



Kenai City Council - Regular Meeting

April 22, 2026 – 6:00 PM

Kenai City Council Chambers

210 Fidalgo Avenue, Kenai, Alaska

www.kenai.city

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

Agenda

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. **Certification of the April 14, 2026 Special Election Results**
4. Approval of the Agenda and Consent Agenda (*Public comments on Consent Agenda Items 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 ADMINISTRATIVE REPORTS

C. SCHEDULED PUBLIC COMMENTS (*Public comments limited to ten (10) minutes per speaker; twenty (20) minutes aggregated*)

1. Request for Consideration of Challenger Center for Homeschool / Career Technical Education (CTE), Doug Hayman, Principal of Connections Homeschool.

D. UNSCHEDULED PUBLIC COMMENTS (*Public comments limited to three (3) minutes per speaker; thirty (30) minutes aggregated*)

E. PUBLIC HEARINGS

1. **Ordinance No. 3511-2026** - Accepting and Appropriating Funds from the Institute of Museum and Library Services, Passed Through the State of Alaska, Department of Education and Early Development, Division of Library, Archives & Museums, for Library Employee Training. (Administration)
2. **Ordinance No. 3512-2026** - Amending Kenai Municipal Code Chapter 7.22 Investment of Monies to Broaden the Range of Permitted Investments and Extend the Maturity Profile of the City's Investment Portfolio. (Administration)
3. **Resolution No. 2026-18** - Accepting a Site-Specific Emergency Operations Plan and Continuity of Operations Plan for the Kenai Senior Center and Incorporating These Plans into the City of Kenai Emergency Operations Plan. (Administration)
4. **Resolution No. 2026-19** - Authorizing a Contract Award for External Financial Audit Services. (Administration)

- [5.](#) **Resolution No. 2026-20** - Authorizing a Contract Award for the 2026 Kenai City Dock Lease. (Administration)
- [6.](#) **Resolution No. 2026-21** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Nathan Scow for the Property Described as Tracts A & B, City of Kenai Shore Fishery No. 1. (Administration)
- [7.](#) **Resolution No. 2026-22** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Tide Chaser Fishery, LLC for the Property Described as City of Kenai Shore Fishery No. 2. (Administration)
- [8.](#) **Resolution No. 2026-23** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Brian Scow for the Property Described as Tract One (1), Shore Fishery Plat No. 71. (Administration)
- [9.](#) **Resolution No. 2026-24** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Nancy Hillman-Scow for the Property Described as Tract Two (2), Shore Fishery Plat No. 71. (Administration)
- [10.](#) **Resolution No. 2026-25** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Kenai Salmon Company, Inc. for the Property Described as Tracts Three (3), Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71. (Administration)
- [11.](#) **Resolution No. 2026-26** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Aurora Holdings and Investments, LLC for the Property Described as Tract Seven (7), Shore Fishery Plat No. 71. (Administration)
- [12.](#) **Resolution No. 2026-27** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Laura Maccabee for the Property Described as a 3.29-acre portion of Tidelands Survey No. 272 within Section Thirty-Five (35), Township 5 North, Range 12 West. (Administration)
- [13.](#) **Resolution No. 2026-28** - Approving an Auto Aid Agreement and Supporting Operational Plan with the Kenai Peninsula Borough for Exchange of Personnel and Equipment Response to Structure Fires. (Administration)

F. **MINUTES**

- [1.](#) *Regular Meeting of April 1, 2026. (City Clerk)
- [2.](#) *Special Meeting of April 8, 2026. (City Clerk)

G. **UNFINISHED BUSINESS**

H. **NEW BUSINESS**

- [1.](#) ***Action/Approval** - Bills to be Ratified. (Administration)
- [2.](#) ***Action/Approval** - Non-Objection to the Transfer of Ownership of a Marijuana Product Manufacturing Facility License from Transferor Herban Extracts, LLC to Transferee Lady Gray, LLC. DBA Herban Extracts - License No. 14432. (City Clerk)
- [3.](#) ***Action/Approval** - Special Use Permit to NILCHIL Solutions, Inc. for an Off-Premise Sign on City-Owned Property Described as Tract B, Gusty Subdivision Addition No. 2, Located at 11631 Kenai Spur Highway. (Administration)

- [4.](#) ***Ordinance No. 3513-2026** - Amending Kenai Municipal Code Chapter 7.15 - Purchases and Sales, to Remove Requirements to Publish Advertisements in Newspapers. (Administration)
- [5.](#) ***Ordinance No. 3514-2026** - Increasing Estimated Revenues and Appropriations in the General Fund and Airport Fund and Awarding a Contract for Purchase of Firefighting Foam. (Administration)
- [6.](#) ***Ordinance No. 3515-2026** - Increasing Estimated Revenues and Appropriation in the Airport Snow Removal Equipment Capital Project Fund to Transfer Residual Balance from a Completed Project Back to the Original Funding Source. (Administration)
- [7.](#) ***Ordinance No. 3516-2026** - Increasing Estimated Revenues and Appropriations in the General Fund - Fire Department for Overtime Costs in Excess of Budgeted Amounts. (Administration)
- [8.](#) ***Ordinance No. 3517-2026** - Increasing Estimated Revenues and Appropriations in the General Fund and Authorizing a Consulting Agreement to Evaluate Natural Gas Storage Opportunities on Kenai Municipal Airport Lands. (Administration)
- [9.](#) **Action/Approval** - Parks and Recreation Commission 2026 Work Plan. (Parks and Recreation Commission)
- [10.](#) **Discussion** - Kenai Central High School Pool Operations and Coordination. (Administration)
- [11.](#) **Discussion** - Candidate Filing Period. (City Clerk)

I. COMMISSION REPORTS

1. Council on Aging Commission
2. Airport Commission
- [3.](#) Parks and Recreation Commission
 - Parks and Recreation Commission 2025 Annual Report
- [4.](#) Planning and Zoning Commission
5. Beautification Commission

J. REPORT OF THE MAYOR

- [1.](#) **Proclamation** - In Recognition of Kenai Peninsula Hockey Association (KPHA) Ice Hawks 12U Girls Hockey Team.

K. ADMINISTRATION REPORTS

- [1.](#) City Manager
2. City Attorney
3. City Clerk

L. ADDITIONAL PUBLIC COMMENTS

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

M. EXECUTIVE SESSION

1. Competing Applications for Gas Storage Space. Pursuant to AS 44.62.310(c)(1) a Matter of which the Immediate Knowledge may have an Adverse Effect upon the Finance of the City and AS 44.62.310(c)(3) a Matter of which by Law, Municipal Charter, or Ordinance are required to be Confidential. (Administration)
2. Kenai Central High School Pool Negotiations. Pursuant to AS 44.62.310(c)(1) a Matter of which the Immediate Knowledge may have an Adverse Effect upon the Finance of the City. (Administration)

N. PENDING ITEMS

1. **Ordinance 3510-2026** - Amending the Official Zoning Map by Rezoning the Property at 10060 Kenai Spur Highway from Conservation to Suburban Residential Zoning District. (Administration)

Ordinance No. 3510-2026 (Substitute) - Amending the Official Zoning Map by Rezoning a Portion of the Property at 10060 Kenai Spur Highway from Conservation to Suburban Residential Zoning District. (Administration)

[Clerk's Note: During the April 1, 2026 City Council Meeting, Ordinance No. 3510-2026 was postponed to May 6, 2026.]

O. ADJOURNMENT

P. INFORMATION ITEMS

The agenda and supporting documents are posted on the City's website at 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 at 907-283-8231.

Registration is required to join the meeting remotely through Zoom. Please use the following link to register:

<https://us02web.zoom.us/meeting/register/orBHLO0eQj-VTX14WLLMA>



Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3511-2026**

AN ORDINANCE ACCEPTING AND APPROPRIATING FUNDS FROM THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES, PASSED THROUGH THE STATE OF ALASKA, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT, DIVISION OF LIBRARY, ARCHIVES & MUSEUMS, FOR LIBRARY EMPLOYEE TRAINING.

WHEREAS, the Kenai Community Library has been awarded up to \$1250 in federal grant funds from the Institute of Museum and Library Services, passed through the State of Alaska, Department of Education and Early Development, Division of Library, Archives & Museums, for continuing education expenses; and,

WHEREAS, the funds will be used to reimburse travel costs related to a staff member's attendance at the annual Alaska Library Association conference; and,

WHEREAS, it is in the best interest of the City of Kenai to appropriate these grant funds for the purpose intended; and,

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 \$1,250.

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

General Fund:

Increase Revenues–	
Federal Grants - Library	<u>\$1,250</u>
Increase Appropriations–	
Library – Travel and Transportation	<u>\$1,250</u>

Section 3. That the City Manager is authorized to execute the grant agreement and to expend the grant funds to fulfill the purpose and intent of 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 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: DS

Introduced: April 1, 2026
Enacted: April 22, 2026
Effective: April 22, 2026



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Katja Wolfe, Library Director

DATE: March 19, 2026

SUBJECT: **Ordinance No. 3511-2026:** Accepting and Appropriating Funds from the Institute of Museum and Library Services, Passed Through the State of Alaska, Department of Education and Early Development, Division of Library, Archives & Museums, for Library Employee Training.

The State of Alaska, Department of Education and Early Development, Division of Library, Archives & Museums receives funds from the Institute of Museum and Library Services to pay for Continuing Education (CE) grants for Alaska library workers. These funds can be spent on travel, lodging, per diem and registration expenses for conferences and workshops.

The purpose of this Ordinance is to accept and appropriate a CE grant from the IMLS, passed through the State of Alaska, Department of Education and Early Development, Division of Library, Archives & Museums, of up to \$1250 to reimburse the City of Kenai for a staff member's attendance at the annual Alaska Library Association conference.

Thank you for your consideration.



Sponsored by: Administration

CITY OF KENAI
ORDINANCE NO. 3512-2026

AN ORDINANCE AMENDING KENAI MUNICIPAL CODE CHAPTER 7.22 INVESTMENT OF MONIES, TO BROADEN THE RANGE OF PERMITTED INVESTMENTS AND EXTEND THE MATURITY PROFILE OF THE CITY'S INVESTMENT PORTFOLIO.

WHEREAS, Kenai Municipal Code Chapter 7.22 intends for the City's investment portfolio to be managed so that the portfolio provides safety of principal, maintains sufficient liquidity to meet cash flow requirements and achieves a reasonable market-average rate of return; and,

WHEREAS, the City's current investment policy emphasizes safety of principal, liquidity, and reasonable return consistent with prudent public fund management; and,

WHEREAS, the City has historically experienced minimal short-term liquidity demands relative to the size of its investment portfolio; and,

WHEREAS, extending the permitted maturity profile of the portfolio and broadening the range of permitted investment-grade securities may improve long-term investment returns while maintaining prudent safeguards for the safety of principal; and,

WHEREAS, the City Council finds that allowing limited incremental risk within clearly defined parameters is consistent with prudent financial management and may generate meaningful additional returns over time for the benefit of the City and its taxpayers.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, AS FOLLOWS:

Section 1. Amendment of Section 7.22.030 of Kenai Municipal Code: That Kenai Municipal Code, Section 7.22.030 - Finance, Taxation, and Business Affairs of the City - Investment of Monies - Authorized Investments is hereby amended as follows:

7.22.030 Authorized Investments.

City funds shall be invested in U.S. dollar denominated securities. Authorized instruments shall be limited to the following:

- (a) Obligations of the U.S. government, its agencies and instrumentalities.
- (b) Insured or collateralized certificates of deposit, savings accounts, and other deposits with banks and savings and loan associations.
- (c) Repurchase agreements that are documented by a written agreement, and are fully collateralized 102% by delivery of obligations of the U.S. government to an independent third-party custodian.
- (d) Money market mutual funds whose dollar-weighted average portfolio maturities are not greater than one hundred twenty (120) days, and whose portfolios consist primarily of obligations of the

U.S. government, its agencies and instrumentalities, and of repurchase agreements collateralized with such U.S. government, agency, or instrumentality obligations.

- (e) A State investment pool, should one become available.
- (f) Obligations of a corporation or municipality if the obligations are investment grade by at least two nationally recognized rating services at the time of investment.
- (g) The portfolio may hold short-dated agency mortgage-backed securities, provided they are issued or guaranteed by U.S. Government or Government Sponsored Enterprises and exhibit low extension and prepayment risk. Eligible securities must have a modified duration not exceeding five (5) years and must demonstrate adequate market liquidity.

Section 2. Amendment of Section 7.22.040 of Kenai Municipal Code: That Kenai Municipal Code, Section 7.22.040 - Finance, Taxation, and Business Affairs of the City - Investment of Monies - Maturities is hereby amended as follows:

7.22.040 Maturities and Interest Rate Risk.

Investments shall have maturities, measured from the date of purchase, that do not exceed [FIVE (5)] ten (10) years, except for investments that shall be put to specific uses (such as defeasance of debt or establishment of a sinking fund) where the matching of maturity to the use is important[.] or securities defined by (g) in Kenai Municipal Code section 7.22.030. The portfolio's duration may not exceed five (5) years.

Section 3. Amendment of Section 7.22.060 of Kenai Municipal Code: That Kenai Municipal Code, Section 7.22.060 - Finance, Taxation, and Business Affairs of the City - Investment of Monies - Liquidity is hereby amended as follows:

7.22.060 Liquidity and Diversification.

- (a) Liquidity shall be assured through investments in marketable authorized investments with existing maturities of one (1) year or less, short-term repurchase agreements, a State authorized investment pool, or money market funds. At least [TWENTY] ten percent [(20%)] (10%) of the portfolio shall be held in such instruments.
- [(B) NO MORE THAN THIRTY PERCENT (30%) OF THE PORTFOLIO MAY BE INVESTED IN SECURITIES WITH MATURITIES OF LONGER THAN TWO (2) YEARS.]
- (b) Cash, cash equivalents, and US Government (non-mortgage) securities of must exceed 40% of the portfolio market value.
- (c) Corporate and Municipal securities cannot exceed 40% of the portfolio market value.
- (d) Agency mortgage-backed securities cannot exceed 30% of the portfolio market value.

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.

Ordinance No. 3512-2026
Page 3 of 3

Section 5. 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 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Introduced: April 1, 2026
Enacted: April 22, 2026
Effective: May 22, 2026



KENAI

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MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Dave Swarner, Finance Director

DATE: March 10, 2026

SUBJECT: **Ordinance No. 3512-2026** - Amending Kenai Municipal Code Chapter 7.22 Investment of Monies to Broaden the Range of Permitted Investments and Extend the Maturity Profile of the City's Investment Portfolio.

Ordinance No. 3512-2026 proposes updates to the City's investment code to extend the permitted maturity profile of the City's investment portfolio and broaden the range of allowable securities. The City's current investment policy has historically emphasized highly liquid, short-term investments, and effectively safeguarded public funds.

Historically the City has maintained strong liquidity and experienced minimal short-term demands on its investment portfolio. Because of this, a portion of the portfolio can prudently be invested with longer maturities without compromising the City's ability to meet operational needs. The proposed ordinance would allow the City to structure the portfolio more strategically, while continuing to prioritize safety of principal and liquidity and continue to effectively safeguard public funds.

Thank you for your consideration.



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-18**

A RESOLUTION ACCEPTING A SITE-SPECIFIC EMERGENCY OPERATIONS PLAN AND CONTINUITY OF OPERATIONS PLAN FOR THE KENAI SENIOR CENTER AND INCORPORATING THESE PLANS INTO THE CITY OF KENAI EMERGENCY OPERATIONS PLAN.

WHEREAS, the Kenai Senior Center received a grant from the State of Alaska, Department of Health and Social Services, Division of Senior and Disabilities Services to provide Title III Emergency Planning and Preparedness services; and,

WHEREAS, grant funds were used for professional services to develop a site-specific Emergency Operations Plan (EOP) and Continuity of Operations Plan (COOP) for the Kenai Senior Center; and,

WHEREAS, the City’s Emergency Operations Plan is an all-hazard, all-risk plan based on the National Incident Management System for comprehensive management of disaster mitigation, preparedness, response, and recovery; and,

WHEREAS, the development of a site-specific Emergency Operations Plan and Continuity of Operations Plan for the Kenai Senior Center enhances the City’s ability to protect vulnerable populations and maintain critical services during emergencies; and,

WHEREAS, the Council on Aging Commission reviewed the plans and at its meeting on April 9, 2026, and recommended the EOP and COOP be adopted as an addendum to the City of Kenai Emergency Operations Plan; and,

WHEREAS, it is in the best interest of the City of Kenai to incorporate the Kenai Senior Center site-specific Emergency Operations Plan (EOP) and Continuity of Operations Plan (COOP) into the City of Kenai Emergency Operations Plan.

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

Section 1. The Kenai Senior Center Emergency Operations Plan (EOP) and Continuity of Operations Plan (COOP) shall be incorporated as supporting documents within the City of Kenai Emergency Operations Plan.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kathy Romain, Senior Center Director

DATE: April 9, 2026

SUBJECT: **Resolution 2026-18** - Accepting a Site-Specific Emergency Operations Plan and Continuity of Operations Plan for the Kenai Senior Center and Incorporating These Plans into the City of Kenai Emergency Operations Plan.

The attached resolution requests City Council approval to incorporate the Kenai Senior Center's site-specific Emergency Operations Plan (EOP) and Continuity of Operations Plan (COOP) into the City of Kenai Emergency Operations Plan as supporting documents.

These plans were developed through a State of Alaska grant to strengthen emergency preparedness and ensure continuity of essential services for seniors, a particularly vulnerable population during emergencies. The plans align with the City's all-hazards approach and the National Incident Management System (NIMS), and they provide detailed, site-specific guidance to support coordinated response and recovery efforts.

The Council on Aging Commission reviewed the plans at its April 9, 2026, meeting and recommended their adoption. Incorporating these documents into the City's Emergency Operations Plan will enhance overall preparedness, improve response capabilities, and help ensure continuity of critical services at the Kenai Senior Center.

Thank you for your consideration.

Sponsored by: Administration



**CITY OF KENAI
RESOLUTION NO. 2026-19**

A RESOLUTION AUTHORIZING A CONTRACT AWARD FOR EXTERNAL FINANCIAL AUDIT SERVICES.

WHEREAS, a Request for Proposals was released on February 24, 2026 with proposals due on March 20, 2026 for the 2026 External Financial Audit Services; and,

WHEREAS, two proposals were received

<u>Consultant</u>	<u>Total Score</u>
BDO USA P.C.	358
Altman, Rogers & Co.	347; and,

WHEREAS, BDO USA P.C. was the highest-ranking proposal with a FY26 cost of \$84,000 for external financial audit services; and,

WHEREAS, the proposals were determined to be responsive and responsible; and,

WHEREAS, the external financial audit services will consist of a three-year term contract with the ability to extend for two additional one-year terms to conduct an annual external audit of the City of Kenai ; and,

WHEREAS, the annual contract amount may vary depending on the number of state and federal audits required; and,

WHEREAS, sufficient funds for this contract are included in the Fiscal Year 2027 Draft budget; and,

WHEREAS, it is in the best interest of the City to award the contract to BDO USA P.C.

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 with BDO USA P.C. for the City of Kenai External Financial Audit Services for three years and may extend for up to two additional one-year extensions with mutual consent of the vender.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: DS



KENAI

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MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

THROUGH: Dave Swarner, Finance Director

FROM: Lee Frey, Public Works Director

DATE: April 14, 2026

SUBJECT: **Resolution No. 2026-19** - Authorizing a Contract Award for External Financial Audit Services.

This memo requests Council's approval to award a contract for the External Financial Audit Services Contract. The project was released for proposals and two proposals were received. Proposals were reviewed and scored by an evaluation committee and scores are as follows:

<u>Consultant</u>	<u>Total Score</u>
BDO USA P.C.	358
Altman, Rogers & Co.	347

BDO USA P.C. was the highest-ranking proposer for the project with an associated cost of \$84,000 for the audit services.

This will be a three-year contract with the ability to extend the contract for two additional one-year terms. The costs may vary from year to year based on the number of additional state and federal audits required. The scope of work will consist of normal duties associated with conducting an external audit of the City of Kenai financials to assist the City in development of the Comprehensive Annual Financial Report.

Award of this agreement is in the best interest of the City. Council's approval is respectfully requested.



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-20**

A RESOLUTION AUTHORIZING A CONTRACT AWARD FOR THE 2026 KENAI CITY DOCK LEASE.

WHEREAS, an Invitation to Bid was released on March 19, 2026 with bids due on April 6, 2026 for the 2026 Kenai City Dock Lease; and,

WHEREAS, one bid was received

<u>Contractor</u>	<u>Cost</u>
E&E Foods	\$26,500; and,

WHEREAS, E&E Foods was the only bidder with a bid of \$26,500 for the annual dock lease; and,

WHEREAS, the bid was determined to be responsive and responsible; and,

WHEREAS, this lease will provide non-exclusive use of the dock open space, cranes and office space based on an annual agreement that can be extended for a total of five years; and,

WHEREAS, it is in the best interest of the City to award the contract to E&E Foods.

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

Section 1. That the City Manager is authorized to execute an annual contract with E&E Foods in the amount of \$26,500 for the Kenai City Dock Lease for up to five years.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: *DS*



KENAI

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MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Lee Frey, Public Works Director

DATE: April 14, 2026

SUBJECT: **Resolution No. 2026-20** - Authorizing a Contract Award for the 2026 Kenai City Dock Lease.

This memo requests Council’s approval to award a contract for the Kenai City Dock lease to E&E Foods. The contract was released for bidding and one bid was received. Bid received is as follows:

<u>Contractor</u>	<u>Cost</u>
E&E Foods	\$26,500

E&E Foods was the low bid for the contract with a cost of \$26,500. The contract allows for non-exclusive use of the dock open-space, cranes and office area. The contract is allowed to be renewed annually upon mutual agreement for a total length of up to five years.

Award of this agreement is in the best interest of the City. Council’s approval is respectfully requested.



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-21**

A RESOLUTION APPROVING A LEASE FORM FOR LEASING OF TIDELANDS FOR SHORE FISHERIES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A SHORE FISHERY LEASE WITH NATHAN SCOW FOR THE PROPERTY DESCRIBED AS TRACTS A & B, CITY OF KENAI SHORE FISHERY NO. 1.

WHEREAS, in 1977, the State of Alaska granted the area known as the Alaska Tidelands Survey 272 containing approximately 2,752 acres to the City of Kenai pursuant to the City's Municipal Preference Right; and,

WHEREAS, Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 – City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026; and,

WHEREAS, a new lease form for leasing tidelands for shore fisheries is needed to reflect the changes to the lease form necessitated by Ordinance 3500-2026 and must be approved by Council Resolution pursuant to KMC 22.10.040(e); and,

WHEREAS, KMC 22.10.010(c) provides that a lessee under an existing shore fishery lease will have a preference right to re-lease the same property upon lease expiration, provided the lessee is in compliance with all applicable provisions of the Kenai Municipal Code; and,

WHEREAS, the current lessee, Nathan Scow, is in compliance with all applicable sections of Kenai Municipal Code and is current with all invoiced lease payments; and,

WHEREAS, on March 2, 2026 the City of Kenai provided notice to all existing shore fishery lessees of the June 30, 2026 lease expiration date; and,

WHEREAS, Nathan Scow timely exercised his preference right to re-lease the property in accordance with KMC 22.10.010(c); and,

WHEREAS, KMC 22.10.040(e) requires the use of a standard lease form adopted by resolution of the City Council; and,

WHEREAS, the new Lease term is proposed to commence on July 1, 2026; and,

WHEREAS, approval of the Lease is consistent with the intent of Kenai Municipal Code, supports the continued authorized use, 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 lease with Nathan Scow for the property described as Tracts A & B, City of Kenai Shore Fishery No. 1, in substantially the form approved by the City Council.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kevin Buettner, Planning Director

DATE: April 14, 2026

SUBJECT: **Resolution No. 2026-21** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Nathan Scow for the Property Described as Tracts A & B, City of Kenai Shore Fishery No. 1.

This Resolution approves a new standard lease form for tidelands for shore fisheries that is consistent with recent code amendments and authorizes the City Manager to execute a Shore Fishery lease. Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 - City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026. To ensure compliance with the new code references, a new form was created. The draft lease form has been reviewed as to form by the City Attorney. Pursuant to KMC 22.10.010(c), any new lease form must be approved by Resolution.

The current shore fishery leases expire on June 30, 2026. All current lessees have expressed their intent to re-lease their shore fishery tracts for the lease period starting July 1, 2026 and ending June 30, 2036. Adoption of this lease form and authorizing the City Manager to enter into the lease will allow the Administration time to fully execute the agreements prior to expiration.

This resolution is specifically regarding the shore fishery tidelands described as Tracts A & B, City of Kenai Shore Fishery No. 1 to be leased by Nathan Scow.

Thank you for your consideration.

SHORE FISHERY LEASE

THIS AGREEMENT, entered into this ____ day of _____, 2026, by and between the **CITY OF KENAI**, a home-rule municipal corporation of Alaska, whose address is 210 Fidalgo Avenue, Kenai AK 99611-7750, hereinafter called "City," and **NATHAN SCOW** whose address is 31135 West Southern Avenue, Buckeye, AZ 85326, hereinafter called "Lessee."

The City, in consideration of the payments of the rents and performance of all the covenants by the Lessee herein contained, does hereby demise and lease to the Lessee the following described property in the Kenai Recording District, Third Judicial District, State of Alaska; to wit:

Tracts A & B, City of Kenai Shore Fishery No. 1

A. PURPOSE: The purpose for which the Lease is issued is:

Shore fishery

B. TERM: The term of this Lease is for ten (10) years, commencing on July 1, 2026, and ending on June 30, 2036.

C. RENTAL PAYMENT: Rental for the above described shore fishery tracts shall be payable as follow:

1. The annual rental rate shall be \$300.00 for each tract. However, should the State of Alaska set an annual lease rate higher than \$300.00 for similar tideland leases for shore fisheries on land owned by the State, the City may amend the annual rental to a rate equal to that charged by the State of Alaska.
2. Annual rent for the fiscal year beginning July 1 and ending June 30 shall be payable in advance on or before the first day of July of each year.
3. Rental for any period which is less than one (1) year shall be prorated based on the rate of the last full year.

D. GENERAL COVENANTS:

1. USES: Except as provided herein, any use of lands or facilities without the written consent of the City is prohibited.
2. USES NOT CONTEMPLATED PROHIBITED: Solicitation of donations or the promotion or operation of any part or kind of business or commercial enterprises, other than as specifically set forth herein, upon, or in shore fishery lands, without the written consent of the City is prohibited.
3. ASSIGNMENT OR SUBLETTING: Lessee with the City's written consent, which will not be unreasonably denied, may assign for other than collateral purposes, in whole or in part, its rights as Lessee hereunder.

SHORE LEASE FISHERY – Nathan Scow

Tracts A & B, City of Kenai Shore Fishery No. 1

LESSOR: _____

LESSEE: _____

Any assignee of part or all of the leased premises shall assume the duties and obligations of the Lessee as to such part or all of the leased premises.

No such assignment, however, will discharge Lessee from its duties and obligations hereunder.

