by resolution.

**Section 4.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.

**Section 5.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect July 1, 2021.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 5<sup>th</sup> day of May, 2021.

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BRIAN GABRIEL SR., MAYOR

Ordinance No. 3210-2021

Page 2 of 3

ATTEST:

\_\_\_\_\_  
Jamie Heinz, MMC, City Clerk

Approved by Finance: 

Introduced: April 21, 2021

Enacted: May 5, 2021

Effective: July 1, 2021



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**FROM:** Paul Ostrander, City Manager  
**DATE:** April 15, 2021  
**SUBJECT:** **Ordinance No. 3210-2021 – Salary Schedules**

---

Ordinance 3210-2021 addresses a long-standing concern regarding the City's employee salary schedule. The Kenai Municipal Code requires that the salary schedule be adopted and appended to the pay plan, and under this process, the ordinance does not go into effect until one month after passage. It is also a requirement of Code that the City Council adopt a budget for the following fiscal year no later than June 10. Because the salary schedule is an integral component of the budget and should be considered concurrently with the budget, but is not effective until 30 days after adoption, the City is forced to adopt the budget a meeting earlier than Code allows. This Ordinance would amend the process for adopting the Salary Schedule to allow adoption by the budget Ordinance or resolution, which would ensure public notification and an opportunity to be heard concerning the salary ranges and steps for City employees prior to its effective date as well as allow for greater flexibility in adopting the budget for the following fiscal year.

Your consideration is appreciated.

**PURCHASE ORDERS OVER \$15,000.00 WHICH NEED COUNCIL APPROVAL  
COUNCIL MEETING OF: APRIL 21, 2021**

<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>DEPT.</b>	<b>ACCOUNT</b>	<b>AMOUNT</b>
STRYKER MEDICAL	POWER GURNEY	CARES ACT GRANT	MACHINERY & EQUIPMENT	19,885.22

\*\*Contingent Upon Passage of Ordinance No.3208-2021\*\*

**INCREASE OF EXISTING PURCHASE ORDER**

<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>P.O. # - DEPT.</b>	<b>REASON</b>	<b>AMOUNT</b>	<b>TOTAL PO AMT</b>
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## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Tony Prior, Fire Chief  
**DATE:** 4/6/2021  
**SUBJECT:** Purchase Order to Stryker Medical

---

The purpose for this memo is to request approval of the purchase order for a power gurney from Stryker Medical.

City of Kenai Fire Department applied for funding from State of Alaska – Department of Health and Social Services Division of Public Health – COVID-19 Emergency Operations Center (DPH-EOC) to implement a mobile vaccination program to assist in mitigating COVID-19 in the State and on the Kenai Peninsula. We were successfully awarded to spend up to \$326,985.32 to cover personnel cost, equipment, supplies and rental fees for our reserve ambulance to implement this program. As part of the approved equipment was a power gurney to equip the reserve ambulance to implement the mobile vaccine program. We have used Stryker gurneys on our main ambulances for many years now and they have been very reliable as equipment that is used more than most other medical equipment. Our current locking hardware mounted in all of our ambulances is compatible with this gurney and will help to reduce overall costs. As an additional benefit, this gurney is designed to reduce the potential of back injuries on our personnel. The suspension on these new gurneys are battery operated and designed so that both EMS personnel can lift the patients on the gurney instead of one person lifting while the other person manually lifts the suspension. We are confident that this gurney will help to implement a successful mobile vaccination program.

Total cost is \$19,885.22

Thank you for your consideration.

**KENAI PLANNING & ZONING COMMISSION  
REGULAR MEETING  
APRIL 14, 2021 – 7:00 P.M.  
KENAI CITY COUNCIL CHAMBERS  
210 FIDALGO AVENUE, KENAI, ALASKA  
CHAIR JEFF TWAIT, PRESIDING**

**MINUTES**

**A. CALL TO ORDER**

Commission Chair Twait called the meeting to order at 7:00 p.m.

**1. Pledge of Allegiance**

Commission Chair Twait led those assembled in the Pledge of the Allegiance.

**2. Roll Call**

Commissioners present: J. Twait, J. Halstead, G. Woodard, G. Greenberg, A. Douthit

Commissioners absent: R. Springer, D. Fikes

Staff/Council Liaison present: Planning Director R. Foster, Planning Assistant W. Anderson, Deputy City Clerk M. Thibodeau, Council Liaison J. Glendening

A quorum was present.

**3. Agenda Approval**

**MOTION:**

Commissioner Halstead **MOVED** to approve the agenda as written and Commissioner Woodard **SECONDED** the motion. There were no objections; **SO ORDERED**.

**4. Consent Agenda**

**MOTION:**

Commissioner Halstead **MOVED** to approve the consent agenda and Commissioner Woodard **SECONDED** the motion. There were no objections; **SO ORDERED**.

\*All items listed with an asterisk (\*) are considered to be routine and non-controversial by the Commission and will be approved by one motion. There will be no separate discussion of these items unless a Commission Member so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda as part of the General Orders.

**5. \*Excused absences – None**

**B. APPROVAL OF MINUTES**

- 1. \*March 24, 2021

The minutes were approved by the Consent Agenda.

**C. SCHEDULED PUBLIC COMMENT – None.**

**D. UNSCHEDULED PUBLIC COMMENT – None.**

**E. CONSIDERATION OF PLATS**

- 1. **Resolution PZ2021-06** – Preliminary Subdivision Plat of TKC Subdivision, submitted by Segesser Surveys, 30485 Rosland Street, Soldotna, AK 99669, on behalf of TKC, LLC, P.O. Box 10658, Bakersfield, CA 93389

**MOTION:**

Commissioner Douthit **MOVED** to approve Resolution No. PZ2021-06 and Commissioner Halstead **SECONDED** the motion.

**MOTION TO POSTPONE:**

Commissioner Douthit **MOVED** to postpone Resolution No. PZ2021-06 until the utility line design has been confirmed. Commissioner Halstead **SECONDED** the motion.

Planning Director Foster explained that the utility line drawing that was submitted would not work for a subdivision, and the applicant needs to provide a letter of intent about what design they want to use.

**VOTE ON POSTPONEMENT:**

YEA: Halstead, Douthit, Greenberg, Woodard, Twait  
NAY:

**MOTION PASSED UNANIMOUSLY.**

**F. PUBLIC HEARINGS – None.**

**G. UNFINISHED BUSINESS – None.**

**H. NEW BUSINESS – None.**

**I. PENDING ITEMS – None.**

**J. REPORTS**

- 1. **City Council** – Council Member Glendening reported on the actions from the April 7,



2021 City Council meeting.

2. **Borough Planning** – No report.

3. **City Administration** – Planning Director Foster reported on the following:

- The next Planning & Zoning meeting of April 28, 2021 is set to include two conditional use permits, a plat, and possibly the postponed plat for Resolution 2021-06 if the requirements are met;
- Commissioner training is upcoming, but will not take place before the next meeting.

**K. ADDITIONAL PUBLIC COMMENT**

1. Citizens Comments
2. Council Comments

**L. INFORMATIONAL ITEMS**

**M. NEXT MEETING ATTENDANCE NOTIFICATION**

1. April 28, 2021

**N. COMMISSION COMMENTS & QUESTIONS**

Commissioner Greenberg mentioned that the coordinator for the spruce bark beetle mitigation program was recently on the radio discussing the issue, and may be available to speak to the City about it.

**O. ADJOURNMENT**

There being no further business before the Commission, the meeting was adjourned at 7:23 p.m.

Minutes prepared and submitted by:

---

Meghan Thibodeau  
Deputy City Clerk



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Mary Bondurant, Airport Manager  
**DATE:** April 12, 2021  
**SUBJECT:** **Airport Mid-Month Report April 2021**

---

2019 Alaska Fire Training Facility Rehabilitation & Acquire Aircraft Rescue and Firefighting Trucks (ARFF) – The rehabilitation to the building and the training equipment has been completed; the two OSHKOSH ARFF vehicles are scheduled for delivery in July 2021. After delivery and acceptance of the ARFF vehicles the project will be closed out.

2020 Land Acquisition – The Airport Layout Plan (ALP) is being updated and reviewed. After City review, the updated pages will be submitted to the FAA for review and approval and the project will be closed out.

2020/2021 Sand/SRE Storage Building – This project is ramping up for the 2021 spring start-up. The Office of the Secretary of Transportation announced an Airport Improvement Program grant for Phase 2 of the Sand/SRE building in the amount \$826,089 on April 1, 2021. The recent American Rescue Plan Act (ARPA) will contribute the 6.25% sponsor share.