- 4. COSTS AND EXPENSES: Costs and expenses incident to this lease, including but not limited to, recording costs shall be paid by Lessee.
- 5. TREATMENT OF DEMISE: The Lessee agrees to keep the premises clean and in good order at its own expense, suffering no strip or waste thereof, nor removing any material therefrom, except fisheries resources, without written permission of the City. At the expiration of the term fixed, or any sooner determination of the Lease, the Lessee will peaceably and quietly quit and surrender the premises to the City.
- 6. PAYMENT OF RENT: Checks, bank drafts, or postal money orders shall be made payable to the City of Kenai and delivered to the City Administration Building, Kenai, Alaska.
- 7. HERRING SPAWN COVENANT: This Lease is issued subject to Sections 16.10.172 – 16.10.175 of the Alaska Statutes and it is agreed that the covenants, terms and conditions herein contained shall be binding upon the successors and assigns of the respective parties hereto.
- 8. DEFAULT RIGHT OF ENTRY: Should default be made in payment of any portion of the rent or fees when due, or in any of the covenants or conditions contained in the Lease or in any regulations now or hereinafter in force, then in such event the City shall by written notice give Lessee thirty (30) days to cure such default or defaults, after which if the default is not cured, the City may terminate the Lease, reenter and take possession of the premises, and remove all persons therefrom.
- 9. LEASE UTILIZATION: Leased lands shall be utilized for purposes within the scope of the terms of the Lease and the terms of the deed under which the land was granted to the City (and any releases pertinent thereto), in conformity with the ordinances of the City and Borough. Utilization or development for other than the allowed uses shall constitute a violation of the Lease and subject the Lease to cancellation at any time.
- 10. CONDITION OF PREMISES: The premises demised herein are unimproved and are leased on an “as is, where is” basis.
- 11. UNDERLYING TITLE: The interests transferred, or conveyed by this Lease are subject to any and all of the covenants, terms, or conditions contained in the instruments conveying title or other interests to the City.
- 12. RIGHT OF INSPECTION: The City shall have the right at all reasonable times to enter the premises, or any part thereof, for the purposes of inspection.

13. ASSUMPTION OF RISK AND INDEMNITY, DEFEND, AND HOLD HARMLESS AGREEMENT: Lessee assumes full control and sole responsibility as between Lessee and the City for the activities of Lessee, its personnel, employees, and persons acting on behalf or under the authority of the Lessee anywhere on the leased premises. Lessee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the leased premises and its exercise of the privileges granted in this Lease.

Lessee agrees to fully indemnify, defend, and hold harmless, the City, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, including death, judgements, 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 Lessee in connection with or arising from or out of Lessee's activities on or use of the premises. This shall be continuing obligations and shall remain in effect after termination of this Lease.

14. COLLECTION ON UNPAID MONIES: Any or all rents, charges, fees, or other consideration which are due and unpaid at the expiration or voluntary or involuntary termination or cancellation of this Lease, shall have such lien rights as are allowed by law, and enforcement by distraint may be made by the City or its authorized agent.

15. EASEMENT GRANTS RESERVED: The City reserves the right to grant and control easements in, or above the land leased. No such grant or easement will be made that will unreasonably interfere with the Lessee's use of the land, and Lessee shall have free access and use of any and all parking and loading rights, rights of ingress and egress now or hereafter appertaining to the leased premises.

16. SURRENDER ON TERMINATION: Lessee shall, on the last day of the term of this Lease or upon any earlier termination of this Lease, surrender and deliver the premises into the possession and use of the City without fraud or delay in good order, condition, and repair, except for reasonable wear and tear since the last necessary repair, replacement, restoration or renewal, free and clear of all lettings and occupancies unless expressly permitted by the City in writing, and free and clear of all liens and encumbrances other than those created by and for loans to the City. Upon the end of the term of this Lease or any earlier termination thereof, title to any shore fishery equipment left on the leased land for a period in excess of thirty (30) days shall automatically vest in the City without requirement of any deed, conveyance, or bill of sale thereon. However, if the City should require any such document in confirmation hereof, Lessee shall execute, acknowledge, and deliver the same and shall pay any charge, tax, and fee asserted or imposed by any and all governmental units in connection herewith.

SHORE LEASE FISHERY – Nathan Scow

Tracts A & B, City of Kenai Shore Fishery No. 1

LESSOR: _____

LESSEE: _____

- 17. RIGHT TO ENJOYMENT AND PEACEABLE POSSESSION: The City hereby agrees and covenants that the Lessee, upon paying rent and performing other covenants, terms, and conditions of this Lease, shall have the right to quietly and peacefully hold, use, occupy, and enjoy the said leased premises, subject to the rights of the general public and except that any inconvenience caused by public works projects in or about the leasehold premises shall not be construed as a denial of the right of quiet or peaceable possession.
- 18. LESSEE TO PAY TAXES: Lessee shall pay all lawful taxes and assessments which, during the term hereof may become a lien upon or which may be levied by the State, Borough, City, or any other tax levying body, upon any taxable possessory right which Lessee may have in or to the property by reason of its use or occupancy or the terms of this lease, provided however, that nothing herein contained shall prevent Lessee from contesting any increase in such tax or assessment through procedures outlined in State statutes.
- 19. SPECIAL SERVICES: Lessee agrees to pay the City a reasonable charge for any special service or facilities required by Lessee in writing, which services or facilities are not provided for herein.
- 20. NO PARTNERSHIP OR JOINT VENTURE CREATED: It is expressly understood that the City shall not be construed or held to be a partner or joint venture of Lessee in the conduct of business on the demised premises; and it is expressly understood and agreed that the relationship between the parties hereto is, and shall at all times remain landlord and tenant.
- 21. DEFAULT BANKRUPTCY, ETC.: If the Lessee shall make any assignment for the benefit of creditors, or shall be adjudged bankrupt, or if a receiver is appointed for the Lessee or Lessee's assets, or any interest under this Lease, and if the appointment of the receiver is not vacated within thirty (30) days, or if a voluntary petition is filed under Section 18(a) of the Bankruptcy Act by the Lessee, then and in any event, the City may, upon giving the Lessee thirty (30) days' notice, terminate this lease.
- 22. NONDISCRIMINATION: The Lessee, Lessee's personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said shore fishery:
- 23. PARTIAL INVALIDITY: If any term, provision, condition, or part of this Lease is declared by a court of competent jurisdiction to be invalid or unconstitutional, the remaining terms, provisions, conditions, or parts shall continue in full force and effect as though such declaration was not made.

SHORE LEASE FISHERY – Nathan Scow

Tracts A & B, City of Kenai Shore Fishery No. 1

LESSOR: _____

LESSEE: _____

- 24. MODIFICATION: No lease may be modified orally or in any manner other than by an agreement in writing, signed by all parties in interest or their successors in interest. Any such modification shall require Council approval.
- 25. WARRANTY: The City does not warrant that the property which is the subject of this Lease is suited for the use authorize herein, and no guarantee is given or implied that it shall be profitable or suitable to employ he property to such use.
- 26. RIGHT TO ADOPT RULES: The City reserves the right to adopt, amend, and enforce reasonable rules and regulations governing the demised premises and the public areas and facilities used in connection therewith. Except in cases of emergency, no rule or regulation hereafter adopted or amended by the City shall become applicable unless Lessee has been given thirty (30) days' notice of adoption or amendment thereof.
- 27. NON-LIABILITY: The City shall not be liable to Lessee for any diminution or deprivation of possession, or of Lessee's right hereunder, on account of the exercise of any such right or authority as provided in this or the preceding section, nor shall Lessee be entitled to terminate the whole or any portion of the leasehold estate herein created, by reason of the exercise of such rights or authority, unless the exercise thereof shall so interfere with Lessee's use and occupancy of the leasehold estate as to constitute a termination in whole or in part of this lease by operation of law in accordance with the laws of the State of Alaska and of the United States made applicable to the states.
- 28. COMPLIANCE WITH LAWS:
 - (a) Lessee shall observe, obey, and comply with all applicable laws, ordinances, rules, and regulations of the Federal, State, Borough, or City governments or of any other public authorities now or hereafter in any manner affecting the leased premises.
 - (b) Lessee agrees to hold the City financially harmless:
 - (1) From the consequences of any violation of such laws, ordinances, and/or regulations; and
 - (2) From all claims for damages on account of injuries, death, or property damage resulting from such violation.
 - (c) Lessee further agrees it will not permit any unlawful occupation, business, or trade to be conducted on said premises or any use to be made thereof contrary to any law, ordinance, or regulation as aforesaid with respect thereto, including zoning ordinances, rules, and regulations.
- 29. CONDEMNATION: In the event the leased premises or any part thereof shall be condemned and taken for a public or a quasi-public use, then upon payment of any award or compensation arising from such condemnation, there shall be such division of the proceeds, such abatement in rent payable during the term or any extension of the term hereof, and such other adjustments as the parties may agree upon as being just and equitable under all the circumstances.

SHORE LEASE FISHERY – Nathan Scow

Tracts A & B, City of Kenai Shore Fishery No. 1

LESSOR: _____

LESSEE: _____

If the City and lessee are unable to agree within thirty (30) days after such an award has been paid into Court, upon what division, annual abatement in rent, and other adjustments are just and equitable, the disputes shall be determined by arbitration.

30. PROTECTION OF SUBLESSEES: To protect the position of any sublessee(s) hereafter obtaining any property interests in the leasehold estate granted by the Lessee hereunder, the City agrees that in the event of the cancellation, termination, expiration, or surrender of this Lease (the ground lease), the City will accept the sublessee, its successors and assigns, as its Lessee for a period equal to the full unelapsed portion of the term of the sublease, including any extensions or renewals thereof, not exceeding the term of this Lease, upon the same covenants and conditions therein contained, to the extent that said covenants and conditions are not inconsistent with any of the terms and conditions of this Lease, provided such Sublessee shall make full and complete attornment to the City for the balance of the term of such sublease so as to establish direct privity of estate and contract between the City and the Sublessee with the same force and effect as though such sublease was originally made directly between the City and such Sublessee; and further provided such Sublessee agrees to comply with all the provisions of the ground lease.

31. SUCCESSORS IN INTEREST: This Lease shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto, subject to such specific limitations on assignments as are provided for herein.

32. GOVERNING LAW: This indenture of Lease shall be governed in all respects by the laws of the State of Alaska.

33. NOTICES:

(a) Any notices required by this Lease shall be in writing and shall be deemed to be duly given only if delivered personally or mailed by certified or registered mail in a prepaid envelope addressed to the parties of the address set forth in the opening paragraph of this lease unless such address has been changed pursuant to subparagraph (b) hereafter, and in that case shall to the most recent address so changed. Any notice so mailed shall be deemed delivered on the date it is deposited in a U.S. general or branch post office.

The City shall also mail a copy of any notice given to the Lessee, by registered or certified mail, to any leasehold lender (mortgage, beneficiary of a deed of trust, security assignee) who shall have given the City notice of such mortgage, deed of trust, or security assignment.

(b) Any such addresses may be changed by an appropriate notice in writing to all other parties affected provided such change of address is given to the other parties by the means outlined in paragraph (a) above at least fifteen (15) days prior to the giving of the particular notice in issue.

34. ENTRY AND RE-ENTRY: In the event that the Lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands or any part thereof should be abandoned by the Lessee during said term, the City or its agents, servants, or representatives may, immediately or any time thereafter, re-enter, and resume possession of said lands or such part thereof and remove all persona and property therefrom, either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No re-entry by the City shall be deemed an acceptance of a surrender of the lease.

35. RETENTION OF RENTAL: In the event that the Lease should be terminated because of any breach by the Lessee as herein provided, the rental payment last made by the Lessee shall be retained by the City as partial or total liquidated damages for said breach.

36. WRITTEN WAIVER: The receipt of rent by the City with knowledge of any breach of the Lease by the Lessee, or any default on the part of the Lessee in observance or performance of any of the conditions or covenants of the Lease, shall not be deemed to be a waiver of any provisions of the Lease. No failure on the part of the City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by the City, unless in writing, shall discharge or invalidate such covenants or provisions, or affect the right of the City to enforce the same in the event of any subsequent breach or default.

The receipt, by the City, of any rent or any other sum of money after the termination, in any manner, of the term therein demised, or after the giving by the City of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice of termination as may have been given thereunder by the City to the Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by the City.

37. ZONING LAWS: Leased tidelands and shore fishery lands shall be utilized in accordance with the building and zoning ordinances and rules and regulations of the City. Failure to do so shall constitute a default.

38. PERSONAL USE OF MATERIALS: All coal, oil, gas, and other minerals and all deposits of stone or gravel valuable for extraction or utilization and all materials subject to Title II, Division I, Chapters 4, 5, and 6 of the Alaska Administrative Code are excepted from the operation of a surface Lease. Specifically, the Lessee of the surface rights shall not sell or remove for the use elsewhere any timber, stone, gravel, peat moss, topsoil, or any other material valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used if its use is first approved by the City Manager.

39. MUTUAL CANCELLATION: Leases in good standing may be cancelled in whole or in part at any time upon mutual written agreement by Lessee and the City Council.

SHORE LEASE FISHERY – Nathan Scow

Tracts A & B, City of Kenai Shore Fishery No. 1

LESSOR: _____

LESSEE: _____

40. UNLAWFUL USE PROHIBITED: Lessee shall not allow the leasehold premises to be used for an unlawful purpose.

41. APPROVAL OF OTHER AUTHORITIES: The issuance by the City of leases does not relieve the Lessee of responsibility of obtaining licenses or permits as may be required by duly authorized Borough, State, or Federal agencies.

42. PREFERENCE RIGHT TO RE-LEASE: A Lessee under an existing lease shall, upon the expiration or the termination by mutual agreement of said Lease, be allowed a preference right to re-lease those lands previously leased by him if all other sections of the Kenai Municipal Code are complied with. Re-leasing will not necessarily be under the same terms and conditions as the prior lease. When the lease is offered to the preference right holder, the preference right holder shall exercise the right within thirty (30) calendar days after said lease is offered by the City. Failure to do so shall result in forfeiture and cancellation of the preference right. No preference right shall inure to a Lessee whose lease has been terminated by cause.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands, the day and year stated in the individual acknowledgements below.

LESSOR:

CITY OF KENAI

BY: _____

Terry Eubank
City Manager

Date

LESSEE:

NATHAN SCOW

BY: _____

Nathan Scow

Date



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-22**

A RESOLUTION APPROVING A LEASE FORM FOR LEASING OF TIDELANDS FOR SHORE FISHERIES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A SHORE FISHERY LEASE WITH TIDE CHASER FISHERY, LLC FOR THE PROPERTY DESCRIBED AS CITY OF KENAI SHORE FISHERY NO. 2.

WHEREAS, in 1977, the State of Alaska granted the area known as the Alaska Tidelands Survey 272 containing approximately 2,752 acres to the City of Kenai pursuant to the City's Municipal Preference Right; and,

WHEREAS, Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 – City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026; and,

WHEREAS, a new lease form for leasing tidelands for shore fisheries is needed to reflect the changes to the lease form necessitated by Ordinance 3500-2026 and must be approved by Council Resolution pursuant to KMC 22.10.040(e); and,

WHEREAS, KMC 22.10.010(c) provides that a lessee under an existing shore fishery lease will have a preference right to re-lease the same property upon lease expiration, provided the lessee is in compliance with all applicable provisions of the Kenai Municipal Code; and,

WHEREAS, the current lessee, Tide Chaser Fishery, LLC, is in compliance with all applicable sections of Kenai Municipal Code and is current with all invoiced lease payments; and,

WHEREAS, on March 2, 2026 the City of Kenai provided notice to all existing shore fishery lessees of the June 30, 2026 lease expiration date; and,

WHEREAS, Tide Chaser Fishery, LLC timely exercised their preference right to re-lease the property in accordance with KMC 22.10.010(c); and,

WHEREAS, KMC 22.10.040(e) requires the use of a standard lease form adopted by resolution of the City Council; and,

WHEREAS, the new Lease term is proposed to commence on July 1, 2026; and,

WHEREAS, approval of the Lease is consistent with the intent of Kenai Municipal Code, supports the continued authorized use, 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 lease with Tide Chaser Fishery, LLC for the property described as City of Kenai Shore Fishery No. 2, in substantially the form approved by the City Council.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kevin Buettner, Planning Director

DATE: April 14, 2026

SUBJECT: **Resolution No. 2026-22** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Tide Chaser Fishery, LLC for the Property Described as City of Kenai Shore Fishery No. 2

This Resolution approves a new standard lease form for tidelands for shore fisheries that is consistent with recent code amendments and authorizes the City Manager to execute a Shore Fishery lease. Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 - City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026. To ensure compliance with the new code references, a new form was created. The draft lease form has been reviewed as to form by the City Attorney. Pursuant to KMC 22.10.010(c), any new lease form must be approved by Resolution.

The current shore fishery leases expire on June 30, 2026. All current lessees have expressed their intent to re-Lease their shore fishery tracts for the lease period starting July 1, 2026 and ending June 30, 2036. Adoption of this lease form and authorizing the City Manager to enter into the lease will allow the Administration time to fully execute the agreements prior to expiration.

This resolution is specifically regarding the shore fishery tidelands described as City of Kenai Shore Fishery No. 2 to be leased by Tide Chaser Fishery, LLC.

Thank you for your consideration.

SHORE FISHERY LEASE

THIS AGREEMENT, entered into this ____ day of _____, 2026, by and between the **CITY OF KENAI**, a home-rule municipal corporation of Alaska, whose address is 210 Fidalgo Avenue, Kenai AK 99611-7750, hereinafter called "City," and **TIDE CHASER FISHERY, LLC** whose address is 265 N. Main Street, Suite D165, Kaysville, UT 84037-1424, hereinafter called "Lessee."

The City, in consideration of the payments of the rents and performance of all the covenants by the Lessee herein contained, does hereby demise and lease to the Lessee the following described property in the Kenai Recording District, Third Judicial District, State of Alaska; to wit:

City of Kenai Shore Fishery No. 2

A. PURPOSE: The purpose for which the Lease is issued is:

Shore fishery

B. TERM: The term of this Lease is for ten (10) years, commencing on July 1, 2026, and ending on June 30, 2036.

C. RENTAL PAYMENT: Rental for the above described shore fishery tracts shall be payable as follow:

1. The annual rental rate shall be \$300.00 for each tract. However, should the State of Alaska set an annual lease rate higher than \$300.00 for similar tideland leases for shore fisheries on land owned by the State, the City may amend the annual rental to a rate equal to that charged by the State of Alaska.
2. Annual rent for the fiscal year beginning July 1 and ending June 30 shall be payable in advance on or before the first day of July of each year.
3. Rental for any period which is less than one (1) year shall be prorated based on the rate of the last full year.

D. GENERAL COVENANTS:

1. USES: Except as provided herein, any use of lands or facilities without the written consent of the City is prohibited.
2. USES NOT CONTEMPLATED PROHIBITED: Solicitation of donations or the promotion or operation of any part or kind of business or commercial enterprises, other than as specifically set forth herein, upon, or in shore fishery lands, without the written consent of the City is prohibited.
3. ASSIGNMENT OR SUBLETTING: Lessee with the City's written consent, which will not be unreasonably denied, may assign for other than collateral purposes, in whole or in part, its rights as Lessee hereunder.

SHORE LEASE FISHERY – Tide Chaser Fishery, LLC

City of Kenai Shore Fishery No. 2

LESSOR: _____

LESSEE: _____

Any assignee of part or all of the leased premises shall assume the duties and obligations of the Lessee as to such part or all of the leased premises.

No such assignment, however, will discharge Lessee from its duties and obligations hereunder.

- 4. COSTS AND EXPENSES: Costs and expenses incident to this lease, including but not limited to, recording costs shall be paid by Lessee.
- 5. TREATMENT OF DEMISE: The Lessee agrees to keep the premises clean and in good order at its own expense, suffering no strip or waste thereof, nor removing any material therefrom, except fisheries resources, without written permission of the City. At the expiration of the term fixed, or any sooner determination of the Lease, the Lessee will peaceably and quietly quit and surrender the premises to the City.
- 6. PAYMENT OF RENT: Checks, bank drafts, or postal money orders shall be made payable to the City of Kenai and delivered to the City Administration Building, Kenai, Alaska.
- 7. HERRING SPAWN COVENANT: This Lease is issued subject to Sections 16.10.172 – 16.10.175 of the Alaska Statutes and it is agreed that the covenants, terms and conditions herein contained shall be binding upon the successors and assigns of the respective parties hereto.
- 8. DEFAULT RIGHT OF ENTRY: Should default be made in payment of any portion of the rent or fees when due, or in any of the covenants or conditions contained in the Lease or in any regulations now or hereinafter in force, then in such event the City shall by written notice give Lessee thirty (30) days to cure such default or defaults, after which if the default is not cured, the City may terminate the Lease, reenter and take possession of the premises, and remove all persons therefrom.
- 9. LEASE UTILIZATION: Leased lands shall be utilized for purposes within the scope of the terms of the Lease and the terms of the deed under which the land was granted to the City (and any releases pertinent thereto), in conformity with the ordinances of the City and Borough. Utilization or development for other than the allowed uses shall constitute a violation of the Lease and subject the Lease to cancellation at any time.
- 10. CONDITION OF PREMISES: The premises demised herein are unimproved and are leased on an “as is, where is” basis.
- 11. UNDERLYING TITLE: The interests transferred, or conveyed by this Lease are subject to any and all of the covenants, terms, or conditions contained in the instruments conveying title or other interests to the City.
- 12. RIGHT OF INSPECTION: The City shall have the right at all reasonable times to enter the premises, or any part thereof, for the purposes of inspection.

SHORE LEASE FISHERY – Tide Chaser Fishery, LLC
City of Kenai Shore Fishery No. 2

LESSOR: _____
LESSEE: _____

13. ASSUMPTION OF RISK AND INDEMNITY, DEFEND, AND HOLD HARMLESS AGREEMENT: Lessee assumes full control and sole responsibility as between Lessee and the City for the activities of Lessee, its personnel, employees, and persons acting on behalf or under the authority of the Lessee anywhere on the leased premises. Lessee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the leased premises and its exercise of the privileges granted in this Lease.

Lessee agrees to fully indemnify, defend, and hold harmless, the City, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, including death, judgements, 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 Lessee in connection with or arising from or out of Lessee's activities on or use of the premises. This shall be continuing obligations and shall remain in effect after termination of this Lease.

14. COLLECTION ON UNPAID MONIES: Any or all rents, charges, fees, or other consideration which are due and unpaid at the expiration or voluntary or involuntary termination or cancellation of this Lease, shall have such lien rights as are allowed by law, and enforcement by distraint may be made by the City or its authorized agent.

15. EASEMENT GRANTS RESERVED: The City reserves the right to grant and control easements in, or above the land leased. No such grant or easement will be made that will unreasonably interfere with the Lessee's use of the land, and Lessee shall have free access and use of any and all parking and loading rights, rights of ingress and egress now or hereafter appertaining to the leased premises.

16. SURRENDER ON TERMINATION: Lessee shall, on the last day of the term of this Lease or upon any earlier termination of this Lease, surrender and deliver the premises into the possession and use of the City without fraud or delay in good order, condition, and repair, except for reasonable wear and tear since the last necessary repair, replacement, restoration or renewal, free and clear of all lettings and occupancies unless expressly permitted by the City in writing, and free and clear of all liens and encumbrances other than those created by and for loans to the City. Upon the end of the term of this Lease or any earlier termination thereof, title to any shore fishery equipment left on the leased land for a period in excess of thirty (30) days shall automatically vest in the City without requirement of any deed, conveyance, or bill of sale thereon. However, if the City should require any such document in confirmation hereof, Lessee shall execute, acknowledge, and deliver the same and shall pay any charge, tax, and fee asserted or imposed by any and all governmental units in connection herewith.

SHORE LEASE FISHERY – Tide Chaser Fishery, LLC

City of Kenai Shore Fishery No. 2

LESSOR: _____

LESSEE: _____

- 17. RIGHT TO ENJOYMENT AND PEACEABLE POSSESSION: The City hereby agrees and covenants that the Lessee, upon paying rent and performing other covenants, terms, and conditions of this Lease, shall have the right to quietly and peacefully hold, use, occupy, and enjoy the said leased premises, subject to the rights of the general public and except that any inconvenience caused by public works projects in or about the leasehold premises shall not be construed as a denial of the right of quiet or peaceable possession.

- 18. LESSEE TO PAY TAXES: Lessee shall pay all lawful taxes and assessments which, during the term hereof may become a lien upon or which may be levied by the State, Borough, City, or any other tax levying body, upon any taxable possessory right which Lessee may have in or to the property by reason of its use or occupancy or the terms of this lease, provided however, that nothing herein contained shall prevent Lessee from contesting any increase in such tax or assessment through procedures outlined in State statutes.

- 19. SPECIAL SERVICES: Lessee agrees to pay the City a reasonable charge for any special service or facilities required by Lessee in writing, which services or facilities are not provided for herein.

- 20. NO PARTNERSHIP OR JOINT VENTURE CREATED: It is expressly understood that the City shall not be construed or held to be a partner or joint venture of Lessee in the conduct of business on the demised premises; and it is expressly understood and agreed that the relationship between the parties hereto is, and shall at all times remain landlord and tenant.

- 21. DEFAULT BANKRUPTCY, ETC.: If the Lessee shall make any assignment for the benefit of creditors, or shall be adjudged bankrupt, or if a receiver is appointed for the Lessee or Lessee's assets, or any interest under this Lease, and if the appointment of the receiver is not vacated within thirty (30) days, or if a voluntary petition is filed under Section 18(a) of the Bankruptcy Act by the Lessee, then and in any event, the City may, upon giving the Lessee thirty (30) days' notice, terminate this lease.

- 22. NONDISCRIMINATION: The Lessee, Lessee's personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said shore fishery:

- 23. PARTIAL INVALIDITY: If any term, provision, condition, or part of this Lease is declared by a court of competent jurisdiction to be invalid or unconstitutional, the remaining terms, provisions, conditions, or parts shall continue in full force and effect as though such declaration was not made.

SHORE LEASE FISHERY – Tide Chaser Fishery, LLC

City of Kenai Shore Fishery No. 2

LESSOR: _____

LESSEE: _____

- 24. MODIFICATION: No lease may be modified orally or in any manner other than by an agreement in writing, signed by all parties in interest or their successors in interest. Any such modification shall require Council approval.
- 25. WARRANTY: The City does not warrant that the property which is the subject of this Lease is suited for the use authorize herein, and no guarantee is given or implied that it shall be profitable or suitable to employ he property to such use.
- 26. RIGHT TO ADOPT RULES: The City reserves the right to adopt, amend, and enforce reasonable rules and regulations governing the demised premises and the public areas and facilities used in connection therewith. Except in cases of emergency, no rule or regulation hereafter adopted or amended by the City shall become applicable unless Lessee has been given thirty (30) days' notice of adoption or amendment thereof.
- 27. NON-LIABILITY: The City shall not be liable to Lessee for any diminution or deprivation of possession, or of Lessee's right hereunder, on account of the exercise of any such right or authority as provided in this or the preceding section, nor shall Lessee be entitled to terminate the whole or any portion of the leasehold estate herein created, by reason of the exercise of such rights or authority, unless the exercise thereof shall so interfere with Lessee's use and occupancy of the leasehold estate as to constitute a termination in whole or in part of this lease by operation of law in accordance with the laws of the State of Alaska and of the United States made applicable to the states.
- 28. COMPLIANCE WITH LAWS:
 - (a) Lessee shall observe, obey, and comply with all applicable laws, ordinances, rules, and regulations of the Federal, State, Borough, or City governments or of any other public authorities now or hereafter in any manner affecting the leased premises.
 - (b) Lessee agrees to hold the City financially harmless:
 - (1) From the consequences of any violation of such laws, ordinances, and/or regulations; and
 - (2) From all claims for damages on account of injuries, death, or property damage resulting from such violation.
 - (c) Lessee further agrees it will not permit any unlawful occupation, business, or trade to be conducted on said premises or any use to be made thereof contrary to any law, ordinance, or regulation as aforesaid with respect thereto, including zoning ordinances, rules, and regulations.
- 29. CONDEMNATION: In the event the leased premises or any part thereof shall be condemned and taken for a public or a quasi-public use, then upon payment of any award or compensation arising from such condemnation, there shall be such division of the proceeds, such abatement in rent payable during the term or any extension of the term hereof, and such other adjustments as the parties may agree upon as being just and equitable under all the circumstances.

SHORE LEASE FISHERY – Tide Chaser Fishery, LLC

City of Kenai Shore Fishery No. 2

LESSOR: _____

LESSEE: _____

If the City and lessee are unable to agree within thirty (30) days after such an award has been paid into Court, upon what division, annual abatement in rent, and other adjustments are just and equitable, the disputes shall be determined by arbitration.

30. PROTECTION OF SUBLESSEES: To protect the position of any sublessee(s) hereafter obtaining any property interests in the leasehold estate granted by the Lessee hereunder, the City agrees that in the event of the cancellation, termination, expiration, or surrender of this Lease (the ground lease), the City will accept the sublessee, its successors and assigns, as its Lessee for a period equal to the full unelapsed portion of the term of the sublease, including any extensions or renewals thereof, not exceeding the term of this Lease, upon the same covenants and conditions therein contained, to the extent that said covenants and conditions are not inconsistent with any of the terms and conditions of this Lease, provided such Sublessee shall make full and complete attornment to the City for the balance of the term of such sublease so as to establish direct privity of estate and contract between the City and the Sublessee with the same force and effect as though such sublease was originally made directly between the City and such Sublessee; and further provided such Sublessee agrees to comply with all the provisions of the ground lease.

31. SUCCESSORS IN INTEREST: This Lease shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto, subject to such specific limitations on assignments as are provided for herein.

32. GOVERNING LAW: This indenture of Lease shall be governed in all respects by the laws of the State of Alaska.

33. NOTICES:

(a) Any notices required by this Lease shall be in writing and shall be deemed to be duly given only if delivered personally or mailed by certified or registered mail in a prepaid envelope addressed to the parties of the address set forth in the opening paragraph of this lease unless such address has been changed pursuant to subparagraph (b) hereafter, and in that case shall to the most recent address so changed. Any notice so mailed shall be deemed delivered on the date it is deposited in a U.S. general or branch post office.

The City shall also mail a copy of any notice given to the Lessee, by registered or certified mail, to any leasehold lender (mortgage, beneficiary of a deed of trust, security assignee) who shall have given the City notice of such mortgage, deed of trust, or security assignment.

(b) Any such addresses may be changed by an appropriate notice in writing to all other parties affected provided such change of address is given to the other parties by the means outlined in paragraph (a) above at least fifteen (15) days prior to the giving of the particular notice in issue.

34. ENTRY AND RE-ENTRY: In the event that the Lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands or any part thereof should be abandoned by the Lessee during said term, the City or its agents, servants, or representatives may, immediately or any time thereafter, re-enter, and resume possession of said lands or such part thereof and remove all persona and property therefrom, either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No re-entry by the City shall be deemed an acceptance of a surrender of the lease.

35. RETENTION OF RENTAL: In the event that the Lease should be terminated because of any breach by the Lessee as herein provided, the rental payment last made by the Lessee shall be retained by the City as partial or total liquidated damages for said breach.

36. WRITTEN WAIVER: The receipt of rent by the City with knowledge of any breach of the Lease by the Lessee, or any default on the part of the Lessee in observance or performance of any of the conditions or covenants of the Lease, shall not be deemed to be a waiver of any provisions of the Lease. No failure on the part of the City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by the City, unless in writing, shall discharge or invalidate such covenants or provisions, or affect the right of the City to enforce the same in the event of any subsequent breach or default.

The receipt, by the City, of any rent or any other sum of money after the termination, in any manner, of the term therein demised, or after the giving by the City of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice of termination as may have been given thereunder by the City to the Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by the City.

37. ZONING LAWS: Leased tidelands and shore fishery lands shall be utilized in accordance with the building and zoning ordinances and rules and regulations of the City. Failure to do so shall constitute a default.

38. PERSONAL USE OF MATERIALS: All coal, oil, gas, and other minerals and all deposits of stone or gravel valuable for extraction or utilization and all materials subject to Title II, Division I, Chapters 4, 5, and 6 of the Alaska Administrative Code are excepted from the operation of a surface Lease. Specifically, the Lessee of the surface rights shall not sell or remove for the use elsewhere any timber, stone, gravel, peat moss, topsoil, or any other material valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used if its use is first approved by the City Manager.

39. MUTUAL CANCELLATION: Leases in good standing may be cancelled in whole or in part at any time upon mutual written agreement by Lessee and the City Council.

SHORE LEASE FISHERY – Tide Chaser Fishery, LLC

City of Kenai Shore Fishery No. 2

LESSOR: _____

LESSEE: _____

40. UNLAWFUL USE PROHIBITED: Lessee shall not allow the leasehold premises to be used for an unlawful purpose.

41. APPROVAL OF OTHER AUTHORITIES: The issuance by the City of leases does not relieve the Lessee of responsibility of obtaining licenses or permits as may be required by duly authorized Borough, State, or Federal agencies.

42. PREFERENCE RIGHT TO RE-LEASE: A Lessee under an existing lease shall, upon the expiration or the termination by mutual agreement of said Lease, be allowed a preference right to re-lease those lands previously leased by him if all other sections of the Kenai Municipal Code are complied with. Re-leasing will not necessarily be under the same terms and conditions as the prior lease. When the lease is offered to the preference right holder, the preference right holder shall exercise the right within thirty (30) calendar days after said lease is offered by the City. Failure to do so shall result in forfeiture and cancellation of the preference right. No preference right shall inure to a Lessee whose lease has been terminated by cause.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands, the day and year stated in the individual acknowledgements below.

LESSOR:

CITY OF KENAI

BY: _____
Terry Eubank Date
City Manager

LESSEE:

TIDE CHASER FISHERY, LLC

BY: _____
Ted J. Crookston Date
Manager

SHORE LEASE FISHERY – Tide Chaser Fishery, LLC

City of Kenai Shore Fishery No. 2

LESSOR: _____

LESSEE: _____



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-23**

A RESOLUTION APPROVING A LEASE FORM FOR LEASING OF TIDELANDS FOR SHORE FISHERIES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A SHORE FISHERY LEASE WITH BRIAN SCOW FOR THE PROPERTY DESCRIBED AS TRACT ONE (1), SHORE FISHERY PLAT NO. 71.

WHEREAS, in 1977, the State of Alaska granted the area known as the Alaska Tideland Survey 272 containing approximately 2,752 acres to the City of Kenai pursuant to the City's Municipal Preference Right; and,

WHEREAS, Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 – City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026; and,

WHEREAS, a new lease form for leasing tidelands for shore fisheries is needed to reflect the changes to the lease form necessitated by Ordinance 3500-2026 and must be approved by Council Resolution pursuant to KMC 22.10.040(e); and,

WHEREAS, KMC 22.10.010(c) provides that a lessee under an existing shore fishery lease will have a preference right to re-lease the same property upon lease expiration, provided the lessee is in compliance with all applicable provisions of the Kenai Municipal Code; and,

WHEREAS, the current lessee, Brian Scow, is in compliance with all applicable sections of Kenai Municipal Code and is current with all invoiced lease payments; and,

WHEREAS, on March 2, 2026 the City of Kenai provided notice to all existing shore fishery lessees of the June 30, 2026 lease expiration date; and,

WHEREAS, Brian Scow timely exercised his preference right to re-lease the property in accordance with KMC 22.10.010(c); and,

WHEREAS, KMC 22.10.040(e) requires the use of a standard lease form adopted by resolution of the City Council; and,

WHEREAS, the new Lease term is proposed to commence on July 1, 2026; and,

WHEREAS, approval of the Lease is consistent with the intent of Kenai Municipal Code, supports the continued authorized use, 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 lease with Brian Scow for the property described as Tract One (1), Shore Fishery Plat No. 71, in substantially the form approved by the City Council.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kevin Buettner, Planning Director

DATE: April 14, 2026

SUBJECT: **Resolution No. 2026-23** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Brian Scow for the Property Described as Tract One (1), Shore Fishery Plat No. 71.

This Resolution approves a new standard lease form for tidelands for shore fisheries that is consistent with recent code amendments and authorizes the City Manager to execute a Shore Fishery lease. Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 - City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026. To ensure compliance with the new code references, a new form was created. The draft lease form has been reviewed as to form by the City Attorney. Pursuant to KMC 22.10.010(c), any new lease form must be approved by Resolution.

The current shore fishery leases expire on June 30, 2026. All current lessees have expressed their intent to re-Lease their shore fishery tracts for the lease period starting July 1, 2026 and ending June 30, 2036. Adoption of this lease form and authorizing the City Manager to enter into the lease will allow the Administration time to fully execute the agreements prior to expiration.

This resolution is specifically regarding the shore fishery tidelands described as Tract One (1), Shore Fishery Plat No. 71 to be leased by Brian Scow.

Thank you for your consideration.

SHORE FISHERY LEASE

THIS AGREEMENT, entered into this ____ day of _____, 2026, by and between the **CITY OF KENAI**, a home-rule municipal corporation of Alaska, whose address is 210 Fidalgo Avenue, Kenai AK 99611-7750, hereinafter called "City," and **BRIAN SCOW** whose address is 6209 E Baseline Road, Mesa, AZ 85206, hereinafter called "Lessee."

The City, in consideration of the payments of the rents and performance of all the covenants by the Lessee herein contained, does hereby demise and lease to the Lessee the following described property in the Kenai Recording District, Third Judicial District, State of Alaska; to wit:

Tract One (1), Shore Fishery Plat No. 71

A. PURPOSE: The purpose for which the Lease is issued is:

Shore fishery

B. TERM: The term of this Lease is for ten (10) years, commencing on July 1, 2026, and ending on June 30, 2036.

C. RENTAL PAYMENT: Rental for the above described shore fishery tracts shall be payable as follow:

1. The annual rental rate shall be \$300.00 for each tract. However, should the State of Alaska set an annual lease rate higher than \$300.00 for similar tideland leases for shore fisheries on land owned by the State, the City may amend the annual rental to a rate equal to that charged by the State of Alaska.
2. Annual rent for the fiscal year beginning July 1 and ending June 30 shall be payable in advance on or before the first day of July of each year.
3. Rental for any period which is less than one (1) year shall be prorated based on the rate of the last full year.

D. GENERAL COVENANTS:

1. USES: Except as provided herein, any use of lands or facilities without the written consent of the City is prohibited.
2. USES NOT CONTEMPLATED PROHIBITED: Solicitation of donations or the promotion or operation of any part or kind of business or commercial enterprises, other than as specifically set forth herein, upon, or in shore fishery lands, without the written consent of the City is prohibited.
3. ASSIGNMENT OR SUBLETTING: Lessee with the City's written consent, which will not be unreasonably denied, may assign for other than collateral purposes, in whole or in part, its rights as Lessee hereunder.

SHORE LEASE FISHERY – BRIAN SCOW

Tract One (1), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

Any assignee of part or all of the leased premises shall assume the duties and obligations of the Lessee as to such part or all of the leased premises.

No such assignment, however, will discharge Lessee from its duties and obligations hereunder.

- 4. COSTS AND EXPENSES: Costs and expenses incident to this lease, including but not limited to, recording costs shall be paid by Lessee.
- 5. TREATMENT OF DEMISE: The Lessee agrees to keep the premises clean and in good order at its own expense, suffering no strip or waste thereof, nor removing any material therefrom, except fisheries resources, without written permission of the City. At the expiration of the term fixed, or any sooner determination of the Lease, the Lessee will peaceably and quietly quit and surrender the premises to the City.
- 6. PAYMENT OF RENT: Checks, bank drafts, or postal money orders shall be made payable to the City of Kenai and delivered to the City Administration Building, Kenai, Alaska.
- 7. HERRING SPAWN COVENANT: This Lease is issued subject to Sections 16.10.172 – 16.10.175 of the Alaska Statutes and it is agreed that the covenants, terms and conditions herein contained shall be binding upon the successors and assigns of the respective parties hereto.
- 8. DEFAULT RIGHT OF ENTRY: Should default be made in payment of any portion of the rent or fees when due, or in any of the covenants or conditions contained in the Lease or in any regulations now or hereinafter in force, then in such event the City shall by written notice give Lessee thirty (30) days to cure such default or defaults, after which if the default is not cured, the City may terminate the Lease, reenter and take possession of the premises, and remove all persons therefrom.
- 9. LEASE UTILIZATION: Leased lands shall be utilized for purposes within the scope of the terms of the Lease and the terms of the deed under which the land was granted to the City (and any releases pertinent thereto), in conformity with the ordinances of the City and Borough. Utilization or development for other than the allowed uses shall constitute a violation of the Lease and subject the Lease to cancellation at any time.
- 10. CONDITION OF PREMISES: The premises demised herein are unimproved and are leased on an “as is, where is” basis.
- 11. UNDERLYING TITLE: The interests transferred, or conveyed by this Lease are subject to any and all of the covenants, terms, or conditions contained in the instruments conveying title or other interests to the City.
- 12. RIGHT OF INSPECTION: The City shall have the right at all reasonable times to enter the premises, or any part thereof, for the purposes of inspection.

SHORE LEASE FISHERY – BRIAN SCOW

Tract One (1), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

13. ASSUMPTION OF RISK AND INDEMNITY, DEFEND, AND HOLD HARMLESS AGREEMENT: Lessee assumes full control and sole responsibility as between Lessee and the City for the activities of Lessee, its personnel, employees, and persons acting on behalf or under the authority of the Lessee anywhere on the leased premises. Lessee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the leased premises and its exercise of the privileges granted in this Lease.

Lessee agrees to fully indemnify, defend, and hold harmless, the City, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, including death, judgements, 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 Lessee in connection with or arising from or out of Lessee's activities on or use of the premises. This shall be continuing obligations and shall remain in effect after termination of this Lease.

14. COLLECTION ON UNPAID MONIES: Any or all rents, charges, fees, or other consideration which are due and unpaid at the expiration or voluntary or involuntary termination or cancellation of this Lease, shall have such lien rights as are allowed by law, and enforcement by distraint may be made by the City or its authorized agent.

15. EASEMENT GRANTS RESERVED: The City reserves the right to grant and control easements in, or above the land leased. No such grant or easement will be made that will unreasonably interfere with the Lessee's use of the land, and Lessee shall have free access and use of any and all parking and loading rights, rights of ingress and egress now or hereafter appertaining to the leased premises.

16. SURRENDER ON TERMINATION: Lessee shall, on the last day of the term of this Lease or upon any earlier termination of this Lease, surrender and deliver the premises into the possession and use of the City without fraud or delay in good order, condition, and repair, except for reasonable wear and tear since the last necessary repair, replacement, restoration or renewal, free and clear of all lettings and occupancies unless expressly permitted by the City in writing, and free and clear of all liens and encumbrances other than those created by and for loans to the City. Upon the end of the term of this Lease or any earlier termination thereof, title to any shore fishery equipment left on the leased land for a period in excess of thirty (30) days shall automatically vest in the City without requirement of any deed, conveyance, or bill of sale thereon. However, if the City should require any such document in confirmation hereof, Lessee shall execute, acknowledge, and deliver the same and shall pay any charge, tax, and fee asserted or imposed by any and all governmental units in connection herewith.

SHORE LEASE FISHERY – BRIAN SCOW

Tract One (1), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

- 17. RIGHT TO ENJOYMENT AND PEACEABLE POSSESSION: The City hereby agrees and covenants that the Lessee, upon paying rent and performing other covenants, terms, and conditions of this Lease, shall have the right to quietly and peacefully hold, use, occupy, and enjoy the said leased premises, subject to the rights of the general public and except that any inconvenience caused by public works projects in or about the leasehold premises shall not be construed as a denial of the right of quiet or peaceable possession.

- 18. LESSEE TO PAY TAXES: Lessee shall pay all lawful taxes and assessments which, during the term hereof may become a lien upon or which may be levied by the State, Borough, City, or any other tax levying body, upon any taxable possessory right which Lessee may have in or to the property by reason of its use or occupancy or the terms of this lease, provided however, that nothing herein contained shall prevent Lessee from contesting any increase in such tax or assessment through procedures outlined in State statutes.

- 19. SPECIAL SERVICES: Lessee agrees to pay the City a reasonable charge for any special service or facilities required by Lessee in writing, which services or facilities are not provided for herein.

- 20. NO PARTNERSHIP OR JOINT VENTURE CREATED: It is expressly understood that the City shall not be construed or held to be a partner or joint venture of Lessee in the conduct of business on the demised premises; and it is expressly understood and agreed that the relationship between the parties hereto is, and shall at all times remain landlord and tenant.

- 21. DEFAULT BANKRUPTCY, ETC.: If the Lessee shall make any assignment for the benefit of creditors, or shall be adjudged bankrupt, or if a receiver is appointed for the Lessee or Lessee's assets, or any interest under this Lease, and if the appointment of the receiver is not vacated within thirty (30) days, or if a voluntary petition is filed under Section 18(a) of the Bankruptcy Act by the Lessee, then and in any event, the City may, upon giving the Lessee thirty (30) days' notice, terminate this lease.

- 22. NONDISCRIMINATION: The Lessee, Lessee's personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said shore fishery:

- 23. PARTIAL INVALIDITY: If any term, provision, condition, or part of this Lease is declared by a court of competent jurisdiction to be invalid or unconstitutional, the remaining terms, provisions, conditions, or parts shall continue in full force and effect as though such declaration was not made.

SHORE LEASE FISHERY – BRIAN SCOW

Tract One (1), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

24. MODIFICATION: No lease may be modified orally or in any manner other than by an agreement in writing, signed by all parties in interest or their successors in interest. Any such modification shall require Council approval.

25. WARRANTY: The City does not warrant that the property which is the subject of this Lease is suited for the use authorize herein, and no guarantee is given or implied that it shall be profitable or suitable to employ he property to such use.

26. RIGHT TO ADOPT RULES: The City reserves the right to adopt, amend, and enforce reasonable rules and regulations governing the demised premises and the public areas and facilities used in connection therewith. Except in cases of emergency, no rule or regulation hereafter adopted or amended by the City shall become applicable unless Lessee has been given thirty (30) days' notice of adoption or amendment thereof.

27. NON-LIABILITY: The City shall not be liable to Lessee for any diminution or deprivation of possession, or of Lessee's right hereunder, on account of the exercise of any such right or authority as provided in this or the preceding section, nor shall Lessee be entitled to terminate the whole or any portion of the leasehold estate herein created, by reason of the exercise of such rights or authority, unless the exercise thereof shall so interfere with Lessee's use and occupancy of the leasehold estate as to constitute a termination in whole or in part of this lease by operation of law in accordance with the laws of the State of Alaska and of the United States made applicable to the states.

28. COMPLIANCE WITH LAWS:

(a) Lessee shall observe, obey, and comply with all applicable laws, ordinances, rules, and regulations of the Federal, State, Borough, or City governments or of any other public authorities now or hereafter in any manner affecting the leased premises.

(b) Lessee agrees to hold the City financially harmless:

(1) From the consequences of any violation of such laws, ordinances, and/or regulations; and

(2) From all claims for damages on account of injuries, death, or property damage resulting from such violation.

(c) Lessee further agrees it will not permit any unlawful occupation, business, or trade to be conducted on said premises or any use to be made thereof contrary to any law, ordinance, or regulation as aforesaid with respect thereto, including zoning ordinances, rules, and regulations.

29. CONDEMNATION: In the event the leased premises or any part thereof shall be condemned and taken for a public or a quasi-public use, then upon payment of any award or compensation arising from such condemnation, there shall be such division of the proceeds, such abatement in rent payable during the term or any extension of the term hereof, and such other adjustments as the parties may agree upon as being just and equitable under all the circumstances.

SHORE LEASE FISHERY – BRIAN SCOW

Tract One (1), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

If the City and lessee are unable to agree within thirty (30) days after such an award has been paid into Court, upon what division, annual abatement in rent, and other adjustments are just and equitable, the disputes shall be determined by arbitration.

30. PROTECTION OF SUBLESSEES: To protect the position of any sublessee(s) hereafter obtaining any property interests in the leasehold estate granted by the Lessee hereunder, the City agrees that in the event of the cancellation, termination, expiration, or surrender of this Lease (the ground lease), the City will accept the sublessee, its successors and assigns, as its Lessee for a period equal to the full unelapsed portion of the term of the sublease, including any extensions or renewals thereof, not exceeding the term of this Lease, upon the same covenants and conditions therein contained, to the extent that said covenants and conditions are not inconsistent with any of the terms and conditions of this Lease, provided such Sublessee shall make full and complete attornment to the City for the balance of the term of such sublease so as to establish direct privity of estate and contract between the City and the Sublessee with the same force and effect as though such sublease was originally made directly between the City and such Sublessee; and further provided such Sublessee agrees to comply with all the provisions of the ground lease.

31. SUCCESSORS IN INTEREST: This Lease shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto, subject to such specific limitations on assignments as are provided for herein.

32. GOVERNING LAW: This indenture of Lease shall be governed in all respects by the laws of the State of Alaska.

33. NOTICES:

(a) Any notices required by this Lease shall be in writing and shall be deemed to be duly given only if delivered personally or mailed by certified or registered mail in a prepaid envelope addressed to the parties of the address set forth in the opening paragraph of this lease unless such address has been changed pursuant to subparagraph (b) hereafter, and in that case shall to the most recent address so changed. Any notice so mailed shall be deemed delivered on the date it is deposited in a U.S. general or branch post office.

The City shall also mail a copy of any notice given to the Lessee, by registered or certified mail, to any leasehold lender (mortgage, beneficiary of a deed of trust, security assignee) who shall have given the City notice of such mortgage, deed of trust, or security assignment.

(b) Any such addresses may be changed by an appropriate notice in writing to all other parties affected provided such change of address is given to the other parties by the means outlined in paragraph (a) above at least fifteen (15) days prior to the giving of the particular notice in issue.

34. ENTRY AND RE-ENTRY: In the event that the Lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands or any part thereof should be abandoned by the Lessee during said term, the City or its agents, servants, or representatives may, immediately or any time thereafter, re-enter, and resume possession of said lands or such part thereof and remove all persona and property therefrom, either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No re-entry by the City shall be deemed an acceptance of a surrender of the lease.

35. RETENTION OF RENTAL: In the event that the Lease should be terminated because of any breach by the Lessee as herein provided, the rental payment last made by the Lessee shall be retained by the City as partial or total liquidated damages for said breach.

36. WRITTEN WAIVER: The receipt of rent by the City with knowledge of any breach of the Lease by the Lessee, or any default on the part of the Lessee in observance or performance of any of the conditions or covenants of the Lease, shall not be deemed to be a waiver of any provisions of the Lease. No failure on the part of the City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by the City, unless in writing, shall discharge or invalidate such covenants or provisions, or affect the right of the City to enforce the same in the event of any subsequent breach or default.

The receipt, by the City, of any rent or any other sum of money after the termination, in any manner, of the term therein demised, or after the giving by the City of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice of termination as may have been given thereunder by the City to the Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by the City.

37. ZONING LAWS: Leased tidelands and shore fishery lands shall be utilized in accordance with the building and zoning ordinances and rules and regulations of the City. Failure to do so shall constitute a default.

38. PERSONAL USE OF MATERIALS: All coal, oil, gas, and other minerals and all deposits of stone or gravel valuable for extraction or utilization and all materials subject to Title II, Division I, Chapters 4, 5, and 6 of the Alaska Administrative Code are excepted from the operation of a surface Lease. Specifically, the Lessee of the surface rights shall not sell or remove for the use elsewhere any timber, stone, gravel, peat moss, topsoil, or any other material valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used if its use is first approved by the City Manager.

39. MUTUAL CANCELLATION: Leases in good standing may be cancelled in whole or in part at any time upon mutual written agreement by Lessee and the City Council.

SHORE LEASE FISHERY – BRIAN SCOW

Tract One (1), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

40. UNLAWFUL USE PROHIBITED: Lessee shall not allow the leasehold premises to be used for an unlawful purpose.

41. APPROVAL OF OTHER AUTHORITIES: The issuance by the City of leases does not relieve the Lessee of responsibility of obtaining licenses or permits as may be required by duly authorized Borough, State, or Federal agencies.

42. PREFERENCE RIGHT TO RE-LEASE: A Lessee under an existing lease shall, upon the expiration or the termination by mutual agreement of said Lease, be allowed a preference right to re-lease those lands previously leased by him if all other sections of the Kenai Municipal Code are complied with. Re-leasing will not necessarily be under the same terms and conditions as the prior lease. When the lease is offered to the preference right holder, the preference right holder shall exercise the right within thirty (30) calendar days after said lease is offered by the City. Failure to do so shall result in forfeiture and cancellation of the preference right. No preference right shall inure to a Lessee whose lease has been terminated by cause.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands, the day and year stated in the individual acknowledgements below.

LESSOR:

CITY OF KENAI

BY: _____

Terry Eubank
City Manager

Date

LESSEE:

BRIAN SCOW

BY: _____

Brian Scow

Date



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-24**

A RESOLUTION APPROVING A LEASE FORM FOR LEASING OF TIDELANDS FOR SHORE FISHERIES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A SHORE FISHERY LEASE WITH NANCY HILLMAN-SCOW FOR THE PROPERTY DESCRIBED AS TRACT TWO (2), SHORE FISHERY PLAT NO. 71.