2021 Acquire Snow Removal Equipment (SRE) – The grant application is being prepared to acquire a multipurpose broom/blower. Ordinance No. 3201-2021 approved by Council on April 7, 2021 appropriated \$800,000 for the purchase. The Invitation to Bid will be advertised this month and a final grant application submitted to the FAA in May 2021.

2021 Improved Airfield Drainage – This pop-up project replaces approximately 500 feet of pipe in the runway safety area. The environmental process/review started on March 17, 2021 and takes approximately 45 days. With FAA approval of the environmental the project will be bid.

### Administration Report

Annual Runway Safety Action Team Meeting – The local RSAT meeting will be held on May 11, 2021 at 2:00pm in the Kenai City Council Chambers. The purpose of this meeting is to unite individuals and organizations that are involved with air traffic operations, movement of aircraft, vehicles and equipment operating on the airfield. Runway incursions are a serious concern nationally and this meeting is our ongoing effort to improve surface safety at the Kenai Airport.

Update – Terminal Concession Agreements

The concession agreements for the café, lounge, and car rental concessions expire on June 21, 2021. City Administration has discussed whether or not this is a good time to put these concessions out to bid and determined that due to the lingering pandemic environment, it is not a good bidding environment at this time. The City is extending these agreements on a month-to-month basis until such time the pandemic is behind us. All of the current agreements include a “holdover” clause which allows the agreements to continue.

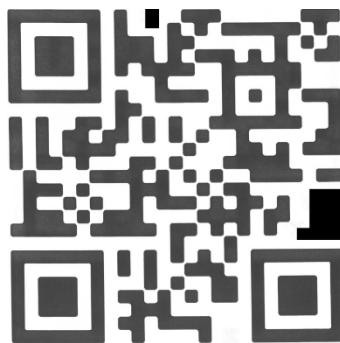
Airport Conference Room –

The Airport Conference Room is now available to rent for breakfast/lunch/dinner meetings or just a meeting! The room can accommodate up to 26 people and has TV, refrigerator, and sink, tables, and chairs for your convenience. Wi-Fi and internet coming soon! For more information on rates and to schedule your meeting please contact the Airport Administration Office at 283-7951.



Float Plane Basin/Aircraft Transient Aircraft – Welcome to Kenai Information Sign

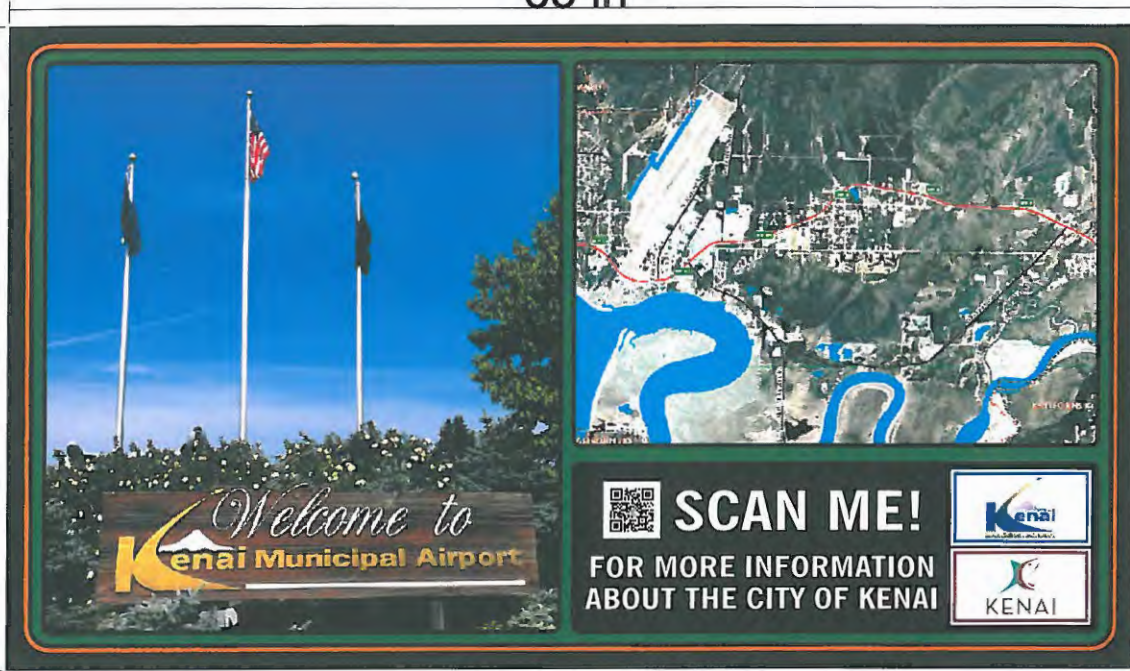
Airport Commission and Administration has completed the design of an information sign to be placed at the Float Plane Basin and Transient Aircraft parking areas. Visitors can scan the QR code on the sign and be directed to YELP for assistance in locating businesses on the Kenai Peninsula. Download QrScan and try me! The sign is attached.





65 in

37 in



65 in

37 in



Drawing Date: 4/2/2021

Accepted as Drawn \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

Accepted With Changes \_\_\_\_\_



Kenai Neon Sign Company  
 50550 Kenai Spur Highway  
 Kenai, Alaska 99611  
 Phone/fax 907-776-8503  
 kns@alaskasignsource.com  
 http://www.alaskasignsource.com

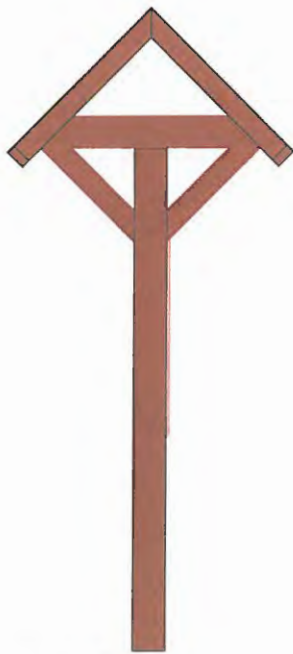
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# Front

# Back



Drawing Date: 4/2/2021

Accepted as Drawn \_\_\_\_\_ Date \_\_\_/\_\_\_/\_\_\_

Accepted With Changes \_\_\_\_\_

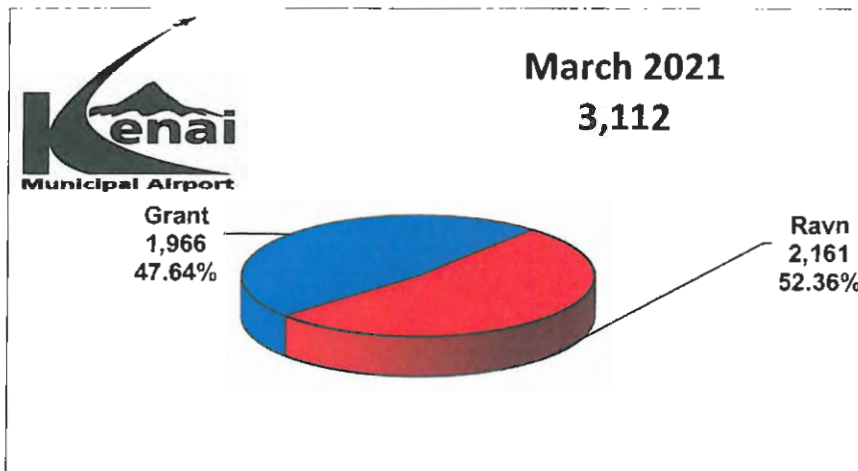


Kenai Neon Sign Company  
 50550 Kenai Spur Highway  
 Kenai, Alaska 99611  
 Phone/fax 907-776-8503  
 kns@alaskasignsource.com  
 http://www.alaskasignsource.com

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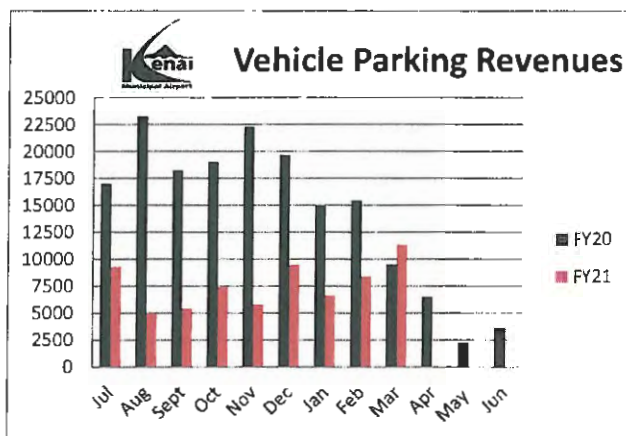
### March Enplanement Report