WHEREAS, in 1977, the State of Alaska granted the area known as the Alaska Tideland Survey 272 containing approximately 2,752 acres to the City of Kenai pursuant to the City's Municipal Preference Right; and,

WHEREAS, Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 – City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026; and,

WHEREAS, a new lease form for leasing tidelands for shore fisheries is needed to reflect the changes to the lease form necessitated by Ordinance 3500-2026 and must be approved by Council Resolution pursuant to KMC 22.10.040(e); and,

WHEREAS, KMC 22.10.010(c) provides that a lessee under an existing shore fishery lease will have a preference right to re-lease the same property upon lease expiration, provided the lessee is in compliance with all applicable provisions of the Kenai Municipal Code; and,

WHEREAS, the current lessee, Nancy Hillman-Scow, is in compliance with all applicable sections of Kenai Municipal Code and is current with all invoiced lease payments; and,

WHEREAS, on March 2, 2026 the City of Kenai provided notice to all existing shore fishery lessees of the June 30, 2026 lease expiration date; and,

WHEREAS, Nancy Hillman-Scow timely exercised her preference right to re-lease the property in accordance with KMC 22.10.010(c); and,

WHEREAS, KMC 22.10.040(e) requires the use of a standard lease form adopted by resolution of the City Council; and,

WHEREAS, the new Lease term is proposed to commence on July 1, 2026; and,

WHEREAS, approval of the Lease is consistent with the intent of Kenai Municipal Code, supports the continued authorized use, 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 lease with Nancy Hillman-Scow for the property described as Tract Two (2), Shore Fishery Plat No. 71, in substantially the form approved by the City Council.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kevin Buettner, Planning Director

DATE: April 14, 2026

SUBJECT: **Resolution No. 2026-24** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Nancy Hillman-Scow for the Property Described as Tract Two (2), Shore Fishery Plat No. 71

This Resolution approves a new standard lease form for tidelands for shore fisheries that is consistent with recent code amendments and authorizes the City Manager to execute a Shore Fishery lease. Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 - City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026. To ensure compliance with the new code references, a new form was created. The draft lease form has been reviewed as to form by the City Attorney. Pursuant to KMC 22.10.010(c), any new lease form must be approved by Resolution.

The current shore fishery leases expire on June 30, 2026. All current lessees have expressed their intent to re-lease their shore fishery tracts for the lease period starting July 1, 2026 and ending June 30, 2036. Adoption of this lease form and authorizing the City Manager to enter into the lease will allow the Administration time to fully execute the agreements prior to expiration.

This resolution is specifically regarding the shore fishery tidelands described as Tract Two (2), Shore Fishery Plat No. 71 to be leased by Nancy Hillman-Scow.

Thank you for your consideration.

SHORE FISHERY LEASE

THIS AGREEMENT, entered into this ____ day of _____, 2026, by and between the **CITY OF KENAI**, a home-rule municipal corporation of Alaska, whose address is 210 Fidalgo Avenue, Kenai AK 99611-7750, hereinafter called "City," and **NANCY A. HILMAN-SCOW** whose address is PO Box 2199, Kenai, AK 99611, hereinafter called "Lessee."

The City, in consideration of the payments of the rents and performance of all the covenants by the Lessee herein contained, does hereby demise and lease to the Lessee the following described property in the Kenai Recording District, Third Judicial District, State of Alaska; to wit:

Tract Two (2), Shore Fishery Plat No. 71

A. PURPOSE: The purpose for which the Lease is issued is:

Shore fishery

B. TERM: The term of this Lease is for ten (10) years, commencing on July 1, 2026, and ending on June 30, 2036.

C. RENTAL PAYMENT: Rental for the above described shore fishery tracts shall be payable as follow:

1. The annual rental rate shall be \$300.00 for each tract. However, should the State of Alaska set an annual lease rate higher than \$300.00 for similar tideland leases for shore fisheries on land owned by the State, the City may amend the annual rental to a rate equal to that charged by the State of Alaska.
2. Annual rent for the fiscal year beginning July 1 and ending June 30 shall be payable in advance on or before the first day of July of each year.
3. Rental for any period which is less than one (1) year shall be prorated based on the rate of the last full year.

D. GENERAL COVENANTS:

1. USES: Except as provided herein, any use of lands or facilities without the written consent of the City is prohibited.
2. USES NOT CONTEMPLATED PROHIBITED: Solicitation of donations or the promotion or operation of any part or kind of business or commercial enterprises, other than as specifically set forth herein, upon, or in shore fishery lands, without the written consent of the City is prohibited.
3. ASSIGNMENT OR SUBLETTING: Lessee with the City's written consent, which will not be unreasonably denied, may assign for other than collateral purposes, in whole or in part, its rights as Lessee hereunder.

SHORE LEASE FISHERY – Nancy A. Hilman-Scow

Tract Two (2), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

Any assignee of part or all of the leased premises shall assume the duties and obligations of the Lessee as to such part or all of the leased premises.

No such assignment, however, will discharge Lessee from its duties and obligations hereunder.

- 4. COSTS AND EXPENSES: Costs and expenses incident to this lease, including but not limited to, recording costs shall be paid by Lessee.
- 5. TREATMENT OF DEMISE: The Lessee agrees to keep the premises clean and in good order at its own expense, suffering no strip or waste thereof, nor removing any material therefrom, except fisheries resources, without written permission of the City. At the expiration of the term fixed, or any sooner determination of the Lease, the Lessee will peaceably and quietly quit and surrender the premises to the City.
- 6. PAYMENT OF RENT: Checks, bank drafts, or postal money orders shall be made payable to the City of Kenai and delivered to the City Administration Building, Kenai, Alaska.
- 7. HERRING SPAWN COVENANT: This Lease is issued subject to Sections 16.10.172 – 16.10.175 of the Alaska Statutes and it is agreed that the covenants, terms and conditions herein contained shall be binding upon the successors and assigns of the respective parties hereto.
- 8. DEFAULT RIGHT OF ENTRY: Should default be made in payment of any portion of the rent or fees when due, or in any of the covenants or conditions contained in the Lease or in any regulations now or hereinafter in force, then in such event the City shall by written notice give Lessee thirty (30) days to cure such default or defaults, after which if the default is not cured, the City may terminate the Lease, reenter and take possession of the premises, and remove all persons therefrom.
- 9. LEASE UTILIZATION: Leased lands shall be utilized for purposes within the scope of the terms of the Lease and the terms of the deed under which the land was granted to the City (and any releases pertinent thereto), in conformity with the ordinances of the City and Borough. Utilization or development for other than the allowed uses shall constitute a violation of the Lease and subject the Lease to cancellation at any time.
- 10. CONDITION OF PREMISES: The premises demised herein are unimproved and are leased on an “as is, where is” basis.
- 11. UNDERLYING TITLE: The interests transferred, or conveyed by this Lease are subject to any and all of the covenants, terms, or conditions contained in the instruments conveying title or other interests to the City.
- 12. RIGHT OF INSPECTION: The City shall have the right at all reasonable times to enter the premises, or any part thereof, for the purposes of inspection.

SHORE LEASE FISHERY – Nancy A. Hilman-Scow

Tract Two (2), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

13. ASSUMPTION OF RISK AND INDEMNITY, DEFEND, AND HOLD HARMLESS AGREEMENT: Lessee assumes full control and sole responsibility as between Lessee and the City for the activities of Lessee, its personnel, employees, and persons acting on behalf or under the authority of the Lessee anywhere on the leased premises. Lessee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the leased premises and its exercise of the privileges granted in this Lease.

Lessee agrees to fully indemnify, defend, and hold harmless, the City, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, including death, judgements, 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 Lessee in connection with or arising from or out of Lessee's activities on or use of the premises. This shall be continuing obligations and shall remain in effect after termination of this Lease.

14. COLLECTION ON UNPAID MONIES: Any or all rents, charges, fees, or other consideration which are due and unpaid at the expiration or voluntary or involuntary termination or cancellation of this Lease, shall have such lien rights as are allowed by law, and enforcement by distraint may be made by the City or its authorized agent.

15. EASEMENT GRANTS RESERVED: The City reserves the right to grant and control easements in, or above the land leased. No such grant or easement will be made that will unreasonably interfere with the Lessee's use of the land, and Lessee shall have free access and use of any and all parking and loading rights, rights of ingress and egress now or hereafter appertaining to the leased premises.

16. SURRENDER ON TERMINATION: Lessee shall, on the last day of the term of this Lease or upon any earlier termination of this Lease, surrender and deliver the premises into the possession and use of the City without fraud or delay in good order, condition, and repair, except for reasonable wear and tear since the last necessary repair, replacement, restoration or renewal, free and clear of all lettings and occupancies unless expressly permitted by the City in writing, and free and clear of all liens and encumbrances other than those created by and for loans to the City. Upon the end of the term of this Lease or any earlier termination thereof, title to any shore fishery equipment left on the leased land for a period in excess of thirty (30) days shall automatically vest in the City without requirement of any deed, conveyance, or bill of sale thereon. However, if the City should require any such document in confirmation hereof, Lessee shall execute, acknowledge, and deliver the same and shall pay any charge, tax, and fee asserted or imposed by any and all governmental units in connection herewith.

SHORE LEASE FISHERY – Nancy A. Hilman-Scow

Tract Two (2), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

- 17. RIGHT TO ENJOYMENT AND PEACEABLE POSSESSION: The City hereby agrees and covenants that the Lessee, upon paying rent and performing other covenants, terms, and conditions of this Lease, shall have the right to quietly and peacefully hold, use, occupy, and enjoy the said leased premises, subject to the rights of the general public and except that any inconvenience caused by public works projects in or about the leasehold premises shall not be construed as a denial of the right of quiet or peaceable possession.

- 18. LESSEE TO PAY TAXES: Lessee shall pay all lawful taxes and assessments which, during the term hereof may become a lien upon or which may be levied by the State, Borough, City, or any other tax levying body, upon any taxable possessory right which Lessee may have in or to the property by reason of its use or occupancy or the terms of this lease, provided however, that nothing herein contained shall prevent Lessee from contesting any increase in such tax or assessment through procedures outlined in State statutes.

- 19. SPECIAL SERVICES: Lessee agrees to pay the City a reasonable charge for any special service or facilities required by Lessee in writing, which services or facilities are not provided for herein.

- 20. NO PARTNERSHIP OR JOINT VENTURE CREATED: It is expressly understood that the City shall not be construed or held to be a partner or joint venture of Lessee in the conduct of business on the demised premises; and it is expressly understood and agreed that the relationship between the parties hereto is, and shall at all times remain landlord and tenant.

- 21. DEFAULT BANKRUPTCY, ETC.: If the Lessee shall make any assignment for the benefit of creditors, or shall be adjudged bankrupt, or if a receiver is appointed for the Lessee or Lessee's assets, or any interest under this Lease, and if the appointment of the receiver is not vacated within thirty (30) days, or if a voluntary petition is filed under Section 18(a) of the Bankruptcy Act by the Lessee, then and in any event, the City may, upon giving the Lessee thirty (30) days' notice, terminate this lease.

- 22. NONDISCRIMINATION: The Lessee, Lessee's personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said shore fishery:

- 23. PARTIAL INVALIDITY: If any term, provision, condition, or part of this Lease is declared by a court of competent jurisdiction to be invalid or unconstitutional, the remaining terms, provisions, conditions, or parts shall continue in full force and effect as though such declaration was not made.

SHORE LEASE FISHERY – Nancy A. Hilman-Scow

Tract Two (2), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

- 24. MODIFICATION: No lease may be modified orally or in any manner other than by an agreement in writing, signed by all parties in interest or their successors in interest. Any such modification shall require Council approval.
- 25. WARRANTY: The City does not warrant that the property which is the subject of this Lease is suited for the use authorize herein, and no guarantee is given or implied that it shall be profitable or suitable to employ he property to such use.
- 26. RIGHT TO ADOPT RULES: The City reserves the right to adopt, amend, and enforce reasonable rules and regulations governing the demised premises and the public areas and facilities used in connection therewith. Except in cases of emergency, no rule or regulation hereafter adopted or amended by the City shall become applicable unless Lessee has been given thirty (30) days' notice of adoption or amendment thereof.
- 27. NON-LIABILITY: The City shall not be liable to Lessee for any diminution or deprivation of possession, or of Lessee's right hereunder, on account of the exercise of any such right or authority as provided in this or the preceding section, nor shall Lessee be entitled to terminate the whole or any portion of the leasehold estate herein created, by reason of the exercise of such rights or authority, unless the exercise thereof shall so interfere with Lessee's use and occupancy of the leasehold estate as to constitute a termination in whole or in part of this lease by operation of law in accordance with the laws of the State of Alaska and of the United States made applicable to the states.
- 28. COMPLIANCE WITH LAWS:
 - (a) Lessee shall observe, obey, and comply with all applicable laws, ordinances, rules, and regulations of the Federal, State, Borough, or City governments or of any other public authorities now or hereafter in any manner affecting the leased premises.
 - (b) Lessee agrees to hold the City financially harmless:
 - (1) From the consequences of any violation of such laws, ordinances, and/or regulations; and
 - (2) From all claims for damages on account of injuries, death, or property damage resulting from such violation.
 - (c) Lessee further agrees it will not permit any unlawful occupation, business, or trade to be conducted on said premises or any use to be made thereof contrary to any law, ordinance, or regulation as aforesaid with respect thereto, including zoning ordinances, rules, and regulations.
- 29. CONDEMNATION: In the event the leased premises or any part thereof shall be condemned and taken for a public or a quasi-public use, then upon payment of any award or compensation arising from such condemnation, there shall be such division of the proceeds, such abatement in rent payable during the term or any extension of the term hereof, and such other adjustments as the parties may agree upon as being just and equitable under all the circumstances.

SHORE LEASE FISHERY – Nancy A. Hilman-Scow

Tract Two (2), Shore Fishery Plat No. 71

LESSOR: _____

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If the City and lessee are unable to agree within thirty (30) days after such an award has been paid into Court, upon what division, annual abatement in rent, and other adjustments are just and equitable, the disputes shall be determined by arbitration.

30. PROTECTION OF SUBLESSEES: To protect the position of any sublessee(s) hereafter obtaining any property interests in the leasehold estate granted by the Lessee hereunder, the City agrees that in the event of the cancellation, termination, expiration, or surrender of this Lease (the ground lease), the City will accept the sublessee, its successors and assigns, as its Lessee for a period equal to the full unelapsed portion of the term of the sublease, including any extensions or renewals thereof, not exceeding the term of this Lease, upon the same covenants and conditions therein contained, to the extent that said covenants and conditions are not inconsistent with any of the terms and conditions of this Lease, provided such Sublessee shall make full and complete attornment to the City for the balance of the term of such sublease so as to establish direct privity of estate and contract between the City and the Sublessee with the same force and effect as though such sublease was originally made directly between the City and such Sublessee; and further provided such Sublessee agrees to comply with all the provisions of the ground lease.

31. SUCCESSORS IN INTEREST: This Lease shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto, subject to such specific limitations on assignments as are provided for herein.

32. GOVERNING LAW: This indenture of Lease shall be governed in all respects by the laws of the State of Alaska.

33. NOTICES:

(a) Any notices required by this Lease shall be in writing and shall be deemed to be duly given only if delivered personally or mailed by certified or registered mail in a prepaid envelope addressed to the parties of the address set forth in the opening paragraph of this lease unless such address has been changed pursuant to subparagraph (b) hereafter, and in that case shall to the most recent address so changed. Any notice so mailed shall be deemed delivered on the date it is deposited in a U.S. general or branch post office.

The City shall also mail a copy of any notice given to the Lessee, by registered or certified mail, to any leasehold lender (mortgage, beneficiary of a deed of trust, security assignee) who shall have given the City notice of such mortgage, deed of trust, or security assignment.

(b) Any such addresses may be changed by an appropriate notice in writing to all other parties affected provided such change of address is given to the other parties by the means outlined in paragraph (a) above at least fifteen (15) days prior to the giving of the particular notice in issue.

34. ENTRY AND RE-ENTRY: In the event that the Lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands or any part thereof should be abandoned by the Lessee during said term, the City or its agents, servants, or representatives may, immediately or any time thereafter, re-enter, and resume possession of said lands or such part thereof and remove all persona and property therefrom, either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No re-entry by the City shall be deemed an acceptance of a surrender of the lease.

35. RETENTION OF RENTAL: In the event that the Lease should be terminated because of any breach by the Lessee as herein provided, the rental payment last made by the Lessee shall be retained by the City as partial or total liquidated damages for said breach.

36. WRITTEN WAIVER: The receipt of rent by the City with knowledge of any breach of the Lease by the Lessee, or any default on the part of the Lessee in observance or performance of any of the conditions or covenants of the Lease, shall not be deemed to be a waiver of any provisions of the Lease. No failure on the part of the City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by the City, unless in writing, shall discharge or invalidate such covenants or provisions, or affect the right of the City to enforce the same in the event of any subsequent breach or default.

The receipt, by the City, of any rent or any other sum of money after the termination, in any manner, of the term therein demised, or after the giving by the City of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice of termination as may have been given thereunder by the City to the Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by the City.

37. ZONING LAWS: Leased tidelands and shore fishery lands shall be utilized in accordance with the building and zoning ordinances and rules and regulations of the City. Failure to do so shall constitute a default.

38. PERSONAL USE OF MATERIALS: All coal, oil, gas, and other minerals and all deposits of stone or gravel valuable for extraction or utilization and all materials subject to Title II, Division I, Chapters 4, 5, and 6 of the Alaska Administrative Code are excepted from the operation of a surface Lease. Specifically, the Lessee of the surface rights shall not sell or remove for the use elsewhere any timber, stone, gravel, peat moss, topsoil, or any other material valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used if its use is first approved by the City Manager.

39. MUTUAL CANCELLATION: Leases in good standing may be cancelled in whole or in part at any time upon mutual written agreement by Lessee and the City Council.

SHORE LEASE FISHERY – Nancy A. Hilman-Scow

Tract Two (2), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

40. UNLAWFUL USE PROHIBITED: Lessee shall not allow the leasehold premises to be used for an unlawful purpose.

41. APPROVAL OF OTHER AUTHORITIES: The issuance by the City of leases does not relieve the Lessee of responsibility of obtaining licenses or permits as may be required by duly authorized Borough, State, or Federal agencies.

42. PREFERENCE RIGHT TO RE-LEASE: A Lessee under an existing lease shall, upon the expiration or the termination by mutual agreement of said Lease, be allowed a preference right to re-lease those lands previously leased by him if all other sections of the Kenai Municipal Code are complied with. Re-leasing will not necessarily be under the same terms and conditions as the prior lease. When the lease is offered to the preference right holder, the preference right holder shall exercise the right within thirty (30) calendar days after said lease is offered by the City. Failure to do so shall result in forfeiture and cancellation of the preference right. No preference right shall inure to a Lessee whose lease has been terminated by cause.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands, the day and year stated in the individual acknowledgements below.

LESSOR:
CITY OF KENAI

BY: _____
Terry Eubank Date
City Manager

LESSEE:
NANCY A. HILMAN-SCOW

BY: _____
Nancy A. Hilman-Scow Date

SHORE LEASE FISHERY – Nancy A. Hilman-Scow
Tract Two (2), Shore Fishery Plat No. 71

LESSOR: _____
LESSEE: _____



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-25**

A RESOLUTION APPROVING A LEASE FORM FOR LEASING OF TIDELANDS FOR SHORE FISHERIES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A SHORE FISHERY LEASE WITH KENAI SALMON COMPANY, INC FOR THE PROPERTY DESCRIBED AS TRACTS THREE (3), FOUR (4), FIVE (5) AND SIX (6), SHORE FISHERY PLAT NO. 71.

WHEREAS, in 1977, the State of Alaska granted the area known as the Alaska Tidelands Survey 272 containing approximately 2,752 acres to the City of Kenai pursuant to the City's Municipal Preference Right; and,

WHEREAS, Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 – City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026; and,

WHEREAS, a new lease form for leasing tidelands for shore fisheries is needed to reflect the changes to the lease form necessitated by Ordinance 3500-2026 and must be approved by Council Resolution pursuant to KMC 22.10.040(e); and,

WHEREAS, KMC 22.10.010(c) provides that a lessee under an existing shore fishery lease will have a preference right to re-lease the same property upon lease expiration, provided the lessee is in compliance with all applicable provisions of the Kenai Municipal Code; and,

WHEREAS, the current lessee, Kenai Salmon Company, is in compliance with all applicable sections of Kenai Municipal Code and is current with all invoiced lease payments; and,

WHEREAS, on March 2, 2026 the City of Kenai provided notice to all existing shore fishery lessees of the June 30, 2026 lease expiration date; and,

WHEREAS, Kenai Salmon Company timely exercised their preference right to re-lease the property in accordance with KMC 22.10.010(c); and,

WHEREAS, KMC 22.10.040(e) requires the use of a standard lease form adopted by resolution of the City Council; and,

WHEREAS, the new Lease term is proposed to commence on July 1, 2026; and,

WHEREAS, approval of the lease is consistent with the intent of Kenai Municipal Code, supports the continued authorized use, 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 lease with Kenai Salmon Company for the property described as Tracts Three (3), Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71, in substantially the form approved by the City Council.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kevin Buettner, Planning Director

DATE: April 14, 2026

SUBJECT: **Resolution No. 2026-25** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Kenai Salmon Company, Inc for the Property Described as Tracts Three (3), Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

This Resolution approves a new standard lease form for tidelands for shore fisheries that is consistent with recent code amendments and authorizes the City Manager to execute a Shore Fishery lease. Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 - City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026. To ensure compliance with the new code references, a new form was created. The draft lease form has been reviewed as to form by the City Attorney. Pursuant to KMC 22.10.010(c), any new lease form must be approved by Resolution.

The current shore fishery leases expire on June 30, 2026. All current lessees have expressed their intent to re-Lease their shore fishery tracts for the lease period starting July 1, 2026 and ending June 30, 2036. Adoption of this lease form and authorizing the City Manager to enter into the lease will allow the Administration time to fully execute the agreements prior to expiration.

This resolution is specifically regarding the shore fishery tidelands described as Tracts Three (3), Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71 to be leased by Kenai Salmon Company.

Thank you for your consideration.

SHORE FISHERY LEASE

THIS AGREEMENT, entered into this ____ day of _____, 2026, by and between the **CITY OF KENAI**, a home-rule municipal corporation of Alaska, whose address is 210 Fidalgo Avenue, Kenai AK 99611-7750, hereinafter called "City," and **KENAI SALMON COMPANY, INC.** whose address is 4439 E. Desert Lane Court, Gilbert, AZ 85234, hereinafter called "Lessee."

The City, in consideration of the payments of the rents and performance of all the covenants by the Lessee herein contained, does hereby demise and lease to the Lessee the following described property in the Kenai Recording District, Third Judicial District, State of Alaska; to wit:

Tracts Three (3) Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

A. PURPOSE: The purpose for which the Lease is issued is:

Shore fishery

B. TERM: The term of this Lease is for ten (10) years, commencing on July 1, 2026, and ending on June 30, 2036.

C. RENTAL PAYMENT: Rental for the above described shore fishery tracts shall be payable as follow:

1. The annual rental rate shall be \$300.00 for each tract. However, should the State of Alaska set an annual lease rate higher than \$300.00 for similar tideland leases for shore fisheries on land owned by the State, the City may amend the annual rental to a rate equal to that charged by the State of Alaska.
2. Annual rent for the fiscal year beginning July 1 and ending June 30 shall be payable in advance on or before the first day of July of each year.
3. Rental for any period which is less than one (1) year shall be prorated based on the rate of the last full year.

D. GENERAL COVENANTS:

1. USES: Except as provided herein, any use of lands or facilities without the written consent of the City is prohibited.
2. USES NOT CONTEMPLATED PROHIBITED: Solicitation of donations or the promotion or operation of any part or kind of business or commercial enterprises, other than as specifically set forth herein, upon, or in shore fishery lands, without the written consent of the City is prohibited.
3. ASSIGNMENT OR SUBLETTING: Lessee with the City's written consent, which will not be unreasonably denied, may assign for other than collateral purposes, in whole or in part, its rights as Lessee hereunder.

SHORE LEASE FISHERY – Kenai Salmon Company, Inc.

Tracts Three (3) Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

Any assignee of part or all of the leased premises shall assume the duties and obligations of the Lessee as to such part or all of the leased premises.

No such assignment, however, will discharge Lessee from its duties and obligations hereunder.

- 4. COSTS AND EXPENSES: Costs and expenses incident to this lease, including but not limited to, recording costs shall be paid by Lessee.
- 5. TREATMENT OF DEMISE: The Lessee agrees to keep the premises clean and in good order at its own expense, suffering no strip or waste thereof, nor removing any material therefrom, except fisheries resources, without written permission of the City. At the expiration of the term fixed, or any sooner determination of the Lease, the Lessee will peaceably and quietly quit and surrender the premises to the City.
- 6. PAYMENT OF RENT: Checks, bank drafts, or postal money orders shall be made payable to the City of Kenai and delivered to the City Administration Building, Kenai, Alaska.
- 7. HERRING SPAWN COVENANT: This Lease is issued subject to Sections 16.10.172 – 16.10.175 of the Alaska Statutes and it is agreed that the covenants, terms and conditions herein contained shall be binding upon the successors and assigns of the respective parties hereto.
- 8. DEFAULT RIGHT OF ENTRY: Should default be made in payment of any portion of the rent or fees when due, or in any of the covenants or conditions contained in the Lease or in any regulations now or hereinafter in force, then in such event the City shall by written notice give Lessee thirty (30) days to cure such default or defaults, after which if the default is not cured, the City may terminate the Lease, reenter and take possession of the premises, and remove all persons therefrom.
- 9. LEASE UTILIZATION: Leased lands shall be utilized for purposes within the scope of the terms of the Lease and the terms of the deed under which the land was granted to the City (and any releases pertinent thereto), in conformity with the ordinances of the City and Borough. Utilization or development for other than the allowed uses shall constitute a violation of the Lease and subject the Lease to cancellation at any time.
- 10. CONDITION OF PREMISES: The premises demised herein are unimproved and are leased on an “as is, where is” basis.
- 11. UNDERLYING TITLE: The interests transferred, or conveyed by this Lease are subject to any and all of the covenants, terms, or conditions contained in the instruments conveying title or other interests to the City.
- 12. RIGHT OF INSPECTION: The City shall have the right at all reasonable times to enter the premises, or any part thereof, for the purposes of inspection.

SHORE LEASE FISHERY – Kenai Salmon Company, Inc.

Tracts Three (3) Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

13. ASSUMPTION OF RISK AND INDEMNITY, DEFEND, AND HOLD HARMLESS AGREEMENT: Lessee assumes full control and sole responsibility as between Lessee and the City for the activities of Lessee, its personnel, employees, and persons acting on behalf or under the authority of the Lessee anywhere on the leased premises. Lessee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the leased premises and its exercise of the privileges granted in this Lease.

Lessee agrees to fully indemnify, defend, and hold harmless, the City, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, including death, judgements, 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 Lessee in connection with or arising from or out of Lessee's activities on or use of the premises. This shall be continuing obligations and shall remain in effect after termination of this Lease.

14. COLLECTION ON UNPAID MONIES: Any or all rents, charges, fees, or other consideration which are due and unpaid at the expiration or voluntary or involuntary termination or cancellation of this Lease, shall have such lien rights as are allowed by law, and enforcement by distraint may be made by the City or its authorized agent.

15. EASEMENT GRANTS RESERVED: The City reserves the right to grant and control easements in, or above the land leased. No such grant or easement will be made that will unreasonably interfere with the Lessee's use of the land, and Lessee shall have free access and use of any and all parking and loading rights, rights of ingress and egress now or hereafter appertaining to the leased premises.

16. SURRENDER ON TERMINATION: Lessee shall, on the last day of the term of this Lease or upon any earlier termination of this Lease, surrender and deliver the premises into the possession and use of the City without fraud or delay in good order, condition, and repair, except for reasonable wear and tear since the last necessary repair, replacement, restoration or renewal, free and clear of all lettings and occupancies unless expressly permitted by the City in writing, and free and clear of all liens and encumbrances other than those created by and for loans to the City. Upon the end of the term of this Lease or any earlier termination thereof, title to any shore fishery equipment left on the leased land for a period in excess of thirty (30) days shall automatically vest in the City without requirement of any deed, conveyance, or bill of sale thereon. However, if the City should require any such document in confirmation hereof, Lessee shall execute, acknowledge, and deliver the same and shall pay any charge, tax, and fee asserted or imposed by any and all governmental units in connection herewith.