Month	RAVN ALASKA	GRANT AVIATION	Total 2021	2020	Change from 2020
January	1,606	1,783	3,389	6,390	-3,001
February	1,636	1,476	3,112	5,930	-2,818
March	2,161	1,966	4,127	1,317	2,810
April				359	
May				702	
June				1,367	
July				2,445	
August				3,063	
September				2,806	
October				2,606	
November				2,366	
December				3,080	
<b>Totals</b>	<b>5,403</b>	<b>5,225</b>	<b>10,628</b>	<b>32,431</b>	<b>-3,009</b>

#### Terminal - Vehicle Parking Revenues

March		FY20 Total	
FY20	\$9,523	FY20 Total	\$171,739
FY21	\$11,315	FY21 YTD	\$68,622





## MEMORANDUM

**TO:** Mayor Brian Gabriel and City Council

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Tony Prior, Fire Chief

**DATE:** April 12, 2021

**SUBJECT:** Fire Department Mid-Month Report – March

Calls for service in March are trending upward as we move further into 2021. March calls for service are as follows:

Year	2020	2021	% change
March total	89	125	40.4%
EMS	71	103	45.1%
All Other	18	22	22.2%
Year total	331	337	1.8%

March was a busy month for grant project work. We were successfully awarded \$4,974.92 from the Department of Natural Resources/Volunteer Fire Assistance Grant to purchase forestry firefighting equipment and gear. We also applied for Community Funding through the State of Alaska – Department of Health and Social Services to continue with a mobile vaccination program and were successful in being approved for reimbursable expenses of up to \$326,985.32. Scope of work and project planning has been established to update the City’s Emergency Operations Plan and we are moving forward as we plan to bring on a Temporary Employee to assist with this project work.

As of today, KFD has administered over 1000 doses of COVID-19 vaccines with over 500 people completing their series of vaccinations. We are working with the City of Soldotna, Soldotna Professional Pharmacy, Kenai Public Health Center, and Kenai Peninsula Borough’s Office of Emergency Management to continue our vaccination efforts and get information and access out to individuals that want vaccinations.

Soldotna Division of Forestry conducted annual Forestry Refresher Training for all shifts/members of our department. We are preparing our equipment and apparatus for the upcoming season as it approaches typically at the end of April and runs through September.

Mike Oden completed his Fire Instructor 2 course and all members attended quarterly EMS training with our Physician Sponsors.







## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Katja Wolfe, Library Director  
**DATE:** April 5, 2021  
**SUBJECT:** Library Mid-Month Report March 2021

The Kenai Community Library is open with reduced building capacity. For more information about all the services we provide, please visit our website at <https://www.kenai.city/library>.

### March 2021 at a Glance

<b>Items Borrowed</b>		<b>Mar-20</b>	<b>Mar-21</b>	<b>2021 YTD</b>
Physical		5,209	5,774	13,295
Digital		1,320	1,839	4,685
<b>Visits and Services</b>				
Number of Curbside Pickups		n/a	119	603
New Memberships		17	31	91
<b>Programs</b>				
Number of Programs		18	18	55
People Reached (e.g., DIY Kits)		227	95	421
People Reached Virtually		n/a	1,086	2,727
<b>Technology Sessions</b>				
Computer sessions		341	344	642
WiFi Sessions		n/a	3,845	10,243



### March 2021 programming highlights

- Virtual programs via Facebook, YouTube, and Zoom
  - Biweekly Lego® challenge (110 views)
  - Maker Mondays (229 views)
  - Virtual story times (26 participants, 343 views)
  - Zoom class visit (8 participants)
  - Let's Draw! Chickens (79 views)
- DIY kits and giveaways
  - Harry Potter Escape Room (69)
  - April Fools Prank Packs (50)

### March 2021 library services highlights

- Curbside pickup service will continue during library hours
  - Average of 3.3 curbside pickups per day (103 total)
- Transits:
  - We sent 605 items to Alaska Library Catalog member libraries.
  - We borrowed 726 items from Alaska Library Catalog member libraries.
- Did you know?
  - The library has a small collection of board games available for checkout. Playing board games is entertaining, exercises our brains, teaches us to set goals and be patient, and is a great stress reducer.





## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Ryan Foster, Planning Director  
**DATE:** April 13, 2021  
**SUBJECT:** **Planning and Zoning March 2021 Report**

---

### Planning and Zoning Commission Agenda Items and Resolutions

- On March 10, 2021 the Planning and Zoning Commission approved a conditional use permit application for a kennel at 140 Richfield Drive.
- On March 24, 2021 the Planning and Zoning Commission recommended approval of the preliminary plat of Carl F. Ahlstrom RPM's Replat Number 2.

### Building Permit and Site Plan Reviews

Planning and Zoning staff reviews all Building Permits for compliance with the zoning code. The Department conducted 5 Building Permit reviews in March, 2021.

### Code Enforcement

There were no new code enforcement cases opened in March, 2021.

### Lands

- On March 3, 2021 City Council approved the temporary development incentives application for Soar International Ministries, LLC.
- On March 17, 2021 City Council approved the temporary development incentives application, a request for application extension, and a special use permit for Alaska Air Fuel.

The City did not receive any applications for new Leases during March 2021.



# MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council

**THROUGH:** Paul Ostrander, City Manager

**FROM:** David Ross, Police Chief

**DATE:** April 6, 2021

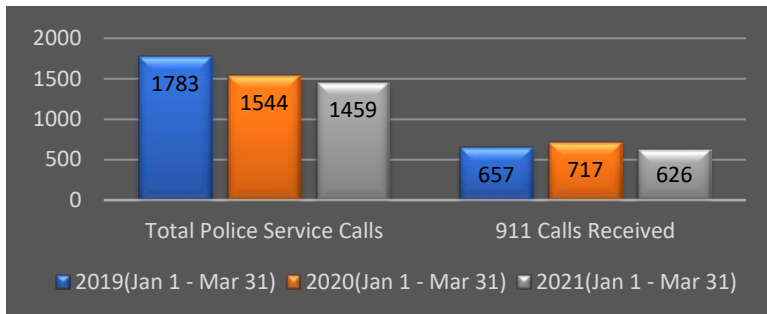
**SUBJECT:** **Police & Communications Department Activity – March 2021**

Police handled 535 calls for service in March. Dispatch received an estimated 220 9-1-1 calls; however, we are still awaiting the exact final number for March. Officers made 26 arrests. Traffic enforcement resulted in 368 traffic contacts and 88 traffic citations. There were 2 DUI arrests. Officer investigations were conducted on 13 motor vehicle crashes. There were no collisions involving a moose. There was one collision involving drugs or alcohol.

Four officers attended training on wildlife hazing for the airport. In addition to regular in-service training, all KPD officers started a virtual training on ‘The Duty to Intervene.’ The Dispatch Supervisor attended an online active shooter course for dispatchers.

Our School Resource Officer taught multiple DARE classes at both Kaleidoscope and Mountain View Elementary schools. He also assisted with the planning and implementation of an ALICE intruder drill at Kenai Central High School.

The police department is nearing a status of fully staffed and fully trained, with only one officer still in field training. This has allowed the department to return to full time participation in the SRO role and participation in the regional drug task force.





## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council

**THROUGH:** Paul Ostrander, City Manager

**THROUGH:** Dave Ross, Police Chief

**FROM:** Jessica “JJ” Hendrickson, Animal Control Chief

**DATE:** April 1, 2021

**SUBJECT:** March 2021 Monthly Report

This month the Kenai Animal Shelter took in **64** animals. Animal intake and disposition:

DOGS:				
	INTAKE	25	DISPOSITION	10
	Waiver	5	Adopted	2
	Stray	7	Euthanized	2
	Impound	0	Claimed	5
	Protective Custody	1	Field Release	0
	Quarantine	3	Transferred	1
	Microchips	7	Other Dispositions	0
	Other Intakes	2		
CATS:				
	INTAKE	39	DISPOSITION	29
	Waiver	34	Adopted	13
	Stray	4	Euthanized	2
	Impound	0	Claimed	0
	Protective Custody	0	Field Release	0
	Quarantine	1	Transferred	14

Microchips	0	Other Dispositions	0
Other Intakes	0		0
OTHER ANIMALS:			
INTAKE	0	DISPOSITION	0
Chinchilla	0	Chinchilla	0
Rabbit	0	Rabbit	0
Other	0	Guinea Pig	0
DOA:	6	OTHER STATISTICS:	
Dog	3	Licenses (City of Kenai Dog Licenses)	54
Cat	3		

- 2 Animal dropped with After Hours (days we are closed but cleaning and with KPD)
- 11 Animals are *known* borough animals
- 47 Animals are *known* City of Kenai
- 5 Animals are *known* City of Soldotna
- 2 Animals from unknown location
- 44 Field Investigations & patrols
- 0 Volunteer Hours Logged
- 1 Citations
- 0 Educational Outreach

Statistical Data:

- 178 2019 YTD Intakes
- 275 2020 YTD Intakes
- 166 2021 YTD Intakes



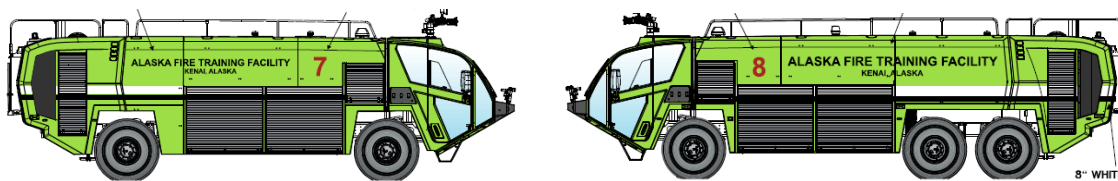


## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Scott Curtin, Public Works Director  
**DATE:** April 2021  
**SUBJECT:** **Mid-Month Report; Public Works / Capital Projects**

- 
- Terminal Building Rehabilitation Project – The project reached Substantial Completion on March 27, 2020! Facility is in the warranty period through March 27, 2021. All closeout documentation has been received from the Contractor. Final Notice of Completion was received from the Department of Labor on January 5, 2021. Closeout with the Federal Aviation Administration is expected to start in March 2021. Final warranty inspections took place on March 2<sup>nd</sup>, 2021 working with Contractor to complete warrantable items identified.
  - Alaska Regional Fire Training Facility Building Rehabilitation Project – The project reached Substantial Completion on June 2, 2020 and Fire Training successfully took place this past summer. Staff continues to work with the FAA on project closeout. Project will continue through Warranty phase through June 2021.
  - Alaska Regional Fire Training Facility Equipment Rehabilitation Project - The project reached Substantial Completion on March 13, 2020 and Fire Training successfully took place this past summer. The Contractor did return to complete Punch list items last September, a propane tank inspection was conducted at that time and did identify deficiencies within that part of the equipment. These repairs will take place in the spring coinciding with the next round of training, so the Contractor will be onsite in the event of any operational issues. *Contractor returned on March 29, 2021 and completed all warranty and change order work. Training was safely and successfully started on April 5, 2021 by Beacon.*
  - Alaska Regional Fire Training Facility Aircraft Rescue Fire Fighting (ARFF) Vehicles – The Federal Aviation Administration (FAA) grant that provided funding for the other two projects listed above is also providing for two new ARFF vehicles. One 1500 gal and one 3000 gal unit, images below. Delivery is anticipated for June 2021, PO119953 was issued 3/19/20.





- Kenai Municipal Airport Sand Storage Facility – The City executed a design agreement to HDL Engineering on April 17, 2020 for a new Sand Storage Facility. On August 7, 2020 Final Design Documents were received and a Formal Invitation to Bid was released on August 10<sup>th</sup> with Bids due on August 31<sup>st</sup>, 2020. Orion Construction was the successful bidder with a low bid of \$2,289,000. The City successfully executed a grant with the FAA on September 25, 2020 in the amount of \$1,954,101, a second grant is anticipated for next Spring, May 2021, to cover the remaining costs on a total project cost of \$2,835,263. A Notice to Proceed for Construction was issued for October 14, 2020, and the schedule will run 365 days. The Contractor successfully mobilized to the site, cleared the area for the new building and brought in structural fill where required by Contract. Project is now winterized and will start back up in spring. *Submittals are being provided almost daily now in preparation of startup in the Spring.*
- Kenai Municipal Airport Airfield Drainage – Ordinance 3166-2020 Authorized HDL Engineering to begin an assessment on both the existing runway as well as some ongoing drainage issues. On December 14, 2020 an agreement was executed to begin investigations on the Airfield Drainage project. The initial agreement in the amount of \$37,230 will provide for CCTV camera inspections of several thousand feet of storm main near the runway. On January 8, 2021 we received a report from HDL with the condition assessment of the drainage lines that were inspected prior to the Holidays. Based on this information HDL has provided a proposal to complete Construction Documents for the replacement of approximately 500 LF of the most deteriorated pipe, with other sections to wait and be completed along with the future Runway Rehabilitation Project. Ordinance 3185-2021 was approved at the February 17, 2021 Council Meeting and appropriated additional funds for a total anticipated project cost of \$300,000. As of March 9<sup>th</sup>, 2021 HDL Engineering is working on design and environmental documents. *As of April 16<sup>th</sup>, 2021 Bid ready plans and specifications are at 95% complete. Invitation to Bid for Construction is anticipated within 30 days.*
- Kenai Municipal Airport (KMA) Tractor & Mower – Invitations to Bid were released on November 20, 2020 with Bids Due on December 8, 2020. This project is in support of Airfield Maintenance Operations and is identified as Project No. 5 for the Airport Fund in the City's current Capital Improvement Plan. Council can expect to see legislation in December in relation to this Project. Ordinance 3176-2020 was approved at the January 6<sup>th</sup>, 2021 Council Meeting with an Award to Craig Taylor Equipment in the amount of \$151,736. Formal Notice of Award was issued on January 12<sup>th</sup>, contract was formally executed on January 21, 2021 and the equipment is now on order. Anticipated arrival August 2021.
- Kenai Municipal Airport Snow Removal Equipment (SRE) – Staff has received FAA authorization to proceed with the purchase of a new replacement Snow Blower and Broom for runway maintenance. Staff is reviewing State Contracts and manufacturers offerings now to determine procurement method. Council will see updated information next month.







- Dock repair – An Invitation to Bid was released on May 29, 2020 with Bids due on June 19, 2020. No bids were received. On July 10, 2020 the project was re-advertised for bids with bids due on July 27, 2020. The City received one Bid from Endries Company in the amount of \$298,365. Ordinance 3154-2020 was introduced on August 5, 2020 and approved on August 19, 2020. Formal contract was executed with Endries Company on August 31, 2020 with a formal Notice to Proceed provided on the same day. Work associated with the Cathodic Protection is now complete. The remaining Work will need to wait until warmer temperatures arrive in the spring. Anticipated final completion June 1, 2021. Contractor is scheduled to begin with final completion of work starting on April 19<sup>th</sup>, 2021.
- Peninsula Avenue Bluff Erosion 2020 – An Invitation to Bid was released on May 31, 2020 with Bids due on June 19, 2020. Four bids were received with Foster Construction being the lowest responsive responsible bidder at \$94,670. Council approved the project through passage of Resolution 2020-57 at the July 1, 2020 meeting. Contractor has completed submittals with the Engineers, and is anticipated to mobilize to the site on September 11, 2020 and begin moving dirt the week of the 14th. As of October 13<sup>th</sup> the project is nearly complete. The project was successful and will require installation of top soil and grass seed in the spring. The December 16, 2020 Council Packet includes a Purchase Order increase request, to Foster's Construction to account additional necessary measures taken to control ground water and runoff during construction, details within the included Memo. The Department would like to thank Fosters Construction and Larsen Engineering for their efforts on the project.
- Vault Restrooms – 100% Design documents were received on June 10, 2020 from Nelson Engineering. An Invitation to Bid was released on June 14, 2020 with Bids due on June 29, 2020. Four bids were received with Polar North Construction being the lowest responsive responsible bidder at \$359,850. Council approved the project through passage of Resolution 2020-58 at the July 1, 2020 meeting. Contract documents were executed on July 23, 2020. Construction is now shutdown for the winter. Pending Change Order 1 shall provide for a credit back to Owner in the amount of \$264 for minor changes to door hardware, and will add time to the contract to allow final painting to take place in spring under warmer temperatures. Construction has proceeded very smoothly, please extend the City's gratitude to Polar North Construction and Nelson Engineering for making this project a success.
- Waste Water Treatment Plant Master Plan – Resolution 2020-48 was approved at the June 17, 2020 Council meeting allowing this work to proceed. On July 2, 2020 HDL staff and consultants spent the day on the property going through all systems of the plant. On August





31, 2020 the first draft assessment was received. Staff continues to work with HDL to develop plans for the facility in preparation of updates to the Capital Plan. HDL also continues to assist the department with the renewal of our APDES Permit which expires every five years.