SHORE LEASE FISHERY – Kenai Salmon Company, Inc.

Tracts Three (3) Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

- 17. RIGHT TO ENJOYMENT AND PEACEABLE POSSESSION: The City hereby agrees and covenants that the Lessee, upon paying rent and performing other covenants, terms, and conditions of this Lease, shall have the right to quietly and peacefully hold, use, occupy, and enjoy the said leased premises, subject to the rights of the general public and except that any inconvenience caused by public works projects in or about the leasehold premises shall not be construed as a denial of the right of quiet or peaceable possession.
- 18. LESSEE TO PAY TAXES: Lessee shall pay all lawful taxes and assessments which, during the term hereof may become a lien upon or which may be levied by the State, Borough, City, or any other tax levying body, upon any taxable possessory right which Lessee may have in or to the property by reason of its use or occupancy or the terms of this lease, provided however, that nothing herein contained shall prevent Lessee from contesting any increase in such tax or assessment through procedures outlined in State statutes.
- 19. SPECIAL SERVICES: Lessee agrees to pay the City a reasonable charge for any special service or facilities required by Lessee in writing, which services or facilities are not provided for herein.
- 20. NO PARTNERSHIP OR JOINT VENTURE CREATED: It is expressly understood that the City shall not be construed or held to be a partner or joint venture of Lessee in the conduct of business on the demised premises; and it is expressly understood and agreed that the relationship between the parties hereto is, and shall at all times remain landlord and tenant.
- 21. DEFAULT BANKRUPTCY, ETC.: If the Lessee shall make any assignment for the benefit of creditors, or shall be adjudged bankrupt, or if a receiver is appointed for the Lessee or Lessee's assets, or any interest under this Lease, and if the appointment of the receiver is not vacated within thirty (30) days, or if a voluntary petition is filed under Section 18(a) of the Bankruptcy Act by the Lessee, then and in any event, the City may, upon giving the Lessee thirty (30) days' notice, terminate this lease.
- 22. NONDISCRIMINATION: The Lessee, Lessee's personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said shore fishery:
- 23. PARTIAL INVALIDITY: If any term, provision, condition, or part of this Lease is declared by a court of competent jurisdiction to be invalid or unconstitutional, the remaining terms, provisions, conditions, or parts shall continue in full force and effect as though such declaration was not made.

SHORE LEASE FISHERY – Kenai Salmon Company, Inc.

Tracts Three (3) Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

24. MODIFICATION: No lease may be modified orally or in any manner other than by an agreement in writing, signed by all parties in interest or their successors in interest. Any such modification shall require Council approval.

25. WARRANTY: The City does not warrant that the property which is the subject of this Lease is suited for the use authorize herein, and no guarantee is given or implied that it shall be profitable or suitable to employ he property to such use.

26. RIGHT TO ADOPT RULES: The City reserves the right to adopt, amend, and enforce reasonable rules and regulations governing the demised premises and the public areas and facilities used in connection therewith. Except in cases of emergency, no rule or regulation hereafter adopted or amended by the City shall become applicable unless Lessee has been given thirty (30) days' notice of adoption or amendment thereof.

27. NON-LIABILITY: The City shall not be liable to Lessee for any diminution or deprivation of possession, or of Lessee's right hereunder, on account of the exercise of any such right or authority as provided in this or the preceding section, nor shall Lessee be entitled to terminate the whole or any portion of the leasehold estate herein created, by reason of the exercise of such rights or authority, unless the exercise thereof shall so interfere with Lessee's use and occupancy of the leasehold estate as to constitute a termination in whole or in part of this lease by operation of law in accordance with the laws of the State of Alaska and of the United States made applicable to the states.

28. COMPLIANCE WITH LAWS:

(a) Lessee shall observe, obey, and comply with all applicable laws, ordinances, rules, and regulations of the Federal, State, Borough, or City governments or of any other public authorities now or hereafter in any manner affecting the leased premises.

(b) Lessee agrees to hold the City financially harmless:

(1) From the consequences of any violation of such laws, ordinances, and/or regulations; and

(2) From all claims for damages on account of injuries, death, or property damage resulting from such violation.

(c) Lessee further agrees it will not permit any unlawful occupation, business, or trade to be conducted on said premises or any use to be made thereof contrary to any law, ordinance, or regulation as aforesaid with respect thereto, including zoning ordinances, rules, and regulations.

29. CONDEMNATION: In the event the leased premises or any part thereof shall be condemned and taken for a public or a quasi-public use, then upon payment of any award or compensation arising from such condemnation, there shall be such division of the proceeds, such abatement in rent payable during the term or any extension of the term hereof, and such other adjustments as the parties may agree upon as being just and equitable under all the circumstances.

SHORE LEASE FISHERY – Kenai Salmon Company, Inc.

Tracts Three (3) Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

If the City and lessee are unable to agree within thirty (30) days after such an award has been paid into Court, upon what division, annual abatement in rent, and other adjustments are just and equitable, the disputes shall be determined by arbitration.

30. PROTECTION OF SUBLESSEES: To protect the position of any sublessee(s) hereafter obtaining any property interests in the leasehold estate granted by the Lessee hereunder, the City agrees that in the event of the cancellation, termination, expiration, or surrender of this Lease (the ground lease), the City will accept the sublessee, its successors and assigns, as its Lessee for a period equal to the full unelapsed portion of the term of the sublease, including any extensions or renewals thereof, not exceeding the term of this Lease, upon the same covenants and conditions therein contained, to the extent that said covenants and conditions are not inconsistent with any of the terms and conditions of this Lease, provided such Sublessee shall make full and complete attornment to the City for the balance of the term of such sublease so as to establish direct privity of estate and contract between the City and the Sublessee with the same force and effect as though such sublease was originally made directly between the City and such Sublessee; and further provided such Sublessee agrees to comply with all the provisions of the ground lease.

31. SUCCESSORS IN INTEREST: This Lease shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto, subject to such specific limitations on assignments as are provided for herein.

32. GOVERNING LAW: This indenture of Lease shall be governed in all respects by the laws of the State of Alaska.

33. NOTICES:

(a) Any notices required by this Lease shall be in writing and shall be deemed to be duly given only if delivered personally or mailed by certified or registered mail in a prepaid envelope addressed to the parties of the address set forth in the opening paragraph of this lease unless such address has been changed pursuant to subparagraph (b) hereafter, and in that case shall to the most recent address so changed. Any notice so mailed shall be deemed delivered on the date it is deposited in a U.S. general or branch post office.

The City shall also mail a copy of any notice given to the Lessee, by registered or certified mail, to any leasehold lender (mortgage, beneficiary of a deed of trust, security assignee) who shall have given the City notice of such mortgage, deed of trust, or security assignment.

(b) Any such addresses may be changed by an appropriate notice in writing to all other parties affected provided such change of address is given to the other parties by the means outlined in paragraph (a) above at least fifteen (15) days prior to the giving of the particular notice in issue.

SHORE LEASE FISHERY – Kenai Salmon Company, Inc.

Tracts Three (3) Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

34. ENTRY AND RE-ENTRY: In the event that the Lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands or any part thereof should be abandoned by the Lessee during said term, the City or its agents, servants, or representatives may, immediately or any time thereafter, re-enter, and resume possession of said lands or such part thereof and remove all persona and property therefrom, either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No re-entry by the City shall be deemed an acceptance of a surrender of the lease.

35. RETENTION OF RENTAL: In the event that the Lease should be terminated because of any breach by the Lessee as herein provided, the rental payment last made by the Lessee shall be retained by the City as partial or total liquidated damages for said breach.

36. WRITTEN WAIVER: The receipt of rent by the City with knowledge of any breach of the Lease by the Lessee, or any default on the part of the Lessee in observance or performance of any of the conditions or covenants of the Lease, shall not be deemed to be a waiver of any provisions of the Lease. No failure on the part of the City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by the City, unless in writing, shall discharge or invalidate such covenants or provisions, or affect the right of the City to enforce the same in the event of any subsequent breach or default.

The receipt, by the City, of any rent or any other sum of money after the termination, in any manner, of the term therein demised, or after the giving by the City of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice of termination as may have been given thereunder by the City to the Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by the City.

37. ZONING LAWS: Leased tidelands and shore fishery lands shall be utilized in accordance with the building and zoning ordinances and rules and regulations of the City. Failure to do so shall constitute a default.

38. PERSONAL USE OF MATERIALS: All coal, oil, gas, and other minerals and all deposits of stone or gravel valuable for extraction or utilization and all materials subject to Title II, Division I, Chapters 4, 5, and 6 of the Alaska Administrative Code are excepted from the operation of a surface Lease. Specifically, the Lessee of the surface rights shall not sell or remove for the use elsewhere any timber, stone, gravel, peat moss, topsoil, or any other material valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used if its use is first approved by the City Manager.

39. MUTUAL CANCELLATION: Leases in good standing may be cancelled in whole or in part at any time upon mutual written agreement by Lessee and the City Council.

SHORE LEASE FISHERY – Kenai Salmon Company, Inc.

Tracts Three (3) Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____

40. UNLAWFUL USE PROHIBITED: Lessee shall not allow the leasehold premises to be used for an unlawful purpose.

41. APPROVAL OF OTHER AUTHORITIES: The issuance by the City of leases does not relieve the Lessee of responsibility of obtaining licenses or permits as may be required by duly authorized Borough, State, or Federal agencies.

42. PREFERENCE RIGHT TO RE-LEASE: A Lessee under an existing lease shall, upon the expiration or the termination by mutual agreement of said Lease, be allowed a preference right to re-lease those lands previously leased by him if all other sections of the Kenai Municipal Code are complied with. Re-leasing will not necessarily be under the same terms and conditions as the prior lease. When the lease is offered to the preference right holder, the preference right holder shall exercise the right within thirty (30) calendar days after said lease is offered by the City. Failure to do so shall result in forfeiture and cancellation of the preference right. No preference right shall inure to a Lessee whose lease has been terminated by cause.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands, the day and year stated in the individual acknowledgements below.

LESSOR:

CITY OF KENAI

BY: _____
Terry Eubank Date
City Manager

LESSEE:

KENAI SALMON COMPANY, INC.

BY: _____
Michael Markham Date

SHORE LEASE FISHERY – Kenai Salmon Company, Inc.

Tracts Three (3) Four (4), Five (5), and Six (6), Shore Fishery Plat No. 71

LESSOR: _____

LESSEE: _____



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-26**

A RESOLUTION APPROVING A LEASE FORM FOR LEASING OF TIDELANDS FOR SHORE FISHERIES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A SHORE FISHERY LEASE WITH AURORA HOLDINGS AND INVESTMENTS, LLC FOR THE PROPERTY DESCRIBED AS TRACT SEVEN (7), SHORE FISHERY PLAT NO. 71.

WHEREAS, in 1977, the State of Alaska granted the area known as the Alaska Tidelands Survey 272 containing approximately 2,752 acres to the City of Kenai pursuant to the City's Municipal Preference Right; and,

WHEREAS, Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 – City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026; and,

WHEREAS, a new lease form for leasing tidelands for shore fisheries is needed to reflect the changes to the lease form necessitated by Ordinance 3500-2026 and must be approved by Council Resolution pursuant to KMC 22.10.040(e); and,

WHEREAS, KMC 22.10.010(c) provides that a lessee under an existing shore fishery lease will have a preference right to re-lease the same property upon lease expiration, provided the lessee is in compliance with all applicable provisions of the Kenai Municipal Code; and,

WHEREAS, the current lessee, Aurora Holdings and Investments, LLC, is in compliance with all applicable sections of Kenai Municipal Code and is current with all invoiced lease payments; and,

WHEREAS, on March 2, 2026 the City of Kenai provided notice to all existing shore fishery lessees of the June 30, 2026 lease expiration date; and,

WHEREAS, Aurora Holdings and Investments, LLC timely exercised their preference right to re-lease the property in accordance with KMC 22.10.010(c); and,

WHEREAS, KMC 22.10.040(e) requires the use of a standard lease form adopted by resolution of the City Council; and,

WHEREAS, the new Lease term is proposed to commence on July 1, 2026; and,

WHEREAS, approval of the Lease is consistent with the intent of Kenai Municipal Code, supports the continued authorized use, 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 lease with Aurora Holdings and Investments, LLC for the property described as Tract Seven (7), Shore Fishery Plat No. 71, in substantially the form approved by the City Council.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kevin Buettner, Planning Director

DATE: April 14, 2026

SUBJECT: **Resolution No. 2026-26** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Aurora Holdings and Investments, LLC for the Property Described as Tract Seven (7), Shore Fishery Plat No. 71.

This Resolution approves a new standard lease form for tidelands for shore fisheries that is consistent with recent code amendments and authorizes the City Manager to execute a Shore Fishery lease. Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 - City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026. To ensure compliance with the new code references, a new form was created. The draft lease form has been reviewed as to form by the City Attorney. Pursuant to KMC 22.10.010(c), any new lease form must be approved by Resolution.

The current shore fishery leases expire on June 30, 2026. All current lessees have expressed their intent to re-lease their shore fishery tracts for the lease period starting July 1, 2026 and ending June 30, 2036. Adoption of this lease form and authorizing the City Manager to enter into the lease will allow the Administration time to fully execute the agreements prior to expiration.

This resolution is specifically regarding the shore fishery tidelands described as Tract Seven (7), Shore Fishery Plat No. 71 to be leased by Aurora Holdings and Investments, LLC.

Thank you for your consideration.

SHORE FISHERY LEASE

THIS AGREEMENT, entered into this ____ day of _____, 2026, by and between the **CITY OF KENAI**, a home-rule municipal corporation of Alaska, whose address is 210 Fidalgo Avenue, Kenai AK 99611-7750, hereinafter called "City," and **AURORA HOLDINGS & INVESTMENTS, LLC** whose address is 3336 Robin Street, Anchorage, AK 99504, hereinafter called "Lessee."

The City, in consideration of the payments of the rents and performance of all the covenants by the Lessee herein contained, does hereby demise and lease to the Lessee the following described property in the Kenai Recording District, Third Judicial District, State of Alaska; to wit:

ADL 32885 – Tract Seven (7), Shore Fishery Plat No. 71

A. PURPOSE: The purpose for which the Lease is issued is:

Shore fishery

B. TERM: The term of this Lease is for ten (10) years, commencing on July 1, 2026, and ending on June 30, 2036.

C. RENTAL PAYMENT: Rental for the above described shore fishery tracts shall be payable as follow:

1. The annual rental rate shall be \$300.00 for each tract. However, should the State of Alaska set an annual lease rate higher than \$300.00 for similar tideland leases for shore fisheries on land owned by the State, the City may amend the annual rental to a rate equal to that charged by the State of Alaska.
2. Annual rent for the fiscal year beginning July 1 and ending June 30 shall be payable in advance on or before the first day of July of each year.
3. Rental for any period which is less than one (1) year shall be prorated based on the rate of the last full year.

D. GENERAL COVENANTS:

1. USES: Except as provided herein, any use of lands or facilities without the written consent of the City is prohibited.
2. USES NOT CONTEMPLATED PROHIBITED: Solicitation of donations or the promotion or operation of any part or kind of business or commercial enterprises, other than as specifically set forth herein, upon, or in shore fishery lands, without the written consent of the City is prohibited.
3. ASSIGNMENT OR SUBLETTING: Lessee with the City's written consent, which will not be unreasonably denied, may assign for other than collateral purposes, in whole or in part, its rights as Lessee hereunder.

SHORE LEASE FISHERY – Aurora Holdings & Investments

Tract 7, Shore Fisher Plat No. 71

LESSOR: _____

LESSEE: _____

Any assignee of part or all of the leased premises shall assume the duties and obligations of the Lessee as to such part or all of the leased premises.

No such assignment, however, will discharge Lessee from its duties and obligations hereunder.

- 4. COSTS AND EXPENSES: Costs and expenses incident to this lease, including but not limited to, recording costs shall be paid by Lessee.
- 5. TREATMENT OF DEMISE: The Lessee agrees to keep the premises clean and in good order at its own expense, suffering no strip or waste thereof, nor removing any material therefrom, except fisheries resources, without written permission of the City. At the expiration of the term fixed, or any sooner determination of the Lease, the Lessee will peaceably and quietly quit and surrender the premises to the City.
- 6. PAYMENT OF RENT: Checks, bank drafts, or postal money orders shall be made payable to the City of Kenai and delivered to the City Administration Building, Kenai, Alaska.
- 7. HERRING SPAWN COVENANT: This Lease is issued subject to Sections 16.10.172 – 16.10.175 of the Alaska Statutes and it is agreed that the covenants, terms and conditions herein contained shall be binding upon the successors and assigns of the respective parties hereto.
- 8. DEFAULT RIGHT OF ENTRY: Should default be made in payment of any portion of the rent or fees when due, or in any of the covenants or conditions contained in the Lease or in any regulations now or hereinafter in force, then in such event the City shall by written notice give Lessee thirty (30) days to cure such default or defaults, after which if the default is not cured, the City may terminate the Lease, reenter and take possession of the premises, and remove all persons therefrom.
- 9. LEASE UTILIZATION: Leased lands shall be utilized for purposes within the scope of the terms of the Lease and the terms of the deed under which the land was granted to the City (and any releases pertinent thereto), in conformity with the ordinances of the City and Borough. Utilization or development for other than the allowed uses shall constitute a violation of the Lease and subject the Lease to cancellation at any time.
- 10. CONDITION OF PREMISES: The premises demised herein are unimproved and are leased on an “as is, where is” basis.
- 11. UNDERLYING TITLE: The interests transferred, or conveyed by this Lease are subject to any and all of the covenants, terms, or conditions contained in the instruments conveying title or other interests to the City.
- 12. RIGHT OF INSPECTION: The City shall have the right at all reasonable times to enter the premises, or any part thereof, for the purposes of inspection.

13. ASSUMPTION OF RISK AND INDEMNITY, DEFEND, AND HOLD HARMLESS AGREEMENT: Lessee assumes full control and sole responsibility as between Lessee and the City for the activities of Lessee, its personnel, employees, and persons acting on behalf or under the authority of the Lessee anywhere on the leased premises. Lessee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the leased premises and its exercise of the privileges granted in this Lease.

Lessee agrees to fully indemnify, defend, and hold harmless, the City, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, including death, judgements, 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 Lessee in connection with or arising from or out of Lessee's activities on or use of the premises. This shall be continuing obligations and shall remain in effect after termination of this Lease.

14. COLLECTION ON UNPAID MONIES: Any or all rents, charges, fees, or other consideration which are due and unpaid at the expiration or voluntary or involuntary termination or cancellation of this Lease, shall have such lien rights as are allowed by law, and enforcement by distraint may be made by the City or its authorized agent.

15. EASEMENT GRANTS RESERVED: The City reserves the right to grant and control easements in, or above the land leased. No such grant or easement will be made that will unreasonably interfere with the Lessee's use of the land, and Lessee shall have free access and use of any and all parking and loading rights, rights of ingress and egress now or hereafter appertaining to the leased premises.

16. SURRENDER ON TERMINATION: Lessee shall, on the last day of the term of this Lease or upon any earlier termination of this Lease, surrender and deliver the premises into the possession and use of the City without fraud or delay in good order, condition, and repair, except for reasonable wear and tear since the last necessary repair, replacement, restoration or renewal, free and clear of all lettings and occupancies unless expressly permitted by the City in writing, and free and clear of all liens and encumbrances other than those created by and for loans to the City. Upon the end of the term of this Lease or any earlier termination thereof, title to any shore fishery equipment left on the leased land for a period in excess of thirty (30) days shall automatically vest in the City without requirement of any deed, conveyance, or bill of sale thereon. However, if the City should require any such document in confirmation hereof, Lessee shall execute, acknowledge, and deliver the same and shall pay any charge, tax, and fee asserted or imposed by any and all governmental units in connection herewith.

SHORE LEASE FISHERY – Aurora Holdings & Investments

Tract 7, Shore Fisher Plat No. 71

LESSOR: _____

LESSEE: _____

- 17. RIGHT TO ENJOYMENT AND PEACEABLE POSSESSION: The City hereby agrees and covenants that the Lessee, upon paying rent and performing other covenants, terms, and conditions of this Lease, shall have the right to quietly and peacefully hold, use, occupy, and enjoy the said leased premises, subject to the rights of the general public and except that any inconvenience caused by public works projects in or about the leasehold premises shall not be construed as a denial of the right of quiet or peaceable possession.

- 18. LESSEE TO PAY TAXES: Lessee shall pay all lawful taxes and assessments which, during the term hereof may become a lien upon or which may be levied by the State, Borough, City, or any other tax levying body, upon any taxable possessory right which Lessee may have in or to the property by reason of its use or occupancy or the terms of this lease, provided however, that nothing herein contained shall prevent Lessee from contesting any increase in such tax or assessment through procedures outlined in State statutes.

- 19. SPECIAL SERVICES: Lessee agrees to pay the City a reasonable charge for any special service or facilities required by Lessee in writing, which services or facilities are not provided for herein.

- 20. NO PARTNERSHIP OR JOINT VENTURE CREATED: It is expressly understood that the City shall not be construed or held to be a partner or joint venture of Lessee in the conduct of business on the demised premises; and it is expressly understood and agreed that the relationship between the parties hereto is, and shall at all times remain landlord and tenant.

- 21. DEFAULT BANKRUPTCY, ETC.: If the Lessee shall make any assignment for the benefit of creditors, or shall be adjudged bankrupt, or if a receiver is appointed for the Lessee or Lessee's assets, or any interest under this Lease, and if the appointment of the receiver is not vacated within thirty (30) days, or if a voluntary petition is filed under Section 18(a) of the Bankruptcy Act by the Lessee, then and in any event, the City may, upon giving the Lessee thirty (30) days' notice, terminate this lease.

- 22. NONDISCRIMINATION: The Lessee, Lessee's personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said shore fishery:

- 23. PARTIAL INVALIDITY: If any term, provision, condition, or part of this Lease is declared by a court of competent jurisdiction to be invalid or unconstitutional, the remaining terms, provisions, conditions, or parts shall continue in full force and effect as though such declaration was not made.

SHORE LEASE FISHERY – Aurora Holdings & Investments

Tract 7, Shore Fisher Plat No. 71

LESSOR: _____

LESSEE: _____

- 24. MODIFICATION: No lease may be modified orally or in any manner other than by an agreement in writing, signed by all parties in interest or their successors in interest. Any such modification shall require Council approval.
- 25. WARRANTY: The City does not warrant that the property which is the subject of this Lease is suited for the use authorize herein, and no guarantee is given or implied that it shall be profitable or suitable to employ he property to such use.
- 26. RIGHT TO ADOPT RULES: The City reserves the right to adopt, amend, and enforce reasonable rules and regulations governing the demised premises and the public areas and facilities used in connection therewith. Except in cases of emergency, no rule or regulation hereafter adopted or amended by the City shall become applicable unless Lessee has been given thirty (30) days' notice of adoption or amendment thereof.
- 27. NON-LIABILITY: The City shall not be liable to Lessee for any diminution or deprivation of possession, or of Lessee's right hereunder, on account of the exercise of any such right or authority as provided in this or the preceding section, nor shall Lessee be entitled to terminate the whole or any portion of the leasehold estate herein created, by reason of the exercise of such rights or authority, unless the exercise thereof shall so interfere with Lessee's use and occupancy of the leasehold estate as to constitute a termination in whole or in part of this lease by operation of law in accordance with the laws of the State of Alaska and of the United States made applicable to the states.
- 28. COMPLIANCE WITH LAWS:
 - (a) Lessee shall observe, obey, and comply with all applicable laws, ordinances, rules, and regulations of the Federal, State, Borough, or City governments or of any other public authorities now or hereafter in any manner affecting the leased premises.
 - (b) Lessee agrees to hold the City financially harmless:
 - (1) From the consequences of any violation of such laws, ordinances, and/or regulations; and
 - (2) From all claims for damages on account of injuries, death, or property damage resulting from such violation.
 - (c) Lessee further agrees it will not permit any unlawful occupation, business, or trade to be conducted on said premises or any use to be made thereof contrary to any law, ordinance, or regulation as aforesaid with respect thereto, including zoning ordinances, rules, and regulations.
- 29. CONDEMNATION: In the event the leased premises or any part thereof shall be condemned and taken for a public or a quasi-public use, then upon payment of any award or compensation arising from such condemnation, there shall be such division of the proceeds, such abatement in rent payable during the term or any extension of the term hereof, and such other adjustments as the parties may agree upon as being just and equitable under all the circumstances.

SHORE LEASE FISHERY – Aurora Holdings & Investments

Tract 7, Shore Fisher Plat No. 71

LESSOR: _____

LESSEE: _____

If the City and lessee are unable to agree within thirty (30) days after such an award has been paid into Court, upon what division, annual abatement in rent, and other adjustments are just and equitable, the disputes shall be determined by arbitration.

30. PROTECTION OF SUBLESSEES: To protect the position of any sublessee(s) hereafter obtaining any property interests in the leasehold estate granted by the Lessee hereunder, the City agrees that in the event of the cancellation, termination, expiration, or surrender of this Lease (the ground lease), the City will accept the sublessee, its successors and assigns, as its Lessee for a period equal to the full unelapsed portion of the term of the sublease, including any extensions or renewals thereof, not exceeding the term of this Lease, upon the same covenants and conditions therein contained, to the extent that said covenants and conditions are not inconsistent with any of the terms and conditions of this Lease, provided such Sublessee shall make full and complete attornment to the City for the balance of the term of such sublease so as to establish direct privity of estate and contract between the City and the Sublessee with the same force and effect as though such sublease was originally made directly between the City and such Sublessee; and further provided such Sublessee agrees to comply with all the provisions of the ground lease.

31. SUCCESSORS IN INTEREST: This Lease shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto, subject to such specific limitations on assignments as are provided for herein.

32. GOVERNING LAW: This indenture of Lease shall be governed in all respects by the laws of the State of Alaska.

33. NOTICES:

(a) Any notices required by this Lease shall be in writing and shall be deemed to be duly given only if delivered personally or mailed by certified or registered mail in a prepaid envelope addressed to the parties of the address set forth in the opening paragraph of this lease unless such address has been changed pursuant to subparagraph (b) hereafter, and in that case shall to the most recent address so changed. Any notice so mailed shall be deemed delivered on the date it is deposited in a U.S. general or branch post office.

The City shall also mail a copy of any notice given to the Lessee, by registered or certified mail, to any leasehold lender (mortgage, beneficiary of a deed of trust, security assignee) who shall have given the City notice of such mortgage, deed of trust, or security assignment.

(b) Any such addresses may be changed by an appropriate notice in writing to all other parties affected provided such change of address is given to the other parties by the means outlined in paragraph (a) above at least fifteen (15) days prior to the giving of the particular notice in issue.

34. ENTRY AND RE-ENTRY: In the event that the Lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands or any part thereof should be abandoned by the Lessee during said term, the City or its agents, servants, or representatives may, immediately or any time thereafter, re-enter, and resume possession of said lands or such part thereof and remove all persona and property therefrom, either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No re-entry by the City shall be deemed an acceptance of a surrender of the lease.