- Water & Sewer Master Plan – Resolution 2021-19 is set for Council approval March 17, 2021 awarding \$82,175 to HDL Engineering Consultants to begin assessments of Water & Sewer facilities. A formal report is anticipated within ninety days of their Notice to Proceed. *HDL was on site April 13-15 conducting site inspections, photo documenting facility conditions. Work remains on schedule.*
- Waste Water Treatment Plant WAS Pumps – Polar North was awarded a Contract on September 22, 2020 in the amount of \$79,703 to demo and replace 40 year old pumps. Both pumps are now installed and operational. *Painting of the piping, installation of pipe stands and is now complete. There is one approved change order #1 in the amount of \$3,865 which provided for installation of air release valves which greatly improved the pumps operation. Installation of doors and hardware is pending warmer weather shortly and will complete the project.* The Project has been a great success, the pumps were previously 15hp and the new ones are 3hp and work more efficiently, which will further assist with reductions in utility costs for the facility. Polar North and the Waste Water staff ensured this project was completed on time and on budget, their efforts are appreciated.
- Waste Water Treatment Plant Replacement Sludge Press – Resolution 2020-95 approved at the December 16, 2020 Council meeting authorized HDL Engineering to begin the Design Phase of the WWTP Replacement Sludge Press. Contract Documents were executed on January 6, 2021 with a Notice to Proceed issued on January 11, 2021. First step will be to request proposals from various press manufacturers and make a selection to move through design phases with. Presses of this type typically take six months to manufacturer, goal will be to have an operational new press around late November 2021. On February 3, 2021 HDL staff was on site taking measurements and further detailing the new press location and associated appurtenances. *A Request for Proposals from press manufactures is pending release. We anticipate a specific press being placed on order in May 2021.*
- USACE Bluff Erosion – See City Manager’s report. Director’s Report from the Army Corp of Engineers was signed April 10, 2019. On June 17, 2020 Council authorized the City Manager to sign the MOU received from the Corp. PED Agreement arrived on September 2, 2020. The City mailed a check in the amount of \$350,000 on September 18, 2020 to cover the City’s initial share of PED costs. Meetings have begun with the City Manager and Public Works Director with the ACOE. Draft RFP Docs were sent to ACOE Staff for comment on December 8, 2020 during phone conference with ACOE, City Manager and PWD. Comments were received back on December 9<sup>th</sup>. Formal Request for Proposals was released on January 28, 2021, Pre-proposal zoom meeting was conducted on February 9, 2021 with approximately twenty people attending. *Proposals were received on March 4, 2021 from five firms. Evaluations of the proposals were completed by committee and HDR Engineering, Inc was the highest scoring successful proposer. An intent to award was sent out on March 18, 2021 and contract negotiations with HDR are underway.*



- Multi-purpose Facility – The Building Maintenance Department went through the Ice Rink and pressure washed all of the algae that has been growing on the steel beams. Nelson Engineering was also able to come out and assess the structure and condition of the rusting. Formal report was received on October 6, 2020. *Work will continue in the spring.*
- Recreation Center – The Building Maintenance Department and Streets Department are performing repairs with in house personnel. Repairs to a drainage issue on the west side of building are being completed, as well as pressure washing of the building and new exterior staining. Photos below. *Work will continue into the spring as weather warms back up.*
- Fire Sprinkler Testing, Inspection & Monitoring – Invitations to Bid were released on November 20, 2020 with Bids Due on December 8, 2020. This will be for up to a five year term service agreement for all City Facilities. Resolution 2020-93 with a Contract Award to Yukon Fire Protection was approved at the December 16, 2020 Council meeting. Total contract for five years services totals \$74,373. Contractor will be in Kenai on starting on January 18<sup>th</sup> going through all City owned facilities. The Contractor has performed all preliminary site inspections with the exception of the Senior Housing which was decided to wait until after their vaccination clinics which were actively taking place when contractor started. The City received Yukon Fire's formal report on February 2, 2021, the Contractor is set to return in March and begin repairing deficiencies identified during their inspection. Council will see some upcoming legislation to address needs at the Visitors Center and Recreation Center that are beyond the current budgeted contingencies. *All facilities have been inspected now, legislation will be provided at the May 5<sup>th</sup> Council Meeting for council's consideration to address additional needs identified during the inspections.*
- Kenai Well house Relocation – Project was released for Invitations to Bid on March 8, 2021 with bids due on April 1, 2021. Project consists of relocating a small prefabricated steel structure, approximately 20'x28' that suffered foundation damages during the November 2018 earthquake. This project was approved under Ordinance 3194-2021 at the March 3<sup>rd</sup>, 2021 council meeting. *Bid Opening was moved to April 19, 2021 council can expect to see legislation at the May 5<sup>th</sup>, 2021 Council Meeting for a contract award.*
- SCADA Integration – Resolution 2021-10 approved at the March 3, 2021 Council meeting has authorized a \$125,000 purchase order to HDL Engineering for assessments and repairs to both the Water & Sewer and Wastewater facilities relating to SCADA. Borealis Controls as sub-consultant to HDL Engineering has provided a revised SCADA network diagram, and is working on replacing primary equipment at the public safety building.
- Cemetery Expansion – This project is located at the corner of First Ave and Float Plane Rd and will provide for additional burial space as the existing adjacent cemetery has reached capacity. The Public Works Department using in house personnel has already cleared, leveled and graded the site, and placed and compacted a gravel sub-base for the parking area. This spring asphalt paving, topsoil and seeding will take place. Additional funds will be sought during the FY22 budget to purchase and install a new perimeter fence.
- Kenai Fine Arts Center Improvement – *Polar North Construction has begun work for the Fine Arts Center, asbestos abatement work has now been completed as of April 9, 2021 and restoration work will now begin.*





## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Kathy Romain, Senior Center Director  
**DATE:** April 12, 2021  
**SUBJECT:** **March 2021 Monthly Report**

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Home Delivered Meals	1165
Home Delivered Meals – COVID-19	1254
Pick-Up Meals – COVID-19	190
Grocery Shopping Assistance	12
Vintage Pointe Meals – COVID-19	382

The Senior Center was open in March for various activities including: Writer’s Group, TOPS Weight Loss Group, Kenai Senior Connection, Inc., Council on Aging, and Bluegrass. All of the groups have been very active and the comments have been favorable with the additional activities.

Home delivered meals and pickup meals continue to remain steady. Medical transportation also began in March as well as the early morning coffee group.

In-person appointments also began in March and 13 individuals requested assistance with paperwork, end of life issues, benefits help, or Vintage Pointe rentals. Congregate housing is full for the first time since before the COVID-19 health emergency began.