35. RETENTION OF RENTAL: In the event that the Lease should be terminated because of any breach by the Lessee as herein provided, the rental payment last made by the Lessee shall be retained by the City as partial or total liquidated damages for said breach.

36. WRITTEN WAIVER: The receipt of rent by the City with knowledge of any breach of the Lease by the Lessee, or any default on the part of the Lessee in observance or performance of any of the conditions or covenants of the Lease, shall not be deemed to be a waiver of any provisions of the Lease. No failure on the part of the City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by the City, unless in writing, shall discharge or invalidate such covenants or provisions, or affect the right of the City to enforce the same in the event of any subsequent breach or default.

The receipt, by the City, of any rent or any other sum of money after the termination, in any manner, of the term therein demised, or after the giving by the City of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice of termination as may have been given thereunder by the City to the Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by the City.

37. ZONING LAWS: Leased tidelands and shore fishery lands shall be utilized in accordance with the building and zoning ordinances and rules and regulations of the City. Failure to do so shall constitute a default.

38. PERSONAL USE OF MATERIALS: All coal, oil, gas, and other minerals and all deposits of stone or gravel valuable for extraction or utilization and all materials subject to Title II, Division I, Chapters 4, 5, and 6 of the Alaska Administrative Code are excepted from the operation of a surface Lease. Specifically, the Lessee of the surface rights shall not sell or remove for the use elsewhere any timber, stone, gravel, peat moss, topsoil, or any other material valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used if its use is first approved by the City Manager.

39. MUTUAL CANCELLATION: Leases in good standing may be cancelled in whole or in part at any time upon mutual written agreement by Lessee and the City Council.



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-27**

A RESOLUTION APPROVING A LEASE FORM FOR LEASING OF TIDELANDS FOR SHORE FISHERIES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A SHORE FISHERY LEASE WITH LAURA MACCABEE FOR THE PROPERTY DESCRIBED AS A 3.29 ACRE PORTION OF TIDELANDS SURVEY NO. 272 WITHIN SECTION THIRTY-FIVE (35), TOWNSHIP 5 NORTH, RANGE 12 WEST.

WHEREAS, in 1977, the State of Alaska granted the area known as the Alaska Tidelands Survey 272 containing approximately 2,752 acres to the City of Kenai pursuant to the City's Municipal Preference Right; and,

WHEREAS, Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 – City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026; and,

WHEREAS, a new lease form for leasing tidelands for shore fisheries is needed to reflect the changes to the lease form necessitated by Ordinance 3500-2026 and must be approved by Council Resolution pursuant to KMC 22.10.040(e); and,

WHEREAS, KMC 22.10.010(c) provides that a lessee under an existing shore fishery lease will have a preference right to re-lease the same property upon lease expiration, provided the lessee is in compliance with all applicable provisions of the Kenai Municipal Code; and,

WHEREAS, the current lessee, Laura Maccabee is in compliance with all applicable sections of Kenai Municipal Code and is current with all invoiced lease payments; and,

WHEREAS, on March 2, 2026 the City of Kenai provided notice to all existing shore fishery lessees of the June 30, 2026 lease expiration date; and,

WHEREAS, Laura Maccabee timely exercised her preference right to re-lease the property in accordance with KMC 22.10.010(c); and,

WHEREAS, KMC 22.10.040(e) requires the use of a standard lease form adopted by resolution of the City Council; and,

WHEREAS, the new Lease term is proposed to commence on July 1, 2026; and,

WHEREAS, approval of the lease is consistent with the intent of Kenai Municipal Code, supports the continued authorized use, 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 lease with Laura Maccabee for the property described as a 3.29-acre portion of Tidelands Survey No. 272 within Section Thirty-Five (35), Township 5 North, Range 12 West, in substantially the form approved by the City Council.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kevin Buettner, Planning Director

DATE: April 14, 2026

SUBJECT: **Resolution No. 2026-27** - Approving a Lease Form for Leasing of Tidelands for Shore Fisheries and Authorizing the City Manager to Enter into a Shore Fishery Lease with Laura Maccabee for the Property Described as a 3.29-acre portion of Tidelands Survey No. 272 within Section Thirty-Five (35), Township 5 North, Range 12 West

This Resolution approves a new standard lease form for tidelands for shore fisheries that is consistent with recent code amendments and authorizes the City Manager to execute a Shore Fishery lease. Ordinance 3500-2026, relocating tideland leasing provisions for shore fisheries to Kenai Municipal Code (KMC) Title 22 - City Owned Lands, was enacted on February 4, 2026 and became effective on March 6, 2026. To ensure compliance with the new code references, a new form was created. The draft lease form has been reviewed as to form by the City Attorney. Pursuant to KMC 22.10.010(c), any new lease form must be approved by Resolution.

The current shore fishery leases expire on June 30, 2026. All current lessees have expressed their intent to re-lease their shore fishery tracts for the lease period starting July 1, 2026 and ending June 30, 2036. Adoption of this lease form and authorizing the City Manager to enter into the lease will allow the Administration time to fully execute the agreements prior to expiration.

This resolution is specifically regarding the shore fishery tidelands described as a 3.29-acre portion of Tidelands Survey No. 272 within Section Thirty-Five (35), Township 5 North, Range 12 West to be leased by Laura Maccabee.

Thank you for your consideration.

SHORE FISHERY LEASE

THIS AGREEMENT, entered into this ____ day of _____, 2026, by and between the **CITY OF KENAI**, a home-rule municipal corporation of Alaska, whose address is 210 Fidalgo Avenue, Kenai AK 99611-7750, hereinafter called "City," and **LAURA D. MACCABEE** whose address is 3336 Robin Street, Anchorage, AK 99504, hereinafter called "Lessee."

The City, in consideration of the payments of the rents and performance of all the covenants by the Lessee herein contained, does hereby demise and lease to the Lessee the following described property in the Kenai Recording District, Third Judicial District, State of Alaska; to wit:

A 3.29 acre portion of Tidelands Survey No. 272 within Section Thirty-five (35), Township 5 North, Range 12 West which is shown as the proposed lease lot on the attachment "A"

A. PURPOSE: The purpose for which the Lease is issued is:

Shore fishery

B. TERM: The term of this Lease is for ten (10) years, commencing on July 1, 2026, and ending on June 30, 2036.

C. RENTAL PAYMENT: Rental for the above described shore fishery tracts shall be payable as follow:

1. The annual rental rate shall be \$300.00 for each tract. However, should the State of Alaska set an annual lease rate higher than \$300.00 for similar tideland leases for shore fisheries on land owned by the State, the City may amend the annual rental to a rate equal to that charged by the State of Alaska.
2. Annual rent for the fiscal year beginning July 1 and ending June 30 shall be payable in advance on or before the first day of July of each year.
3. Rental for any period which is less than one (1) year shall be prorated based on the rate of the last full year.

D. GENERAL COVENANTS:

1. USES: Except as provided herein, any use of lands or facilities without the written consent of the City is prohibited.
2. USES NOT CONTEMPLATED PROHIBITED: Solicitation of donations or the promotion or operation of any part or kind of business or commercial enterprises, other than as specifically set forth herein, upon, or in shore fishery lands, without the written consent of the City is prohibited.
3. ASSIGNMENT OR SUBLETTING: Lessee with the City's written consent, which will not be unreasonably denied, may assign for other than collateral purposes, in whole or in part, its rights as Lessee hereunder.

SHORE LEASE FISHERY – Laura D. Maccabee

3.29-acre portion of Tidelands Survey No. 272

LESSOR: _____

LESSEE: _____

Any assignee of part or all of the leased premises shall assume the duties and obligations of the Lessee as to such part or all of the leased premises.

No such assignment, however, will discharge Lessee from its duties and obligations hereunder.

- 4. COSTS AND EXPENSES: Costs and expenses incident to this lease, including but not limited to, recording costs shall be paid by Lessee.
- 5. TREATMENT OF DEMISE: The Lessee agrees to keep the premises clean and in good order at its own expense, suffering no strip or waste thereof, nor removing any material therefrom, except fisheries resources, without written permission of the City. At the expiration of the term fixed, or any sooner determination of the Lease, the Lessee will peaceably and quietly quit and surrender the premises to the City.
- 6. PAYMENT OF RENT: Checks, bank drafts, or postal money orders shall be made payable to the City of Kenai and delivered to the City Administration Building, Kenai, Alaska.
- 7. HERRING SPAWN COVENANT: This Lease is issued subject to Sections 16.10.172 – 16.10.175 of the Alaska Statutes and it is agreed that the covenants, terms and conditions herein contained shall be binding upon the successors and assigns of the respective parties hereto.
- 8. DEFAULT RIGHT OF ENTRY: Should default be made in payment of any portion of the rent or fees when due, or in any of the covenants or conditions contained in the Lease or in any regulations now or hereinafter in force, then in such event the City shall by written notice give Lessee thirty (30) days to cure such default or defaults, after which if the default is not cured, the City may terminate the Lease, reenter and take possession of the premises, and remove all persons therefrom.
- 9. LEASE UTILIZATION: Leased lands shall be utilized for purposes within the scope of the terms of the Lease and the terms of the deed under which the land was granted to the City (and any releases pertinent thereto), in conformity with the ordinances of the City and Borough. Utilization or development for other than the allowed uses shall constitute a violation of the Lease and subject the Lease to cancellation at any time.
- 10. CONDITION OF PREMISES: The premises demised herein are unimproved and are leased on an “as is, where is” basis.
- 11. UNDERLYING TITLE: The interests transferred, or conveyed by this Lease are subject to any and all of the covenants, terms, or conditions contained in the instruments conveying title or other interests to the City.
- 12. RIGHT OF INSPECTION: The City shall have the right at all reasonable times to enter the premises, or any part thereof, for the purposes of inspection.

SHORE LEASE FISHERY – Laura D. Maccabee
3.29-acre portion of Tidelands Survey No. 272

LESSOR: _____
LESSEE: _____

13. ASSUMPTION OF RISK AND INDEMNITY, DEFEND, AND HOLD HARMLESS AGREEMENT: Lessee assumes full control and sole responsibility as between Lessee and the City for the activities of Lessee, its personnel, employees, and persons acting on behalf or under the authority of the Lessee anywhere on the leased premises. Lessee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the leased premises and its exercise of the privileges granted in this Lease.

Lessee agrees to fully indemnify, defend, and hold harmless, the City, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, including death, judgements, 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 Lessee in connection with or arising from or out of Lessee's activities on or use of the premises. This shall be continuing obligations and shall remain in effect after termination of this Lease.

14. COLLECTION ON UNPAID MONIES: Any or all rents, charges, fees, or other consideration which are due and unpaid at the expiration or voluntary or involuntary termination or cancellation of this Lease, shall have such lien rights as are allowed by law, and enforcement by distraint may be made by the City or its authorized agent.

15. EASEMENT GRANTS RESERVED: The City reserves the right to grant and control easements in, or above the land leased. No such grant or easement will be made that will unreasonably interfere with the Lessee's use of the land, and Lessee shall have free access and use of any and all parking and loading rights, rights of ingress and egress now or hereafter appertaining to the leased premises.

16. SURRENDER ON TERMINATION: Lessee shall, on the last day of the term of this Lease or upon any earlier termination of this Lease, surrender and deliver the premises into the possession and use of the City without fraud or delay in good order, condition, and repair, except for reasonable wear and tear since the last necessary repair, replacement, restoration or renewal, free and clear of all lettings and occupancies unless expressly permitted by the City in writing, and free and clear of all liens and encumbrances other than those created by and for loans to the City. Upon the end of the term of this Lease or any earlier termination thereof, title to any shore fishery equipment left on the leased land for a period in excess of thirty (30) days shall automatically vest in the City without requirement of any deed, conveyance, or bill of sale thereon. However, if the City should require any such document in confirmation hereof, Lessee shall execute, acknowledge, and deliver the same and shall pay any charge, tax, and fee asserted or imposed by any and all governmental units in connection herewith.

- 17. RIGHT TO ENJOYMENT AND PEACEABLE POSSESSION: The City hereby agrees and covenants that the Lessee, upon paying rent and performing other covenants, terms, and conditions of this Lease, shall have the right to quietly and peacefully hold, use, occupy, and enjoy the said leased premises, subject to the rights of the general public and except that any inconvenience caused by public works projects in or about the leasehold premises shall not be construed as a denial of the right of quiet or peaceable possession.

- 18. LESSEE TO PAY TAXES: Lessee shall pay all lawful taxes and assessments which, during the term hereof may become a lien upon or which may be levied by the State, Borough, City, or any other tax levying body, upon any taxable possessory right which Lessee may have in or to the property by reason of its use or occupancy or the terms of this lease, provided however, that nothing herein contained shall prevent Lessee from contesting any increase in such tax or assessment through procedures outlined in State statutes.

- 19. SPECIAL SERVICES: Lessee agrees to pay the City a reasonable charge for any special service or facilities required by Lessee in writing, which services or facilities are not provided for herein.

- 20. NO PARTNERSHIP OR JOINT VENTURE CREATED: It is expressly understood that the City shall not be construed or held to be a partner or joint venture of Lessee in the conduct of business on the demised premises; and it is expressly understood and agreed that the relationship between the parties hereto is, and shall at all times remain landlord and tenant.

- 21. DEFAULT BANKRUPTCY, ETC.: If the Lessee shall make any assignment for the benefit of creditors, or shall be adjudged bankrupt, or if a receiver is appointed for the Lessee or Lessee's assets, or any interest under this Lease, and if the appointment of the receiver is not vacated within thirty (30) days, or if a voluntary petition is filed under Section 18(a) of the Bankruptcy Act by the Lessee, then and in any event, the City may, upon giving the Lessee thirty (30) days' notice, terminate this lease.

- 22. NONDISCRIMINATION: The Lessee, Lessee's personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - (a) No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said shore fishery:

- 23. PARTIAL INVALIDITY: If any term, provision, condition, or part of this Lease is declared by a court of competent jurisdiction to be invalid or unconstitutional, the remaining terms, provisions, conditions, or parts shall continue in full force and effect as though such declaration was not made.

SHORE LEASE FISHERY – Laura D. Maccabee
 3.29-acre portion of Tidelands Survey No. 272

LESSOR: _____
 LESSEE: _____

- 24. MODIFICATION: No lease may be modified orally or in any manner other than by an agreement in writing, signed by all parties in interest or their successors in interest. Any such modification shall require Council approval.
- 25. WARRANTY: The City does not warrant that the property which is the subject of this Lease is suited for the use authorize herein, and no guarantee is given or implied that it shall be profitable or suitable to employ he property to such use.
- 26. RIGHT TO ADOPT RULES: The City reserves the right to adopt, amend, and enforce reasonable rules and regulations governing the demised premises and the public areas and facilities used in connection therewith. Except in cases of emergency, no rule or regulation hereafter adopted or amended by the City shall become applicable unless Lessee has been given thirty (30) days' notice of adoption or amendment thereof.
- 27. NON-LIABILITY: The City shall not be liable to Lessee for any diminution or deprivation of possession, or of Lessee's right hereunder, on account of the exercise of any such right or authority as provided in this or the preceding section, nor shall Lessee be entitled to terminate the whole or any portion of the leasehold estate herein created, by reason of the exercise of such rights or authority, unless the exercise thereof shall so interfere with Lessee's use and occupancy of the leasehold estate as to constitute a termination in whole or in part of this lease by operation of law in accordance with the laws of the State of Alaska and of the United States made applicable to the states.
- 28. COMPLIANCE WITH LAWS:
 - (a) Lessee shall observe, obey, and comply with all applicable laws, ordinances, rules, and regulations of the Federal, State, Borough, or City governments or of any other public authorities now or hereafter in any manner affecting the leased premises.
 - (b) Lessee agrees to hold the City financially harmless:
 - (1) From the consequences of any violation of such laws, ordinances, and/or regulations; and
 - (2) From all claims for damages on account of injuries, death, or property damage resulting from such violation.
 - (c) Lessee further agrees it will not permit any unlawful occupation, business, or trade to be conducted on said premises or any use to be made thereof contrary to any law, ordinance, or regulation as aforesaid with respect thereto, including zoning ordinances, rules, and regulations.
- 29. CONDEMNATION: In the event the leased premises or any part thereof shall be condemned and taken for a public or a quasi-public use, then upon payment of any award or compensation arising from such condemnation, there shall be such division of the proceeds, such abatement in rent payable during the term or any extension of the term hereof, and such other adjustments as the parties may agree upon as being just and equitable under all the circumstances.

SHORE LEASE FISHERY – Laura D. Maccabee
 3.29-acre portion of Tidelands Survey No. 272

LESSOR: _____
 LESSEE: _____

If the City and lessee are unable to agree within thirty (30) days after such an award has been paid into Court, upon what division, annual abatement in rent, and other adjustments are just and equitable, the disputes shall be determined by arbitration.

30. PROTECTION OF SUBLESSEES: To protect the position of any sublessee(s) hereafter obtaining any property interests in the leasehold estate granted by the Lessee hereunder, the City agrees that in the event of the cancellation, termination, expiration, or surrender of this Lease (the ground lease), the City will accept the sublessee, its successors and assigns, as its Lessee for a period equal to the full unelapsed portion of the term of the sublease, including any extensions or renewals thereof, not exceeding the term of this Lease, upon the same covenants and conditions therein contained, to the extent that said covenants and conditions are not inconsistent with any of the terms and conditions of this Lease, provided such Sublessee shall make full and complete attornment to the City for the balance of the term of such sublease so as to establish direct privity of estate and contract between the City and the Sublessee with the same force and effect as though such sublease was originally made directly between the City and such Sublessee; and further provided such Sublessee agrees to comply with all the provisions of the ground lease.

31. SUCCESSORS IN INTEREST: This Lease shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto, subject to such specific limitations on assignments as are provided for herein.

32. GOVERNING LAW: This indenture of Lease shall be governed in all respects by the laws of the State of Alaska.

33. NOTICES:

(a) Any notices required by this Lease shall be in writing and shall be deemed to be duly given only if delivered personally or mailed by certified or registered mail in a prepaid envelope addressed to the parties of the address set forth in the opening paragraph of this lease unless such address has been changed pursuant to subparagraph (b) hereafter, and in that case shall to the most recent address so changed. Any notice so mailed shall be deemed delivered on the date it is deposited in a U.S. general or branch post office.

The City shall also mail a copy of any notice given to the Lessee, by registered or certified mail, to any leasehold lender (mortgage, beneficiary of a deed of trust, security assignee) who shall have given the City notice of such mortgage, deed of trust, or security assignment.

(b) Any such addresses may be changed by an appropriate notice in writing to all other parties affected provided such change of address is given to the other parties by the means outlined in paragraph (a) above at least fifteen (15) days prior to the giving of the particular notice in issue.

34. ENTRY AND RE-ENTRY: In the event that the Lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands or any part thereof should be abandoned by the Lessee during said term, the City or its agents, servants, or representatives may, immediately or any time thereafter, re-enter, and resume possession of said lands or such part thereof and remove all persona and property therefrom, either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No re-entry by the City shall be deemed an acceptance of a surrender of the lease.

35. RETENTION OF RENTAL: In the event that the Lease should be terminated because of any breach by the Lessee as herein provided, the rental payment last made by the Lessee shall be retained by the City as partial or total liquidated damages for said breach.

36. WRITTEN WAIVER: The receipt of rent by the City with knowledge of any breach of the Lease by the Lessee, or any default on the part of the Lessee in observance or performance of any of the conditions or covenants of the Lease, shall not be deemed to be a waiver of any provisions of the Lease. No failure on the part of the City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by the City, unless in writing, shall discharge or invalidate such covenants or provisions, or affect the right of the City to enforce the same in the event of any subsequent breach or default.

The receipt, by the City, of any rent or any other sum of money after the termination, in any manner, of the term therein demised, or after the giving by the City of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice of termination as may have been given thereunder by the City to the Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by the City.

37. ZONING LAWS: Leased tidelands and shore fishery lands shall be utilized in accordance with the building and zoning ordinances and rules and regulations of the City. Failure to do so shall constitute a default.

38. PERSONAL USE OF MATERIALS: All coal, oil, gas, and other minerals and all deposits of stone or gravel valuable for extraction or utilization and all materials subject to Title II, Division I, Chapters 4, 5, and 6 of the Alaska Administrative Code are excepted from the operation of a surface Lease. Specifically, the Lessee of the surface rights shall not sell or remove for the use elsewhere any timber, stone, gravel, peat moss, topsoil, or any other material valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used if its use is first approved by the City Manager.

39. MUTUAL CANCELLATION: Leases in good standing may be cancelled in whole or in part at any time upon mutual written agreement by Lessee and the City Council.

40. UNLAWFUL USE PROHIBITED: Lessee shall not allow the leasehold premises to be used for an unlawful purpose.

41. APPROVAL OF OTHER AUTHORITIES: The issuance by the City of leases does not relieve the Lessee of responsibility of obtaining licenses or permits as may be required by duly authorized Borough, State, or Federal agencies.

42. PREFERENCE RIGHT TO RE-LEASE: A Lessee under an existing lease shall, upon the expiration or the termination by mutual agreement of said Lease, be allowed a preference right to re-lease those lands previously leased by him if all other sections of the Kenai Municipal Code are complied with. Re-leasing will not necessarily be under the same terms and conditions as the prior lease. When the lease is offered to the preference right holder, the preference right holder shall exercise the right within thirty (30) calendar days after said lease is offered by the City. Failure to do so shall result in forfeiture and cancellation of the preference right. No preference right shall inure to a Lessee whose lease has been terminated by cause.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands, the day and year stated in the individual acknowledgements below.

LESSOR:

CITY OF KENAI

BY: _____

Terry Eubank
City Manager

Date

LESSEE:

LAURA D. MACCABEE

BY: _____

Laura D. Maccabee

Date



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2026-28**

A RESOLUTION APPROVING AN AUTO AID AGREEMENT AND SUPPORTING OPERATIONAL PLAN WITH THE KENAI PENINSULA BOROUGH FOR EXCHANGE OF PERSONNEL AND EQUIPMENT RESPONSE TO STRUCTURE FIRES.

WHEREAS, the City of Kenai Fire Department, Central Emergency Services and Nikiski Fire Service Area have an existing Auto Aid Agreement dated 2020; and,

WHEREAS, changes to provided auto-aid staffing and equipment require updates to the agreement; and,

WHEREAS, the agencies involved in these Agreements share the common goal of providing the most efficient and timely emergency services possible; and,

WHEREAS, the agencies all provide some form of fire protection and/or emergency medical services within their respective boundaries; and,

WHEREAS, to provide greater life and safety coverage, the agencies desire to work cooperatively to allow for more efficient and wider coverage within their areas of service; and,

WHEREAS, to accomplish this, the agencies desire to provide the personnel and equipment necessary in the form of automatic aid; and,

WHEREAS, the goal of these Agreements is to outline the procedures for carrying out an automatic aid response in the event of a structure fire; and,

WHEREAS, it is in the best interest of the City of Kenai to update and authorize the City Manager and Fire Chief to enter into a new Auto Aid Agreement and supporting Operational Plan with the Kenai Peninsula Borough Fire Agencies of Central Emergency Services and Nikiski Fire Service Area.

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

Section 1. That the Kenai City Council approves the Auto Aid Agreement and supplemental Operational Plan between the City of Kenai Fire Department, Central Emergency Services and Nikiski Fire Service Area.

Section 2. That the Kenai City Manager and Kenai City Fire Chief are authorized to enter into an Auto Aid Agreement as attached with Kenai Peninsula Borough Fire Agencies of Central Emergency Services and Nikiski Fire Service Area. The City Manager and Fire Chief are further authorized to make and approve operational amendments to the Agreement and Plan as necessary without further Council action.

Section 3. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 22ND DAY OF APRIL, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Henry Knackstedt and Kenai City Council

THROUGH: Terry Eubank, City Manager

FROM: Jay Teague, Fire Chief

DATE: April 09, 2026

SUBJECT: **Resolution 2026-28** - Approving an Auto Aid Agreement and Supporting Operational Plan with the Kenai Peninsula Borough for Exchange of Personnel and Equipment Response to Structure Fires.

Over the past year the Kenai Fire Department has collaborated with Chiefs from Central Emergency Services (CES), Nikiski Fire Department (NFD), as well as the City's and Borough's attorneys to revise our Auto Aid Agreement and Operations Plan to support that Agreement. This Agreement and Operational Plan are critical in providing guidelines for response to structure fires as set out in National Fire Protection Association (NFPA) and from the Insurance Services Office (ISO).

A change in the operational plan was made where each agency will provide (3) personnel if staffing allows on auto-aid responses versus (2) personnel as outlined in the previous version of the operational plan.

Station staffing and apparatus were evaluated and discussed specifically for changes from the previous Agreement.

Language was changed to be consistent in both the Auto Aid Agreement, as well as the Operational Plan to the Auto Aid Agreement.

Our partnership in providing responses to each other provides additional personnel and staffing, which in turn, improves the overall capabilities of each department. Your consideration in approving this Resolution is greatly appreciated.

**AGREEMENT FOR EXCHANGE OF AUTOMATIC AID
BETWEEN
THE CITY OF KENAI, KENAI FIRE DEPARTMENT
AND
THE KENAI PENINSULA BOROUGH, CENTRAL EMERGENCY SERVICE AREA
AND NIKISKI FIRE SERVICE AREA**

April 2026

A. Parties and Agencies.

The Parties to this Agreement for Exchange of Automatic Aid (Agreement) are the City of Kenai (Kenai) and the Kenai Peninsula Borough (KPB).

The Agencies covered by this Agreement are Kenai's Fire Department (KFD), KPB's Central Emergency Service Area (CES), and KPB's Nikiski Fire Service Area (Nikiski Fire). Each Agency provides fire and emergency medical services within their respective jurisdictions.

B. Purpose.

The purpose of this Agreement is to allow the Agencies to work cooperatively to allow for more efficient and wider coverage within their jurisdictions in order to provide greater life and safety coverage through efficient and timely reciprocal fire services response.

C. Operational Plan

The Operational Plan details the procedures for automatic aid responses rendered pursuant to this Agreement, including the personnel, equipment, and response areas for the exchange of automatic aid. The Operational Plan has been developed and signed by the Fire Chiefs of KFD, Nikiski Fire, and CES, and is attached as Attachment A and incorporated by reference into this Agreement.

The Operational Plan may be amended in writing as necessary and at the discretion of the Fire Chiefs of KFD, Nikiski Fire, and CES, and any such amendments will be automatically incorporated into this Agreement upon execution by all three Fire Chiefs.

D. Term of Agreement and Termination

1. This Agreement is retroactively effective to December 31, 2025, and will continue until December 31, 2030. This Agreement may be renewed in writing by both Parties for two (2) additional five (five) year terms. This Agreement cannot extend beyond fifteen (15) years.
2. Notwithstanding the above, either Party to this Agreement may terminate the Agreement by giving no less than thirty (30) days written notice to the other Party and upon the running of thirty (30) days from such written notice, this Agreement will terminate.

E. Modification

This Agreement may only be amended, modified, or changed by a writing executed by authorized representatives of the Parties.