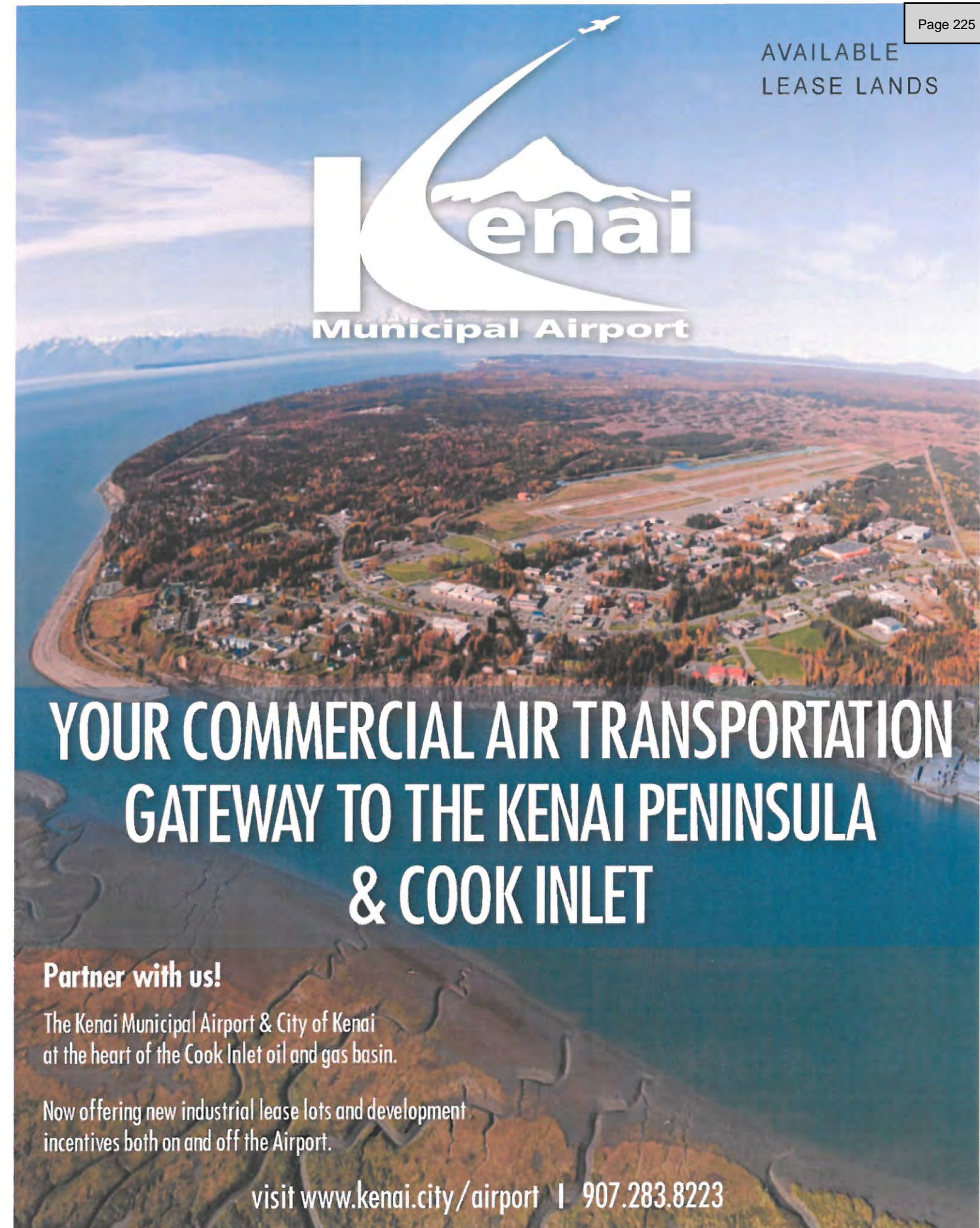
Director Romain gave a presentation to the Bishop’s Attic Board of Directors regarding Senior Center services, funding, and future considerations.

**PURCHASE ORDERS BETWEEN \$2,500.00 AND \$15,000.00 FOR COUNCIL REVIEW**  
**COUNCIL MEETING OF: APRIL 21, 2021**

<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>DEPT.</b>	<b>ACCOUNT</b>	<b>AMOUNT</b>
STRYKER MEDICAL	ANNUAL AED MAINTENANCE	VARIOUS	PROFESSIONAL SERVICES	9,329.00



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4.2021



# Kenai Municipal Airport Available Lease Lands (On-Airport)

Kenai Peninsula Borough Parcel No. 04327034  
 Legal Description: Tract C-1, Gusty Subdivision  
 Acreage: 1.91  
 FY20 Annual Rent: \$3,528.16  
 Located in Runway Protection Zone, which prohibits construction of any permanent structures. Generally level lot in raw state. Perfect for yard storage.

1

Kenai Peninsula Borough Parcel No. 04324026  
 Legal Description: Lot 9A, Block 5, GAA  
 Acreage: 1.07  
 FY20 Annual Rent: \$13,852.96  
 Cleared, gravel lot with apron and Main Street Road frontage. All public utilities available to lot.

2

Kenai Peninsula Borough Parcel No. 04324030  
 Legal Description: Tract A2, General Aviation No. 7  
 Acreage: 2.83  
 FY20 Annual Rent: Subject to Appraisal  
 Lot in raw state and requires subdivision and appraisal. Located near terminal with apron and Main Street Road frontage. All public utilities available to lot.

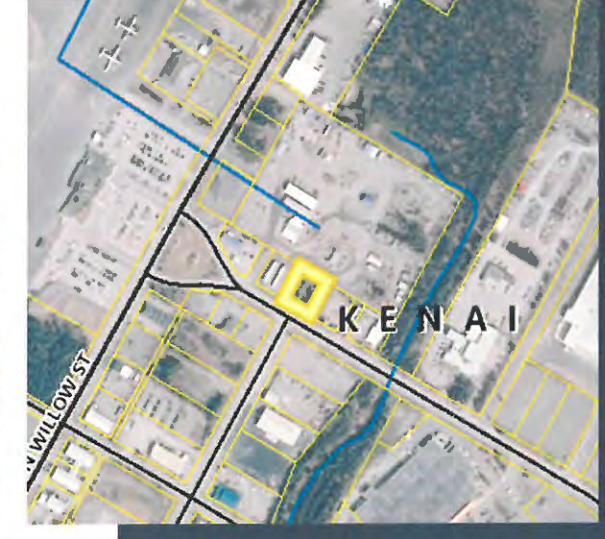
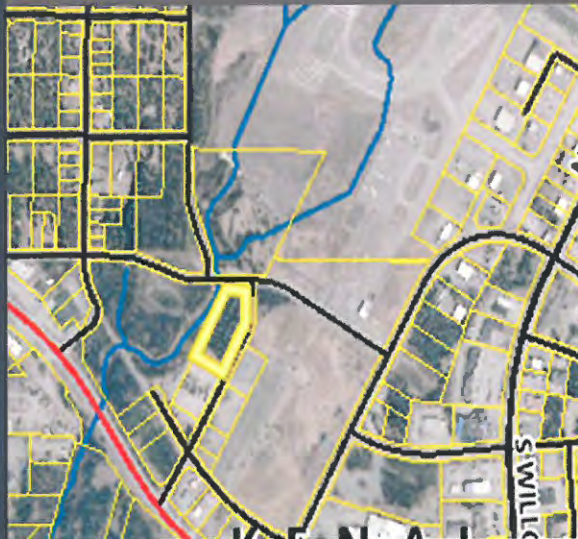
3

Kenai Peninsula Borough Parcel No. 04322008  
 Legal Description: Lot 8, Block 2, Cook Inlet Industrial Airpark  
 Acreage: 1.21  
 FY20 Annual Rent: \$15,584.08  
 Lot in raw state. Access from Trading Bay Road. All public utilities available to lot.

4

Kenai Peninsula Borough Parcel No. 04322020  
 Legal Description: Lot 3, Block 5, Cook Inlet Industrial Airpark  
 Acreage: .48  
 FY20 Annual Rent: \$5,921.92  
 Lot in raw state. Access from Airport Way. All public utilities available to lot.

5



Kenai Peninsula Borough Parcel No. 04322021  
 Legal Description: Lot 4, Block 5, Cook Inlet Industrial Airpark  
 Acreage: .48  
 FY20 Annual Rent: \$5,966.56  
 Lot in raw state. Access from Airport Way. All public utilities available to lot.

6

Kenai Peninsula Borough Parcel No. 04336004  
 Legal Description: Lot 2, Block 2 FBO Subdivision  
 Acreage: .51  
 FY20 Annual Rent: \$6,528.08  
 Lot in raw state. Access from N. Willow. All public utilities available to lot.

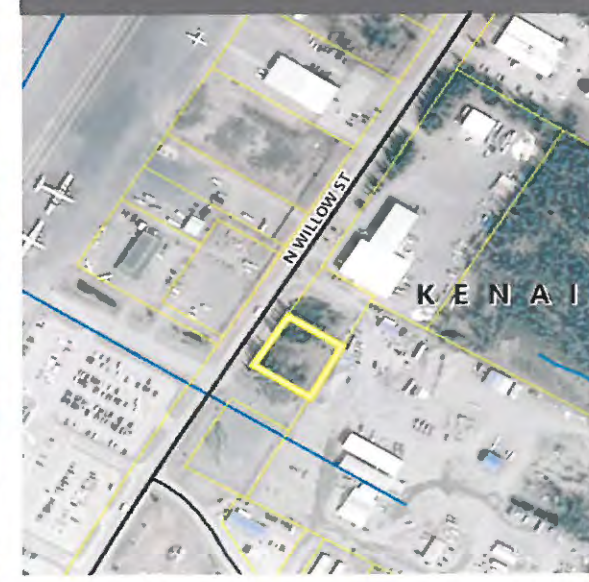
7

Kenai Peninsula Borough Parcel No. 04336003  
 Legal Description: Lot 1, Block 2 FBO Subdivision  
 Acreage: .53  
 FY20 Annual Rent: \$6,785.52  
 Lot in raw state. Access from N. Willow. All public utilities available to lot.

8

Kenai Peninsula Borough Parcel No. 04336049  
 Legal Description: Lot 5A, Block 1, FBO Subdivision  
 Acreage: 1.8  
 FY20 Annual Rent: \$6,360.24  
 Apron frontage, cleared lot with apron and N. Willow Access. All public utilities available to lot.

9

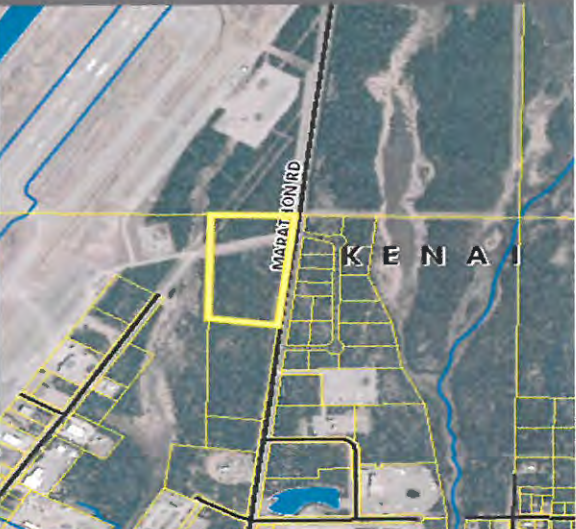




# Kenai Municipal Airport Available Lease Lands (On-Airport)

Kenai Peninsula Borough Parcel No. 04501056  
 Legal Description: NW ¼ NW Sec. 33 W of Marathon Road  
 Acreage: 17.85  
 FY20 Annual Rent: Subject to Appraisal  
 Lot in raw state, heavily treed and requires subdivision. Access from N. Willow and Marathon Road. All public utilities available to lot.

10



Kenai Peninsula Borough Parcel No. 04336036  
 Legal Description: Lot 3, FBO Subdivision No. 6  
 Acreage: 2.44  
 FY20 Annual Rent: \$18,022.32  
 Lot in raw state, heavily treed. All public utilities available to lot. Lot adjacent to Kenai Animal Control and across from Airport Operations. Access from N. Willow.

11



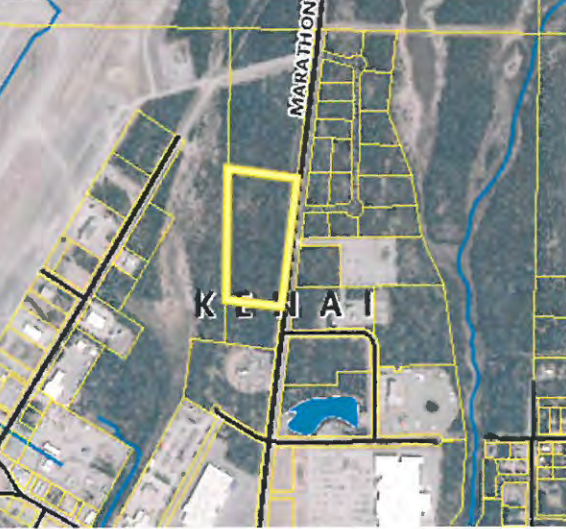
Kenai Peninsula Borough Parcel No. 04336043  
 Legal Description: Lot 5, FBO Subdivision  
 Acreage: 3.6  
 FY20 Annual Rent: Subject to Appraisal  
 Lot in raw state, heavily treed. All public utilities available to lot. Access from N. Willow.

12



Kenai Peninsula Borough Parcel No. 04501031  
 Legal Description: Tract A1, Baron Park 2007 Replat  
 Acreage: 13.12  
 FY20 Annual Rent: \$36,360.80  
 Lease entire lot or subdived portion. Lot in raw state, heavily treed. All public utilities available to lot. Access from Marathon Road across from Industrial Park.

13



Kenai Peninsula Borough Parcel No. 04336034  
 Legal Description: Lot 1, FBO Subdivision  
 Acreage: 1.72  
 FY20 Annual Rent: \$12,721.68  
 Lot in raw state, heavily treed. All public utilities available to lot. Lot adjacent to Kenai Animal Control. Access from N. Willow.

14



Kenai Peninsula Borough Parcel No. 04101021  
 Legal Description: Portion of W ½ of Sec. 28 & SE ¼ of Section 29  
 Acreage: 478  
 FY20 Annual Rent: Subject to Appraisal  
 Requires subdivision. Lot in raw state. All public utilities available to lot. Apron access and access from Marathon Road.

15



Kenai Peninsula Borough Parcel No. 04101022  
 Legal Description: Portion of SW ¼, Section 29, Excluding Airport Float Plane Basin  
 Acreage: 37  
 FY20 Annual Rent: Subject to Appraisal  
 Requires subdivision. Lot in raw state.

16



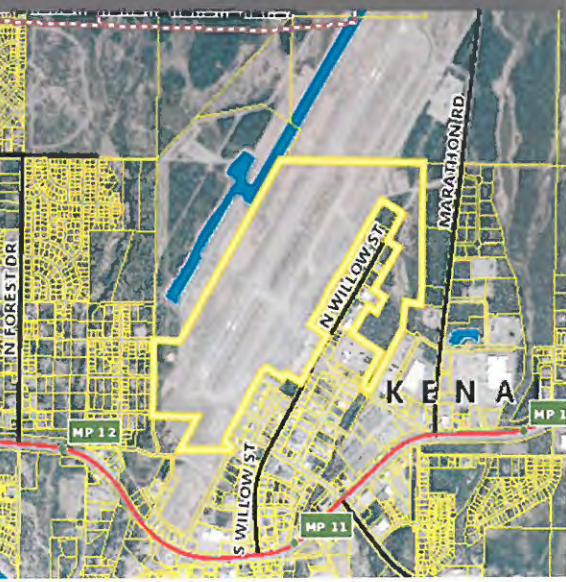
Kenai Peninsula Borough Parcel No. 04318043  
 Legal Description: Portion of Tract A, Kenai Airport Float Plane Basin Replat  
 Acreage: 160.71  
 FY20 Annual Rent: Subject to Appraisal  
 Requires subdivision to exclude the Kenai float plane basin, which includes a 4,653-foot long and 250-foot wide water runway.

17



Kenai Peninsula Borough Parcel No. 04318044  
 Legal Description: Portion of Section 32, excluding Float Plane Basin and Apron  
 Acreage: 330  
 FY20 Annual Rent: Subject to Appraisal  
 Requires subdivision to exclude Airport apron.

18



Kenai Peninsula Borough Parcel No. 04336001  
 Legal Description: Tract A, FBO Subdivision  
 Acreage: 10.96  
 FY20 Annual Rent: Subject to Appraisal  
 Lease entire lot or subdived portion. Cleared, gravel lot with buildings. All public utilities available to lot. Access from N Willow and Airport Way.

19





# Off-Airport Lease Opportunities

## KENAI AIRPORT INDUSTRIAL PARK

Demand for land along Marathon Road is growing for industrial users as industrial land in the Kenai Commercial Core is diminishing. Kenai Industrial Subdivision and Commercial Loop was improved with a gravel roadbed and public water and sewer in 2013. 1/4 mile from the Kenai Municipal Airport.



## VACANT COMMERCIAL & INDUSTRIAL LANDS

Contact the City of Kenai for additional information on vacant commercial & industrial lands near the Kenai Airport.



# Kenai Municipal Airport

## YOUR COMMERCIAL AIR TRANSPORTATION GATEWAY TO THE KENAI PENINSULA & COOK INLET

The Kenai Municipal Airport is a full-service 49 CFR part 139 non-hub primary airport with two commuter airlines offering scheduled service to Anchorage seven days a week with 15-20 flights per day. Charter services are also available. The Automated Flight Service Station is open 24 hours a day, and a contract Air Traffic Control Tower is located on field. Credit card fuel pumps are available 24-hours a day for both wheeled and float aircraft in addition to aircraft maintenance and avionics shops. Two runways and a floatplane basin accommodate a variety of aircraft (7,855 x

x 150 foot wide grooved, asphalt runway; 2,000 foot long x 60 foot wide gravel runway; 4,600 foot x 252 foot wide water runway). Instrument landing system (ILS) to Runway 20R. Class I, Aircraft rescue and firefighting (ARFF) Index A with 24-hour fire response. The terminal includes a restaurant and lounge as well as car rental services and office space. Large and small lots, central location, and extensive aviation facilities and natural features nearby. New industrial lease lots are available for development as well as lots with access to the apron or Float Plane Basin.