F. Responsibility for Costs.

1. Each Party will provide to the other a reasonable, professional, and reciprocal exchange of fire response services on a day-to-day basis at no additional cost.
2. Each Party will bear its own costs for responding to an automatic aid request.

G. Liability

1. Neither Party or its personnel will be liable for failure to respond to an automatic aid request.
2. Each Party will be responsible for its own liabilities incurred by its Agencies traveling to the scene, at the scene, and returning to its station of origin.
3. In rendering emergency services under an automatic aid request, each Party will be responsible for its Agencies' acts and any liability incurred by such acts.
4. For purposes of this Agreement, each Party's employees shall be deemed to be the employees and agents of that Party only, and under no circumstances shall any employee be deemed to be an employee or agent of any other entity or the other Party.
5. All damages or repairs to any equipment or apparatus will be the responsibility of the Party that owns such equipment or apparatus, provided however that compensation for damages to equipment or apparatus that occurs during a natural disaster, a state of emergency, as declared by a local, state or federal governing authority, or any other incident for which state or federal aid is provided to the Party requesting aid, will be distributed to the Party providing aid in proportion to the level of actual involvement while providing automatic aid.
6. Nothing contained in this Agreement may be construed to be a waiver of either Party's qualified immunity, official immunity, or any other immunity or exemption from liability provided for by law.

H. Release of Claims

Except as provided in Section G(5) above, and to the extent allowed by law, both Parties agree to hold harmless and release the other Party from any and all liabilities, suits, claims, judgments, cost or demands for damage to its own property whether directly existing or indirectly arising out of the use of any vehicle, equipment or apparatus being used by either Party during the provision of service pursuant to this Agreement.

I. Injuries to Personnel

Any damage or other compensation which is required to be paid to either Party's employee or volunteer by reason of an injury occurring while the employee's or volunteer's services are being utilized pursuant to this Agreement will be the sole liability and responsibility of the Party regularly employing that person.

J. Miscellaneous

1. **No benefit to third parties.** This Agreement may not be construed as, nor deemed to be, an agreement for the benefit of any third party or parties, and no third party or parties will have any right of action hereunder for any cause whatsoever.
2. **Conflict with laws.** Nothing in this Agreement is intended to conflict with Federal, State or local laws or regulations. If there are conflicts, this Agreement will be amended at the first opportunity to bring it into conformance with applicable laws or regulations.

- 3. **Survival.** If any term of this Agreement is found to be void or invalid, such invalidity will not affect the remaining terms of this Agreement, which will continue in full force and effect.
- 4. **Governing law and jurisdiction.** This Agreement will be governed by and construed in accordance with the laws of the State of Alaska, without regard to conflict of law principles. Any lawsuits filed in connection with this Agreement must be filed and prosecuted in the Third Judicial District, State of Alaska, at Kenai, Alaska.
- 5. **Entire agreement.** This Agreement and exhibit(s) constitute the entire agreement of the Parties and supersedes all prior offers, negotiations, and agreements with respect to the subject matter of this Agreement.
- 6. **Counterparts.** This Agreement may be executed in counterpart, and may be executed by way of facsimile or electronic signature in compliance with AS 09.80, and if so, each of which will be considered an original, all of which together will constitute one and the same instrument.

APPROVED:

CITY OF KENAI
Kenai Fire Department

KENAI PENINSULA BOROUGH
Central Emergency Service Area
Nikiski Fire Service Area

Terry Eubank, City Manager
Date: _____

Peter A. Micciche, Borough Mayor
Date: _____

Jay Teague, Kenai Fire Chief
Date: _____

Roy Browning, CES Fire Chief
Date: _____

John Harris, Nikiski Fire Chief
Date: _____

ATTEST:

ATTEST:

Shellie Saner, Kenai City Clerk

Michele Turner, CMC, Borough Clerk

Approved as to form and legal sufficiency

Approved as to form and legal sufficiency

Scott Bloom, Attorney for City of Kenai

A. Walker Steinhage, Deputy Borough Attorney

OPERATIONAL PLAN
ATTACHMENT A
TO
THE AGREEMENT FOR EXCHANGE OF AUTOMATIC AID
BETWEEN
THE CITY OF KENAI, KENAI FIRE DEPARTMENT
AND
THE KENAI PENINSULA BOROUGH, CENTRAL EMERGENCY SERVICE AREA AND NIKISKI FIRE SERVICE AREA

This Operational Plan details the procedures for automatic aid responses, including the personnel, equipment, and response areas, rendered pursuant to the Agreement for Exchange of Automatic Aid (Agreement) between the City of Kenai (Kenai) on behalf of the Kenai Fire Department (KFD) and the Kenai Peninsula Borough (KPB) on behalf of KPB's Central Emergency Service Area (CES) and KPB's Nikiski Fire Service Area (Nikiski Fire).

A. Amount and Types of Assistance:

1. KFD's Responsibilities:

KFD will provide a tanker/pumper and at least three (3) personnel on a first fire alarm response. The response will be to an incident scene.

KFD's reciprocal response area for CES is defined as East and West Poppy Lane to the intersection of Kalifornsky Beach Road and the Sterling Highway (Mile 0, Kalifornsky Beach Road), and from Strawberry Road to Spruce and Frontier Drive and all roads connected thereto.

KFD's reciprocal response for Nikiski Fire will be Nikiski Fire's entire jurisdiction.

2. CES's Responsibilities:

CES will provide a tanker/pumper and at least three (3) personnel on a first alarm fire response to KFD. The response will be to the incident scene.

CES's reciprocal response area for KFD will be to KFD's Districts 3 and 4.

CES will have no reciprocal response area for Nikiski Fire.

3. Nikiski Fire's Responsibilities

Nikiski Fire will provide a tanker/pumper and at least three (3) personnel on a first alarm fire response to KFD. The response will be to the incident scene.

Nikiski Fire's reciprocal response will be to KFD's Districts 1 and 2.

Nikiski Fire will have no reciprocal response area for CES.

B. Call-Out Procedures

1. Upon report of a first alarm fire to a 9-1-1 call center within the automatic aid response area, the 9-1-1 call center will request assistance from the appropriate reciprocating Agency.

2. Upon request for assistance, the reciprocating Agency will respond if: 1) the reciprocating Agency is available; 2) the reciprocating Agency is capable of aiding the incident as described to the 9-1-1 call center; and 3) the aid is within the authorized powers of the reciprocating Agency.
3. The reciprocating Agency will send the applicable equipment and personnel set forth in Sections A(1), A(2), or A(3) without delay and subject to the following conditions:
 - i. The reciprocating Agency must report to the Incident Commander (IC) and will be subject to the direction of the IC or Officer in Charge (OIC).
 - ii. The reciprocating Agency's personnel and equipment will be released as soon as its reciprocal services are no longer required or if the reciprocating Agency is needed to respond to an emergency within its home jurisdiction.
 - iii. If the reciprocating Agency is directed to backfill or staff another Agency's station, the requesting Agency will grant the reciprocating Agency access to the requesting Agency's station for appropriate parking of apparatus.
 - iv. Whenever the officials, employees, and/or volunteers from the reciprocating Agency are rendering reciprocal aid, such persons shall receive the same compensation and shall have the same powers, duties, rights, privileges, and immunities equal to their employment or position as if such aid were being rendered in their home jurisdiction.

C. Training

At a minimum, the Agencies will hold joint training exercises annually between each of the individual Agencies covered by this Agreement under the direction of the Agencies' Chiefs or the Agencies' Chiefs' Operations or Training Officers. Classroom instruction should be available upon request by each Agency.

D. Communications

1. **Radio.** Pre-programming will be entered into station alerting for automatic aid per department and district. The requesting Agency dispatch will call the responding Agency dispatch center to confirm it is aware automatic aid is needed. After initial automatic tone-out, the dispatcher for each Agency shall announce on the radio that automatic aid is needed at the address of the structure fire, in District 1, 2, 3, or 4. For the purposes of this Operational Plan, *District 1* is the area off of the Spur Highway from the intersection of Kenai Spur Road (KSR) and Sunset/Borgen Avenue to the intersection of KSR and Spruce Street and all roads connected thereto. *District 2* is the area from the intersection of KSR and Spruce Street to the intersection of KSR and McCullom/Tinker including Bridge Access Road (BAR) to the intersection of Beaver Loop Road (BLR) and all roads connected thereto. *District 3* is the area from Mile 3.4 KSR to the intersection of KSR and McCullom/Tinker including BLR to the midpoint on the East side of BLR and all roads connected thereto. *District 4* includes all of VIP Subdivision and BAR from the intersection of Kalifornsky Beach Road and BAR to the intersection of BAR and BLR and BLR to the midpoint on the West side of BLR and all roads connected thereto.
2. After notifying its dispatch center that it is enroute, the responding Agency will switch to the requesting Agency's dispatch channel, and advise the requesting Agency's dispatch that it is enroute.
3. In all cases, the responding Agency will communicate with Command unless advised

otherwise. Radio traffic will be kept to a minimum. Clear text will be used when possible.

E. Fire Incident Reporting.

Each Agency will be responsible for reporting the incident in accordance with that Agency's policy and procedures.

APPROVED:

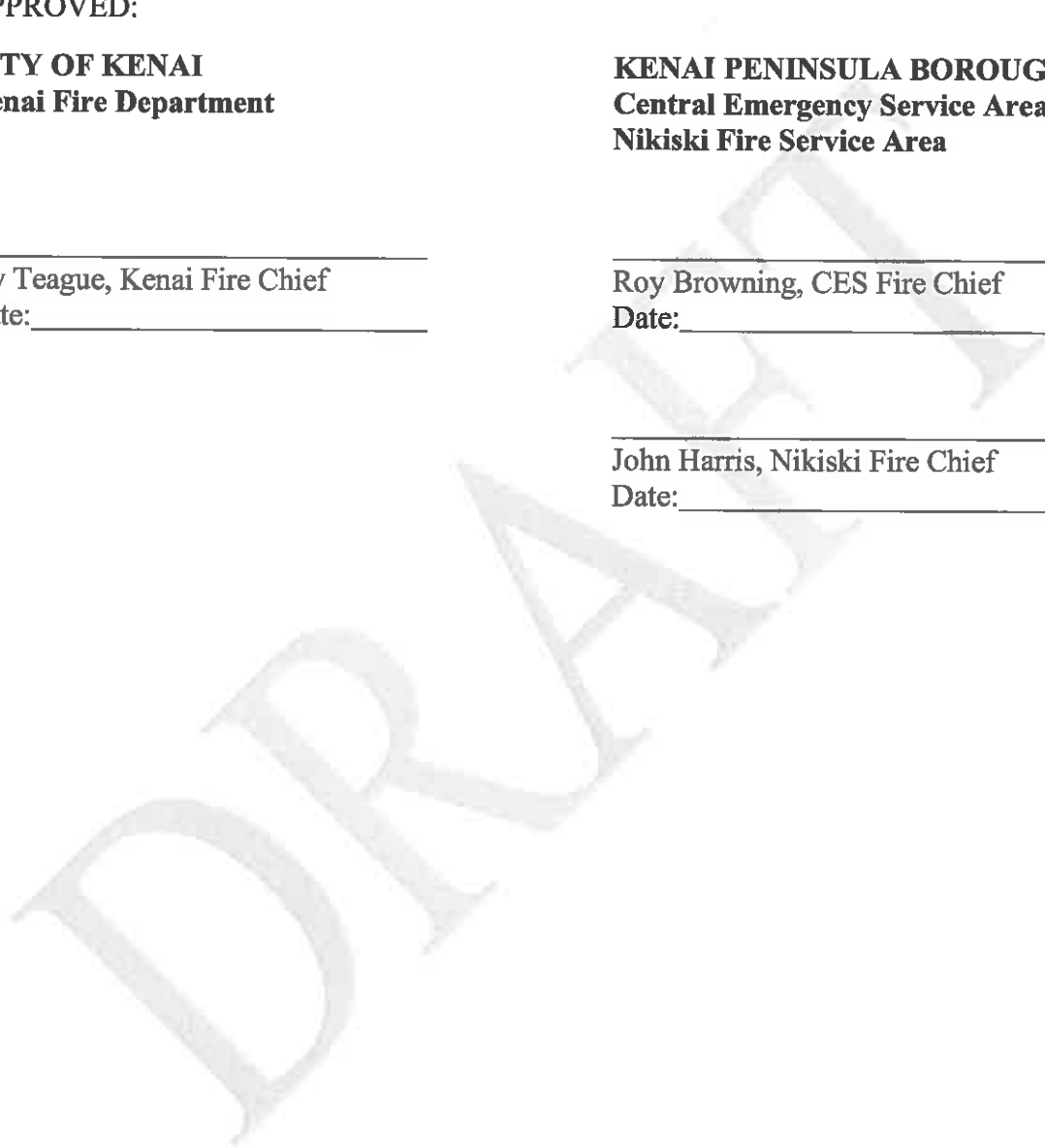
**CITY OF KENAI
Kenai Fire Department**

**KENAI PENINSULA BOROUGH
Central Emergency Service Area
Nikiski Fire Service Area**

Jay Teague, Kenai Fire Chief
Date: _____

Roy Browning, CES Fire Chief
Date: _____

John Harris, Nikiski Fire Chief
Date: _____



**KENAI CITY COUNCIL – REGULAR MEETING
APRIL 01, 2026 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
MAYOR HENRY H. KNACKSTEDT, PRESIDING**

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Kenai City Council was held on April 1, 2026, in City Hall Council Chambers, Kenai, AK. Mayor Knackstedt called the meeting to order at approximately 6:00 p.m.

1. Pledge of Allegiance

Mayor Knackstedt led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

- | | |
|-------------------------|----------------------------|
| Henry Knackstedt, Mayor | Victoria Askin, Vice Mayor |
| Sovala Kisena | Bridget Grieme |
| Deborah Sounart | Glenese Pettey |
| Phil Daniel | |

A quorum was present.

Also in attendance were:

- **Josh Bolling, Student Representative
- Lee Frey, Acting City Manager
- Scott Bloom, City Attorney
- David Swarner, Finance Director
- Kevin Buettner, Planning Director (*remote participation*)
- Ryan Coleman, Police Sergeant
- Shellie Saner, City Clerk

3. Agenda and Consent Agenda Approval

MOTION:

Vice Mayor Askin **MOVED** to approve the agenda and consent agenda. Council Member Pettey **SECONDED** the motion.

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

Mayor Knackstedt opened the floor for public comment on consent agenda items; there being no one wishing to be heard, the public comment period was closed.

UNANIMOUS CONSENT was requested.

VOTE: There being no objection; **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.

[Clerk' Note: Mayor Knackstedt presented the Sexual Assault Awareness Month proclamation and the proclamation in recognition of Aiden Cole.]

B. SCHEDULED ADMINISTRATIVE REPORTS

1. Public Safety Building / Challenger Center Update, K+A dsignstudios, Principal Architect Chris Parker.

Chris Parker, Principal Architect for K+A dsignstudios, provided a presentation outlining facility options for police, fire, and dispatch; options included renovations of the existing public safety building and relocation scenarios to the Challenger Center; current facility conditions, limited space, and major deficiencies were reviewed; conceptional cost estimates for the options were provided.

There was discussion regarding cost drivers, site considerations, traffic and safety impacts and projected timelines.

C. SCHEDULED PUBLIC COMMENTS - None.**D. UNSCHEDULED PUBLIC COMMENTS**

Doug Hayman, Principal of Connections Homeschool addressed the Council regarding a proposed expansion and consolidation of homeschool services into a unified hybrid program, including integration of Career Technical Education (CTE) opportunities and the potential use of the Challenger Center.

E. PUBLIC HEARINGS

1. **Ordinance No. 3509-2026** - Increasing Estimated Revenues and Appropriations in the General Fund - Legislative Department, to Provide Matching Funds for a Grant in the Amount of \$10,380 to the Alaska Children's Institute for the Performing Arts DBA Triumvirate Theatre for Parking Lot Paving and Landscaping Improvements. (Administration)

MOTION:

Vice Mayor Askin **MOVED** to enact Ordinance No. 3509-2026. Council Member Sounart **SECONDED** the motion.

Mayor Knackstedt opened the floor for public comment.

Briar Oden thanked the Council for considering this grant and read a letter of thanks from Triumvirate Theatre President, Joe Rizzo.

There being no one else wishing to be heard, the public comment period was closed.

VOTE:

YEA: Kisen, Sounart, Knackstedt, Daniel, Grieme, Askin, Pettey

NAY: None

**Student Representative Bolling: Yea

MOTION PASSED.

2. **Ordinance No. 3510-2026** - Amending the Official Zoning Map by Rezoning the Property at 10060 Kenai Spur Highway from Conservation to Suburban Residential Zoning District. (Administration)

Ordinance No. 3510-2026 (Substitute) - Amending the Official Zoning Map by Rezoning a Portion of the Property at 10060 Kenai Spur Highway from Conservation to Suburban Residential Zoning District. (Administration)

MOTION:

Vice Mayor Askin **MOVED** to enact Ordinance No. 3510-2026. Council Member Sounart **SECONDED** the motion.

Mayor Knackstedt opened the floor for public comment. There being no one wishing to be heard, the public comment period was closed.

It was reported that Administration requested postponement to May 6, 2026 to allow time for the Planning and Zoning Commission to review and make recommendation to Council.

MOTION:

Vice Mayor Askin **MOVED** to postpone Ordinance No. 3510-2026 to the May 6, 2026 City Council Meeting. Council Member Sounart **SECONDED** the motion.

UNANIMOUS CONSENT was on the motion to postpone.

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

3. Resolution No. 2026-17 - Authorizing a Contract Award for the 2026 Water Treatment Pump House Construction. (Administration)

MOTION:

Vice Mayor Askin **MOVED** to adopt Resolution No. 2026-17. Council Member Sounart **SECONDED** the motion.

Mayor Knackstedt opened the floor for public comment. There being no one wishing to be heard, the public comment period was closed.

It was reported four bids were received for construction of a new pump house to include a backup generator and some water mains to help with supply; the project was funded by a \$2.7 million of grant funds received from the State, the remaining funds would come from the utility fund.

Clarification was provided that the state-wide company awarded had an office on the Kenai Peninsula; and the bids received were very competitive.

UNANIMOUS CONSENT was requested.

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

F. MINUTES

1. *Regular Meeting of March 18, 2026. (City Clerk)
2. *Special Meeting of March 25, 2026. (City Clerk)

Approved by the consent agenda.

G. UNFINISHED BUSINESS - None.

H. NEW BUSINESS

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

Approved by the consent agenda.

2. ***Action/Approval** - Authorizing a Memorandum of Agreement with Greatland Consulting and Training LLC for the use of the Alaska Regional Fire Training Facility. (Administration)

Approved by the consent agenda.

3. ***Ordinance No. 3511-2026** - Accepting and Appropriating Funds from the Institute of Museum and Library Services, Passed Through the State of Alaska, Department of Education and Early Development, Division of Library, Archives & Museums, for Library Employee Training. (Administration)

Introduced by the consent agenda and Public Hearing set for April 22, 2026.

4. ***Ordinance No. 3512-2026** - Amending Kenai Municipal Code Chapter 7.22 Investment of Monies to Broaden the Range of Permitted Investments and Extend the Maturity Profile of the City's Investment Portfolio. (Administration)

Introduced by the consent agenda and Public Hearing set for April 22, 2026.

5. **Discussion/Action:** Scheduling a Budget Work Session. (Administration)

The Budget Work Session was scheduled for May 2, 2026.

I. **COMMISSION / COMMITTEE REPORTS**

1. Council on Aging Commission

No report, next meeting April 9, 2026.

2. Airport Commission

No report, next meeting April 9, 2026.

3. Parks and Recreation Commission

No report, next meeting April 2, 2026.

4. Planning and Zoning Commission

Council Member Kisen reported on the March 25, 2026 meeting, next meeting April 29, 2026.

5. Beautification Commission

No report, next meeting April 14, 2026.

J. **REPORT OF THE MAYOR**

1. **Mayor Proclamation** - Declaring April 2026 as "Sexual Assault Awareness Month".
2. **Mayor Proclamation** - In recognition of Aidan Cole as the 2026 Alaska State Spelling Bee Champion.

Mayor Knackstedt reported on the following:

- Provided an update on interest and directions to explore options to keep local pools open.
- Attending the March 26, 2026 "March for Meals" fundraiser at the Senior Center and recognized staff and volunteers for their efforts.
- Attending the Hospice of the Central Peninsula fundraiser on March 27, 2026.
- Thanked the Administration for the draft City of Kenai Street Design, noting initial review was positive.
- Announced participation with the City Clerk on April 8, 2026 during the Sound Off program to discuss the upcoming Special Election.
- Reminded everyone the April 15, 2026 regular meeting was rescheduled to April 22, 2026.

K. **ADMINISTRATION REPORTS**

1. City Manager - Acting City Manager Frey reported on the following:

- Staffing update: Kurt Brower, Lead Equipment Operator would be retiring after 11-years of service; new Police Dispatcher Gracie Davis would begin in April; ongoing recruitment for police officer, part time janitor, and seasonal positions.
- Second grant application to support direct flight services between Kenai Peninsula and Seattle were underway.

- Street design standards have been released and are available on the City website; an open house would be held on April 13, 2026 from 5:30 p.m. - 7:30 p.m.; and may be scheduled for Council adoption following public input.
- Increased instances of frozen water services and encouraged residents to keep a steady trickle to prevent freezing.
- Hydrant flushing would begin in April and advised residents to run water until clear if discoloration occurs during hydrant flushing.
- State of the City was scheduled for April 15, 2026 during the Chamber Luncheon.
- Annual City of Kenai Community Egg hunt was scheduled for April 4, 2026.

2. City Attorney - No report.

3. City Clerk - City Clerk Saner reported on the following:

- Absentee Voting Office hours; and the location and hours of the Polling locations for the Special Election.

L. ADDITIONAL PUBLIC COMMENTS

1. Citizen Comments (*Public comments limited to (5) minutes per speaker*)

Danielle Lopez, Cultural Center Coordinator for the Kenai Chamber of Commerce and Visitor Center provided an update on current activities at the Chamber.

2. Council Comments

Student Representative Bolling congratulated Bradley Morrison on his first-place win during the Skills USA - Welding; the boys and girls basketball teams on their strong performances at the 3A State tournament; the Kenai Central High School cheerleading team for their performance and placement in overall State; and Aiden Cole as the winner of the Alaska State Spelling Bee Champion.

Council Member Pettey congratulated Aiden Cole.

Council Member Daniel reminded everyone of the importance of voting in the upcoming Special Election.

Vice Mayor Askin noted the improved weather; reported attending the Meals on Wheels fundraiser and the Hospice Fundraiser; and congratulated the local students on their achievements.

Council Member Grieme reminded everyone the importance of voting in the upcoming Special Election and reviewing the issues prior to voting.

Council Member Kisena congratulated the local students on their achievements; the 12U KPHA Girls team for becoming the first all-girl team to win the co-ed State Tournament; and he congratulated the 12U KPHA Girls team coaches, noting that three of the four coaches were women.

Council Member Sounart reported attending the Employee Appreciation Dinner, noting she enjoyed it very much; and she reminded everyone of the importance of participating in local elections.

M. EXECUTIVE SESSION

1. Review and Discussion of the City Attorney's Evaluation Which May be a Subject that Tends to Prejudice the Reputation and Character of the City Attorney [AS 44.62.310(C)(2)].
2. Review and Discussion of the City Manager's Evaluation Which May be a Subject that Tends to Prejudice the Reputation and Character of the City Manager [AS 44.62.310(C)(2)].

- 3. Review and Discussion of the City Clerk's Evaluation Which May be a Subject that Tends to Prejudice the Reputation and Character of the City Clerk [AS 44.62.310(C)(2)].

MOTION:

Vice Mayor Askin **MOVED** to enter into executive session to review and discuss the annual evaluation of the City Attorney, City Manager and City Clerk, which may be a subject that tends to prejudice the reputation and character of the City Attorney, City Manager and City Clerk. [AS 44.62.310(C)(2)]. Mr. Bloom, Mr. Eubank and Ms. Saner have elected to have the discussion take place in executive session. The Executive Session will include Mayor Gabriel and City Council Members.

Council Member Sounart **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

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

MOTION:

Vice Mayor Askin **MOVED** to reconvene into regular session. Council Member Grieme **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

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

[Clerk's Note: The Council entered into executive session at 7:16 p.m. and reconvened into regular session at 8:45 p.m.]

N. PENDING ITEMS - None.

O. ADJOURNMENT

P. INFORMATIONAL ITEMS

- 1. David Martin - Kenai Area Pools

There being no further business before the Council, the meeting was adjourned at 8:45 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of April 1, 2026.

Michelle M. Saner, MMC
City Clerk

*** The student representative may cast advisory votes on all matters except those subject to executive session discussion. Advisory votes will not affect the outcome of the official council vote. Advisory votes will be recorded in the minutes. A student representative may not move or second items during a council meeting.*

**KENAI CITY COUNCIL – SPECIAL MEETING
APRIL 4, 2026 – 5:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
MAYOR HENRY H. KNACKSTEDT, PRESIDING**

MINUTES

A. CALL TO ORDER

A Special Meeting of the Kenai City Council was held on April 8, 2026, in City Hall Council Chambers, Kenai, AK. Mayor Knackstedt called the meeting to order at approximately 5:00 p.m.

1. Pledge of Allegiance

Mayor Knackstedt led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Henry Knackstedt, Mayor
Sovala Kisena
Phil Daniel

Victoria Askin, Vice Mayor
Bridget Grieme
Deborah Sounart

A quorum was present.

Absent:

Glenese Pettey

3. Agenda Approval

MOTION:

Vice Mayor Askin **MOVED** to approve the agenda. Council Member Sounart **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

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

B. EXECUTIVE SESSION

1. Review and Discussion of the City Attorney's Evaluation which May be a Subject that Tends to Prejudice the Reputation and Character of the City Attorney *[AS 44.62.310(C)(2)]*.
2. Review and Discussion of the City Manager's Evaluation which May be a Subject that Tends to Prejudice the Reputation and Character of the City Manager *[AS 44.62.310(C)(2)]*.
3. Review and Discussion of the City Clerk's Evaluation which May be a Subject that Tends to Prejudice the Reputation and Character of the City Clerk *[AS 44.62.310(C)(2)]*.

MOTION:

Vice Mayor Askin **MOVED** to enter into executive session. The executive session will include Mayor Knackstedt and City Council Members; City Attorney Bloom will be included if and when the Council requests his presence; and City Manager Eubank will be included if and when the Council requests his presence; City Clerk Saner will be included if and when the Council requests her presence.

Council Member Sounart **SECONDED** the motion.

MOTION:

Vice Mayor Askin **MOVED** to reconvene into regular session. Council Member Sounart **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

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

[Clerk's Note: The Council entered into executive session at 5:02 p.m. and reconvened into regular session at 6:48 p.m.]

C. NEW BUSINESS

[Clerk's Note: No amendments were proposed or requested for any of the three Council employee agreements; therefore, no actions were taken on the Action/Approval items.]