VIEW AVAILABLE LEASE LOTS ONLINE!

[kenai.maps.arcgis.com](http://kenai.maps.arcgis.com)

### LEASE BENEFITS

- LOW UP-FRONT COSTS
- UP TO 45-YEAR LEASE TERM
- LEASE CREDITS FOR SITE PREPARATION WORK
- PREDICTABLE ANNUAL RENT
- FAVORABLE DISPOSITION OF IMPROVEMENTS
- SIGNATORY LANDING FEES
- PREDETERMINED CONDITIONS FOR EXTENSION AND RENEWAL

## The best leasing environment on the Kenai Peninsula

### PARTNER WITH US!

In 1963, the FAA transferred ownership of nearly 2,000 acres of land to the City of Kenai. Most of the land is located in the core business area of Kenai surrounding the Kenai Airport, and the sale of some of these lands formed the basis for economic development in Kenai. In 2018, The City revised its land leasing program to encourage growth and development of lands by simplifying and streamlining processes to make the Kenai Municipal Airport and surrounding properties the best leasing environment of all the airports on the Kenai Peninsula.

### THE CITY OF KENAI

The City of Kenai is an All-America City located on the Kenai Peninsula where the Kenai River meets Cook Inlet. Kenai is the heart of activity on the Kenai Peninsula with industries that include oil, natural gas, commercial fishing, and tourism.



Multiple lots available perfect for:

- Retail, service, and office space
- Warehouse, production, and manufacturing facilities
- Aircraft transportation, aviation, and marine-related services
- A variety of other services including: education, health, legal, tourism, and non-profit
- General aviation, air taxi, air cargo, aircraft parking, rental, hangars, fueling, aviation service providers





	<b>City of Kenai</b> <b>Land Lease Application</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Application for:</td> <td> <input type="checkbox"/> New Lease  <input type="checkbox"/> Amendment  <input type="checkbox"/> Assignment                 </td> <td> <input type="checkbox"/> Extension  <input type="checkbox"/> Renewal                 </td> </tr> <tr> <td>Application Date:</td> <td colspan="2"></td> </tr> </table>	Application for:	<input type="checkbox"/> New Lease <input type="checkbox"/> Amendment <input type="checkbox"/> Assignment	<input type="checkbox"/> Extension <input type="checkbox"/> Renewal	Application Date:		
Application for:	<input type="checkbox"/> New Lease <input type="checkbox"/> Amendment <input type="checkbox"/> Assignment	<input type="checkbox"/> Extension <input type="checkbox"/> Renewal						
Application Date:								

Applicant Information			
Name of Applicant:			
Mailing Address:	City:	State:	Zip Code:
Phone Number(s):	Home Phone:	Work/ Message Phone:	
E-mail: (Optional)			
Name to Appear on Lease:			
Mailing Address:	City:	State:	Zip Code:
Phone Number(s):	Home Phone:	Work/ Message Phone:	
E-mail: (Optional)			
Type of Applicant:	<input type="checkbox"/> Individual (at least 18 years of age) <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Government <input type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Other		

Property Information and Term Requested	
Legal description of property (or, if subdivision is required, a brief description of property):	
Does the property require subdivision? (if Yes, answer next questions) <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>	
Subdivision costs are the responsibility of the applicant unless the City Council determines a subdivision serves other City purposes:	
1. Do you believe the proposed subdivision would serve other City purposes?	<input type="checkbox"/> YES <input type="checkbox"/> NO
2. If determined it does not, applicant is responsible for all subdivision costs.	Initials _____
If an appraisal is required to determine the minimum price on the land, applicant is responsible for the deposit to cover costs associated with appraisal. If a sale is approved, the cost of the appraisal will be either refunded or credited to the applicant.	
It is the responsibility of the applicant to cover recording costs associated with lease. Initials _____	
Do you have or have you ever had a Lease with the City? (if Yes, answer next question) <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>	
1. Legal or brief description of property leased:	
Request a Lease with an Option to Purchase once development requirements are met? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>	
Requested term for Initial Lease or Renewal (based on Term Table, not to exceed 45 years):	
Requested term for Lease Extension (based on Term Table, not to exceed a total of 45 Years):	
Requested Starting Date:	

Proposed Use and Improvements	
Proposed Use (check one): <input type="checkbox"/> Aeronautical <input type="checkbox"/> Non-Aeronautical	
Do you plan to construct new or additional improvements? (if Yes, answer next five questions) <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>	
1. Will the improvement change or alter the use under an existing lease? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>	
2. What is the proposed use of the improvement?	
3. What is the estimated value of the improvement?	
4. What is the nature and type of improvement?	
5. What are the dates construction is estimated to commence and be completed? (generally, construction must be completed within two years)	
Estimated Start Date:	Estimated Completion Date:
Describe the proposed business or activity intended:	
How does the proposed lease support a thriving business, residential, recreational, or cultural community?	
Lease Assignment Only: What is the name of the individual or legal entity the lease is to be assigned?	

Lease Renewal Only	
<input type="checkbox"/> Renewal of an Existing Lease (at least one year of term remaining): Requires new development.	
Lease Term based on: Estimated cost of new improvements and <input type="checkbox"/> Purchase Price (optional)	
<input type="checkbox"/> Renewal of an Expiring Lease (less than one year of term remaining): Does not require new development.	
Lease Term based on: <input type="checkbox"/> Purchase Price <input type="checkbox"/> Professional Estimate of Remaining Useful Life	
<input type="checkbox"/> Fair Market Value appraisal and/or <input type="checkbox"/> Estimated cost of new improvements (optional)	

Requested Term for Renewal Based on Term Table, not to exceed 45 Years:			
Submitting an application for a lease does not give the applicant a right to lease or use the land requested in the application. The application shall expire twelve (12) months after the date the application has been made if the City and the applicant have not, by that time, entered into a lease, unless the City Council for good cause grants an extension for a period not to exceed six (6) months. The City has no obligation to amend, renew or extend a lease and may decline to do so upon making specific findings as to why a lease renewal, extension, or amendment is not in the best interest of the City			
Signature:		Date:	
Print Name:		Title:	

For City Use Only:	Date Application Fee Received:	
<input type="checkbox"/> General Fund	<input type="checkbox"/> Airport Reserve Land	Date Application Determined Complete: _____
<input type="checkbox"/> Airport Fund	<input type="checkbox"/> Outside Airport Reserve	30-Day Notice Publication Date: _____
Account Number:		City Council Action/Resolution: _____



FREQUENTLY ASKED  
QUESTIONS

**Q: DOES LAND HAVE TO BE LEASED OR CAN IT BE PURCHASED?**

A: City-owned land within the Airport Reserve cannot be purchased.

**Q: HOW DO I APPLY FOR A LEASE?**

A: Applicants must be at least 18 years of age, a legal entity authorized to conduct business in Alaska, or acting on behalf of such an entity. Applicants must complete an Application Form and pay a non-refundable application fee of \$100.

**Q: HOW LONG DOES IT TAKE FOR A LEASE APPLICATION TO BE APPROVED?**

A: The typical lease application review process takes 60-90 days.

**Q: HOW IS THE LENGTH OF LEASE DETERMINED?**

A: The length of term for an initial lease is based on the amount of investment the applicant proposes to make in the construction of new permanent improvements on the premises according to the term table: [kenai.municipal.codes/KMC/21.10.080](http://kenai.municipal.codes/KMC/21.10.080)

**Q: HOW IS THE ANNUAL RENT DETERMINED?**

A: Annual rent is determined at 8% of the fair market value appraisal of the land, excluding improvements, and annual rents for each parcel are published in the City's schedule of fees. Rent is adjusted annually based on the rate of inflation determined by the Consumer Price Index (CPI). Every ten years, the City conducts an Airport Market Analysis to determine whether a market adjustment is necessary.

**Q: HOW DO DEVELOPMENT INCENTIVES WORK?**

A: The City offers temporary development incentives to encourage investment in the form of a credit applied toward rent for a maximum of five years. The credit may only include the value of site preparation work on the leased premises to include clearing and grubbing, unclassified excavation, classified fill and back fill, a crushed aggregate base course, and utility extensions. A request for the credit will need to be accepted and approved by the City prior to any work being performed.  
[kenai.municipal.codes/KMC/21.10.100](http://kenai.municipal.codes/KMC/21.10.100)

For a complete list of FAQ's see: Kenai Municipal Airport Land Lease Within the Airport Reserve Frequently Asked Questions