1. **Action/Approval** - Amending an Employee Agreement between the City of Kenai and City Attorney, Scott Bloom. (Knackstedt)
2. **Action/Approval** - Amending an Employee Agreement between the City of Kenai and City Manager, Terry Eubank. (Knackstedt)
3. **Action/Approval** - Amending an Employee Agreement between the City of Kenai and City Clerk, Michelle Saner. (Knackstedt)

D. ADJOURNMENT

There being no further business before the Council, the meeting was adjourned at 6:49 p.m.

I certify the above represents accurate minutes of the Kenai City Council Special meeting of April 8, 2026.

Michelle M. Saner, MMC
City Clerk

*** The student representative may cast advisory votes on all matters except those subject to executive session discussion. Advisory votes will not affect the outcome of the official council vote. Advisory votes will be recorded in the minutes. A student representative may not move or second items during a council meeting.*

**PAYMENTS OVER \$35,000.00 WHICH NEED COUNCIL RATIFICATION
COUNCIL MEETING OF: APRIL 22, 2026**

VENDOR	DESCRIPTION	DEPARTMENT	ACCOUNT	AMOUNT
PERS	PERS	VARIOUS	LIABILITY	113,987.19
ENSTAR	GAS USAGE	VARIOUS	UTILITIES	41,502.63
PREMERA	MARCH PREMIUM	VARIOUS	INSURANCE	218,093.54
HOMER ELECTRIC	ELECTRIC USAGE	VARIOUS	UTILITIES	125,919.31



MEMORANDUM

TO: Mayor Knackstedt and Council Members
THROUGH: Shellie Saner, City Clerk
FROM: Logan Parks, Deputy City Clerk
DATE: April 3, 2026
SUBJECT: **Action/Approval** - Non-Objection to the Transfer of Ownership of a Marijuana Product Manufacturing Facility License from Transferor Herban Extracts, LLC to Transferee Lady Gray, LLC DBA Herban Extracts - License No. 14432.

An application was submitted to the Alcohol and Marijuana Control Office (AMCO) for Transfer of Ownership by the following establishment:

Transferor: Herban Extracts, LLC
D/B/A: Herban Extracts, LLC
Physical Address: 14927 Kenai Spur Highway, Kenai, AK 99611
License Type: Marijuana Product Manufacturing Facility
License No. 14432

Transferee: Lady Gray, LLC
D/B/A: Herban Extracts, LLC
Physical Address: 14927 Kenai Spur Highway, Kenai, AK 99611
License Type: Marijuana Product Manufacturing Facility
License No. 14432

The administrative review of application has been completed in accordance with KMC 2.10.010 and it has been determined that the applicant has met all obligations to the City, as established within City code. With the approval of Council, a letter of non-objection to the Transfer of Ownership will be forwarded to AMCO and the applicant.

Your consideration is appreciated.



March 16, 2026

City of Kenai/Kenai Peninsula Borough

Attn: Kenai City Clerk, Michele Turner, Sue Ellen Essert; et. al.

VIA Email: cityclerk@kenai.city micheleturner@kpb.us; sessert@kpb.us; mjenkins@kpb.us;
nscarlett@kpb.us; rraidmae@kpb.us; slopez@kpb.us; bcarter@kpb.us; hmills@kpb.us

License Number:	14432
License Type:	Marijuana Product Manufacturing Facility
Physical Address:	14927 Kenai Spur Highway Kenai, AK 99611 UNITED STATES

Transferor:	Herban Extracts, LLC
Doing Business As:	Herban Extracts, LLC (see ownership breakdown below)
Designated Licensee:	Lisa Coates
Phone Number:	[REDACTED]
Email Address:	[REDACTED]

Transferee:	Lady Gray, LLC
Doing Business As:	Herban Extracts (see ownership breakdown below)
Designated Licensee:	Jamie Tasha Grossl
Phone Number:	[REDACTED]
Email Address:	[REDACTED]

Transfer of Ownership Application Transfer of Controlling Interest

Current Structure: Lisa Coates- 95%, Buddy Crowder- 5%

New Structure: Jamie Tasha Grossl- 100%

AMCO has received a complete application for a marijuana establishment within your jurisdiction. This notice is required under 3 AAC 306.045(c)(2). Application documents will be sent to you separately via ZendTo.

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director and the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice and provide AMCO proof of service of the protest upon the applicant. If the protest is a "conditional protest" as defined in 3 AAC 306.060(d)(2) and the application otherwise meets all the criteria set forth by the regulations, the Marijuana Control Board may approve the transfer, but require

the applicant to show to the board's satisfaction that the requirements of the local government have been met before the director issues the license.

3 AAC 306.010, 3 AAC 306.080, and 3 AAC 306.250 provide that the board will deny an application for a marijuana establishment license if the board finds that the license is prohibited under AS 17.38 as a result of an ordinance or election conducted under AS 17.38 and 3 AAC 306.200, or when a local government protests an application on the grounds that the proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

This application will be in front of the Marijuana Control Board at our **April 15th and 16th 2026, meeting.**

Sincerely,

A handwritten signature in black ink, appearing to read "K. Richard", is written over a light gray rectangular background.

Kevin Richard, Director
amco.localgovernmentonly@alaska.gov



Alaska Marijuana Control Board Marijuana Establishment

Form MJ-17c: License Transfer Application

This transfer application must be completed and submitted to AMCO’s main office, along with all necessary supplemental documents and fees listed in **Form MJ-17b: License Transfer Application Checklist**, before a transfer of ownership, including a change that affects the controlling interest of an entity, will be considered by the Marijuana Control Board.

Please note that licensees seeking to change controlling interest of an entity that owns multiple licenses must submit a separate completed copy of this form and the required supplemental documents and fees for each license.

Licensees seeking to establish a security interest in the license transferred must submit all documentation required under 3 AAC 306.051.

Section 1 – Transferor Information

Enter information for the **current** licensee and licensed establishment.

Licensee:	Herban Extracts, LLC	License Number:	14432
License Type:	Marijuana Product Manufacturing Facility		
Doing Business As:	HERBAN EXTRACTS, LLC		
Premises Address:	14927 Kenai Spur Highway		
City:	Kenai	State:	Alaska
		ZIP:	99611
Email:	[REDACTED]		
Local Government:	Kenai Peninsula Borough		

- Regular ownership transfer
 Transfer of controlling interest in the licensed entity
 Transfer with security interest
 Compelled re-transfer
 Transfer of Location

Section 2 – Transferee Information

Enter information for the **new** applicant seeking to be licensed. The business license # should be issued for the DBA listed below and held by the transferee.

Licensee:	Lady Gray, LLC	Alaska Entity #	10051372
Mailing Address:	35555 Kenai Spur Hwy, #255		
City:	Soldotna	State:	AK
		ZIP:	99669
Doing Business As:	Herban Extracts		
New Premises Address: <small>(Skip if location remains the same).</small>			
City: <small>(Skip if location remains the same).</small>		Local Government: <small>(Skip if location remains the same):</small>	
State of Alaska Business License #:	2225354	Business Phone:	[REDACTED]

Designated Licensee: <small>A main contact person.</small>	Jamie Tasha Grossl		
Contact Email:	[REDACTED]	Phone Number:	[REDACTED]



Section 3 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 4. If any entity official is another entity, you must include the AK Entity # of that entity in the Entity Official Name field, attach a separate completed copy of this page that breaks down the ownership information for that entity, and submit the supplemental documents and fingerprint fees listed on Form MJ-17b required for each individual entity official. Entity documents must be submitted for each entity listed on this form.

If more space is needed, please attach additional completed copies of this page.

- If the applicant is a **corporation**, list each *officer or director, and owner of any of the corporation's stock*.
- If the applicant is a **limited liability company**, list each *member holding any ownership interest and each manager*.
- If the applicant is a **partnership** or **limited partnership**, list each *partner holding any interest and each general partner*.

Entity Official Name:	Jamie Tasha Grossl				
Title(s):	Manager, Member	Phone:	[REDACTED]	% Owned:	100
Email:	[REDACTED]				
Mailing Address:	35555 Kenai Spur Hwy, #255				
City:	Soldotna	State:	AK	ZIP:	99669
Entity Official Name:					
Title(s):		Phone:		% Owned:	
Email:					
Mailing Address:					
City:		State:		ZIP:	
Entity Official Name:					
Title(s):		Phone:		% Owned:	
Email:					
Mailing Address:					
City:		State:		ZIP:	
Entity Official Name:					
Title(s):		Phone:		% Owned:	
Email:					
Mailing Address:					
City:		State:		ZIP:	
Entity Official Name:					
Title(s):		Phone:		% Owned:	
Email:					
Mailing Address:					
City:		State:		ZIP:	



Form MJ-17c: License Transfer Application

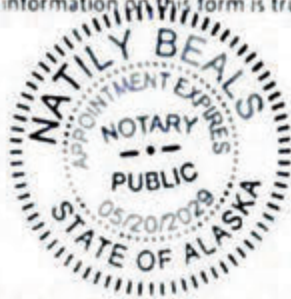
Section 7 - Transferor Certifications

Additional copies of this page may be attached, as needed, for the controlling interest of the current licensee to be represented.

I declare under penalty of unsworn falsification that the undersigned represents a controlling interest of the current licensee. I additionally certify that I, as the current licensee (either the sole proprietor or the controlling interest of the currently licensed entity) approve of the transfer of this license, and that the information on this form is true, correct, and complete.

Lisa Coates
Signature of transferor

Lisa Coates
Printed name of transferor



[Signature]
Notary Public in and for the State of Alaska

My commission expires: 05/20/2029

Subscribed and sworn to before me this 20th day of October, 2025

Buddy Crowder
Signature of transferor

Buddy Crowder
Printed name of transferor



[Signature]
Notary Public in and for the State of Alaska

My commission expires: 05/20/2029

Subscribed and sworn to before me this 20th day of October, 2025

[Signature]
Signature of transferor

Tamie Tasha Cross
Printed name of transferor

Kathrine Zuniga
Notary Public in and for the State of Alaska

My commission expires: July 2 2028

Subscribed and sworn to before me this 24 day of November, 2025





Section 4 – Other Licenses

Ownership and financial interest in other marijuana establishments: Yes No

Does any representative or owner named as a transferee in this application have any direct or indirect financial interest in any other marijuana establishment that is licensed in Alaska?

If "Yes", disclose which individual(s) has the financial interest, which license number(s), and license type(s):

12254 - Marijuana Product Manufacturing Facility
 12255 - Standard Marijuana Cultivation Facility

Section 5 – Authorization

Communication with AMCO staff: Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and the reason for this authorization:

Jason Brandeis, Attorney for Transferee

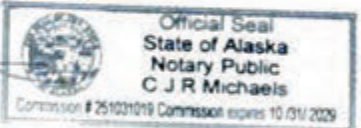
Section 6 – Transferee Certifications

Read the line below, and then sign your initials in the box to the right of the statement: Initials

- I certify that all proposed licensees (as defined in 3 AAC 306.020) have been listed on this application.
- Completed copies of all required documents and fees listed on Form MJ-17b are attached to this form.
- I certify 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.
- I agree to provide all information required by the Marijuana Control Board in support of this application.

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this form, including all accompanying schedules and statements, is true, correct, and complete.

Jamie T. Grossl
 Signature of transferee
 Jamie T. Grossl
 Printed name of transferee



C. J. R. Michaels
 Notary Public in and for the State of Alaska.

My commission expires: 10/31/2029

Subscribed and sworn to before me this 25th day of November, 2025



Alaska Marijuana Control Board

Cover Sheet for Marijuana Establishment Applications

What is this form?

This cover sheet **must** be completed and submitted any time a document, payment, or other marijuana establishment application item is emailed, mailed, or hand-delivered to AMCO's main office.

Items that are submitted without this page will be returned in the manner in which they were received.

Section 1 – Establishment Information

Enter information for the licensed business.

License Type:	Marijuana Product Manufacturing Facility	License Number:	14432
Name of Business:	Herban Extracts, LLC		
Physical Address:	14927 Kenai Spur Highway, Kenai, AK 9611		

Section 2 – Attached Items

List all documents, payments, and other items that are being submitted along with this page.

Submitting Payment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
This is for a:	<input type="checkbox"/> New Application <input checked="" type="checkbox"/> Transfer Application <input type="checkbox"/> Renewal Application <input type="checkbox"/> Other (specify):
Included Documents:	MJ-17C MJ-00 MJ-17D MJ-07 MJ-08 MJ-09 MJ-19 Publisher's Affidavit Proof of Possession of Premises Operating Agreement State Business License Fingerprint Card *please send e-bill for fees to [REDACTED]

RECEIVED

JAN 13 2026

**Dept. of Commerce
AMCO**

JAN 13 2026



Alaska Marijuana Control Board
 Marijuana Establishment Dept. of Commerce
 AMCO

Form MJ-17c: License Transfer Application

This transfer application must be completed and submitted to AMCO's main office, along with all necessary supplemental documents and fees listed in **Form MJ-17b: License Transfer Application Checklist**, before a transfer of ownership, including a change that affects the controlling interest of an entity, will be considered by the Marijuana Control Board.

Please note that licensees seeking to change controlling interest of an entity that owns multiple licenses must submit a separate completed copy of this form and the required supplemental documents and fees for each license.

Licensees seeking to establish a security interest in the license transferred must submit all documentation required under 3 AAC 306.051.

Section 1 – Transferor Information

Enter information for the **current** licensee and licensed establishment.

Licensee:	Herban Extracts, LLC	License Number:	14432
License Type:	Marijuana Product Manufacturing Facility		
Doing Business As:	HERBAN EXTRACTS, LLC		
Premises Address:	14927 Kenai Spur Highway		
City:	Kenai	State:	Alaska
		ZIP:	99611
Email:	[REDACTED]		
Local Government:	Kenai Peninsula Borough		

- Regular ownership transfer
 Transfer of controlling interest in the licensed entity
 Transfer with security interest
 Compelled re-transfer
 Transfer of Location

Section 2 – Transferee Information

Enter information for the **new** applicant seeking to be licensed. The business license # should be issued for the DBA listed below and held by the transferee.

Licensee:	Lady Gray, LLC	Alaska Entity #	[REDACTED]
Mailing Address:	35555 Kenai Spur Hwy, #255		
City:	Soldotna	State:	AK
		ZIP:	99669
Doing Business As:	Herban Extracts		
New Premises Address: (Skip if location remains the same).			
City: (Skip if location remains the same).		Local Government: (Skip if location remains the same):	
State of Alaska Business License #:	2225354	Business Phone:	[REDACTED]

Designated Licensee: A main contact person.	Jamie Tasha Grossl		
Contact Email:	[REDACTED]	Phone Number:	[REDACTED]



Form MJ-17c: License Transfer Application

Section 3 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 4. If any entity official is another entity, you must include the AK Entity # of that entity in the Entity Official Name field, attach a separate completed copy of this page that breaks down the ownership information for that entity, and submit the supplemental documents and fingerprint fees listed on Form MJ-17b required for each individual entity official. Entity documents must be submitted for each entity listed on this form.

If more space is needed, please attach additional completed copies of this page.

- If the applicant is a **corporation**, list each *officer or director, and owner of any of the corporation's stock*.
- If the applicant is a **limited liability company**, list each *member holding any ownership interest and each manager*.
- If the applicant is a **partnership or limited partnership**, list each *partner holding any interest and each general partner*.

Entity Official Name:	Jamie Tasha Grossl				
Title(s):	Manager, Member	Phone:	[REDACTED]	% Owned:	100
Email:	[REDACTED]				
Mailing Address:	35555 Kenai Spur Hwy, #255				
City:	Soldotna	State:	AK	ZIP:	99669
Entity Official Name:	[REDACTED]				
Title(s):	[REDACTED]	Phone:	[REDACTED]	% Owned:	[REDACTED]
Email:	[REDACTED]				
Mailing Address:	JAN 13 2026				
City:	Dept. of Commerce	State:	[REDACTED]	ZIP:	[REDACTED]
Entity Official Name:	AMCO				
Title(s):	[REDACTED]	Phone:	[REDACTED]	% Owned:	[REDACTED]
Email:	[REDACTED]				
Mailing Address:	[REDACTED]				
City:	[REDACTED]	State:	[REDACTED]	ZIP:	[REDACTED]
Entity Official Name:	[REDACTED]				
Title(s):	[REDACTED]	Phone:	[REDACTED]	% Owned:	[REDACTED]
Email:	[REDACTED]				
Mailing Address:	[REDACTED]				
City:	[REDACTED]	State:	[REDACTED]	ZIP:	[REDACTED]
Entity Official Name:	[REDACTED]				
Title(s):	[REDACTED]	Phone:	[REDACTED]	% Owned:	[REDACTED]
Email:	[REDACTED]				
Mailing Address:	[REDACTED]				
City:	[REDACTED]	State:	[REDACTED]	ZIP:	[REDACTED]



Alaska Marijuana Control Board
Form MJ-17c: License Transfer Application

Section 7 - Transferor Certifications

Additional copies of this page may be attached, as needed, for the controlling interest of the current licensee to be represented.

I declare under penalty of unsworn falsification that the undersigned represents a controlling interest of the current licensee. I additionally certify that I, as the current licensee (either the sole proprietor or the controlling interest of the currently licensed entity) approve of the transfer of this license, and that the information on this form is true, correct, and complete.

Lisa Coates
Signature of transferor
Lisa Coates
Printed name of transferor



[Signature]
Notary Public in and for the State of Alaska
My commission expires: 05/20/2029

Subscribed and sworn to before me this 20th day of October, 2025

Buddy Crowder
Signature of transferor
Buddy Crowder
Printed name of transferor



[Signature]
Notary Public in and for the State of Alaska
My commission expires: 05/20/2029

Subscribed and sworn to before me this 20th day of October, 2025

[Signature]
Signature of transferor
Timothy Gross
Printed name of transferor



JAN 13 2026

Dept. of Commerce
AMCO

[Signature]
Notary Public in and for the State of Alaska
My commission expires: July 2 2028

Subscribed and sworn to before me this 24 day of November, 2025





Alaska Marijuana Control Board Form MJ-17c: License Transfer Application

Section 4 - Other Licenses

Ownership and financial interest in other marijuana establishments:

Yes No

Does any representative or owner named as a transferee in this application have any direct or indirect financial interest in any other marijuana establishment that is licensed in Alaska?

If "Yes", disclose which individual(s) has the financial interest, which license number(s), and license type(s)

12254 - Marijuana Product Manufacturing Facility
12255 - Standard Marijuana Cultivation Facility

RECEIVED

JAN 13 2026

Dept. of Commerce
AMCO

Section 5 - Authorization

Communication with AMCO staff:

Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and the reason for this authorization:

Jason Brandeis, Attorney for Transferee

Section 6 - Transferee Certifications

Read the line below, and then sign your initials in the box to the right of the statement:

Initials

I certify that all proposed licensees (as defined in 3 AAC 306.020) have been listed on this application.

Completed copies of all required documents and fees listed on Form MJ-17b are attached to this form.

I certify 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.

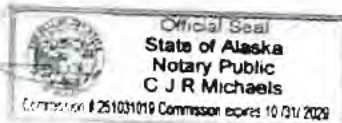
I agree to provide all information required by the Marijuana Control Board in support of this application.

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this form, including all accompanying schedules and statements, is true, correct, and complete

Signature of transferee

Jamie T. Grossi

Printed name of transferee



Notary Public in and for the State of Alaska

My commission expires:

10/31/2029

Subscribed and sworn to before me this 15th day of November, 2025



Alcohol and Marijuana Control Board
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Why is this form needed?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's Anchorage office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Lady Gray, LLC	License Number:	14432
License Type:	Marijuana Product Manufacturing Facility		
Doing Business As:	Herban Extracts		
Premises Address:	14927 Kenai Spur Highway		
City:	Kenai	State:	AK
		ZIP:	99611

Section 2 – Individual Information

Enter information for the individual licensee

Name:	Jamie T. Grossl
Title:	Manager, Member

Section 3 – Other Licenses

Ownership and financial interest in other licenses: Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in, another marijuana establishment license?

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If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

- 12254 - Marijuana Product Manufacturing Facility
- 12255 - Standard Marijuana Cultivation Facility

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Alaska Marijuana Control Board

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550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Form MJ-00: Application Certifications

Section 4 - Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

Jfy

I certify that I am not currently on felony probation or felony parole.

Jfy

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

Jfy

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

Jfy

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

Jfy

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

Jfy

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

Jfy

I certify that my proposed premises is not located in a liquor licensed premises.

Jfy

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

Jfy

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

Jfy

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.

Jfy



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Alaska Marijuana Control Board
Dept. of Commerce

Form MJ-00: Application Certifications

Alcohol and Marijuana Control Board
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone 907 269.0350

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

JTG

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.

JTG

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

JTG

All marijuana establishment license applicants:

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

JTG

Jamie Tasha Grossl

Printed name of licensee

Jamie Tasha Grossl

Signature of licensee



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Alcohol and Marijuana Control Board
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Marijuana Control Board **Dept. of Commerce**

Form MJ-17d: Unaltered Operating Plan and/or Premises Diagram Form

Why is this form needed?

This operating plan and/or diagram form is required to be submitted by the transferee for any marijuana establishment transfer license application where the transferee is not making changes to the operating plan and/or premises diagram approved by the Marijuana Control Board, in the course of the transfer application, per 3 AAC 306.045(e). By completing this form you are certifying that no changes will be made to the operating plan and/or premises diagram that have been previously submitted and approved for this license. This form replaces the information required by regulations 3 AAC 306.020(b)(8), 3 AAC 306.020(c), 3 AAC 306.315(2), 3 AAC 306.420, 3 AAC 306.520(2) and (3), and 3 AAC 306.615 if no changes are being made to your operating plan or diagram during the transfer.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license transfer application.

New Licensee:	Lady Gray, LLC	License Number:	14432		
License Type:	Marijuana Product Manufacturing Facility				
Doing Business As:	Herban Extracts				
Premises Address:	14927 Kenai Spur Highway				
City:	Kenai	State:	AK	ZIP:	99611

Section 2 – Certification

You must be able to certify at least one of the statements below. Read the following and then sign your initials in the applicable box(es) to the right:

I certify that there will be no changes to the operating plan for this license. Initials
 If the above statement is certified you will not be required to submit forms MJ-01 and MJ-03, MJ-04, MJ-05 or MJ-06.

I certify that there will be no changes to the premises diagram for this license.
 If the above statement is certified, you will not be required to submit form MJ-02.

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

Jamie Tasha Grossl

 Printed name of transferee

Jamie Tasha Grossl

 Signature of transferee



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Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Marijuana Control Board **Dept. of Commerce**
Form MJ-07: Public Notice Posting Affidavit

Why is this form needed?

A public notice posting affidavit is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(10). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by posting a true copy of the application for ten (10) days at the location of the proposed licensed premises and one other conspicuous location in the area of the proposed premises, per 3 AAC 306.025(b)(1).

This form must be completed and submitted to AMCO's Anchorage office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Lady Gray, LLC	License Number:	14432
License Type:	Marijuana Product Manufacturing Facility		
Doing Business As:	Herban Extracts		
Premises Address:	14927 Kenai Spur Highway		
City:	Kenai	State:	AK
		ZIP:	99611

Section 2 – Certification

I certify that I have met the public notice requirement set forth under 3 AAC 306.025(b)(1) by posting a copy of my application for the following 10-day period at the location of the proposed licensed premises and at the following conspicuous location in the area of the proposed premises:

Start Date: 11/25/2025 End Date: 12/4/2025

Other conspicuous location: Safeway, 10576 Kenai Spur Hwy, Kenai, AK 99611

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

Signature of licensee

Jamie Tasha Grossl

Printed name of licensee

Signature of Notary Public

Notary Public in and for the State of Alaska

My commission expires: 9-29-28

Subscribed and sworn to before me this 9 day of December, 2025



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Alcohol and Marijuana Control
550 W 7th Avenue, Suite 1000
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907 269 0350

JAN 13 2025

Dept. of Commerce
Alaska Marijuana Control Board
AMCO
Form MJ-08: Local Government Notice

Why is this form needed?

A local government notice is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application to each local government and any community council in the area of the proposed licensed premises. For an establishment located inside the boundaries of city that is within a borough, both the city and the borough must be notified.

This form must be completed and submitted to AMCO's Anchorage office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Lady Gray, LLC	License Number:	14432
License Type:	Marijuana Product Manufacturing Facility		
Doing Business As:	Herban Extracts		
Premises Address:	14927 Kenai Spur Highway		
City:	Kenai	State:	AK
		ZIP:	99611

Section 2 – Certification

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government (LG) official(s) and community council (if applicable):

Local Government(s): Kenai Peninsula Borough Date Submitted: 12/8/2025

Name/Title of LG Official 1: Michele Turner Name/Title of LG Official 2: _____

Community Council: City of Kenai, Shellie Saner Date Submitted: 12/8/2025
(Municipality of Anchorage and Matanuska-Susitna Borough only)

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

Jamie Tasha Grossl
Printed name of licensee

Signature of licensee

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Alcohol and Marijuana Control Board
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
http://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

JAN 13 2026



Alaska Marijuana Control Board **Dept. of Commerce**
Form MJ-09: Statement of Financial Interest

Why is this form needed?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's Anchorage office by each proposed licensee before any license application will be considered complete.

Section 1 - Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Lady Gray, LLC	License Number:	14432
License Type:	Marijuana Product Manufacturing Facility		
Doing Business As:	Herban Extracts		
Premises Address:	14927 Kenai Spur Highway		
City:	Kenai	State:	AK
		ZIP:	99611

Section 2 - Individual Information

Enter information for the individual licensee.

Name:	Jamie Tasha Grossl		
Title:	Manager, Member		
SSN:	██████████	Date of Birth:	██████████



Alcohol and Marijuana Control Board
550 W 7th Avenue, Suite 1650
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

You must be able to certify the statements below. Read the following and then sign your initials in the boxes to the right: Initials

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

jt

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

jt

I understand that my fingerprints will be used to check the criminal history records of the Federal Bureau of Investigation (FBI), and that I have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record.

jt

The procedures for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

jt

Jamie Tasha Grossl

Printed name of licensee

Jamie Tasha Grossl
Signature of licensee

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JAN 13 2025

Dept. of Commerce
AMCO

JAN 15 2026

Alcohol and Marijuana Control Board
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350



Dept. of Commerce
AMCO

Alaska Marijuana Control Board

Form MJ-19: Creditors Affidavit

Why is this form needed?

This form must be completed by the **current holder** (transferor) of a marijuana establishment license in order to report all debts of and taxes owed by the business, as required by 3 AAC 306.045(b)(2). The Marijuana Control Board will deny an application for transfer of a license to another person if the Board finds that the transferor has not paid all debts or taxes arising from the operation of the licensed business, unless the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority, per 3 AAC 306.080(c)(2).

You must submit a completed copy of Form MJ-17c: License Transfer Application to each creditor listed on this form. This form must be completed and submitted to AMCO's Anchorage office before any license transfer application will be considered complete.

Section 1 – Transferor Information

Enter information for the **current** licensee and licensed establishment.

Licensee:	Herban Extracts, LLC	License Number:	14432
License Type:	Marijuana Product Manufacturing Facility		
Doing Business As:	Herban Extracts, LLC		
Premises Address:	14927 Kenai Spur Hwy.		
City:	Kenai	State:	Alaska
		ZIP:	99611
Federal Tax ID # / EIN:	[REDACTED]		

Section 2 – Debts and Taxes Owed

Enter information for each creditor or taxing authority to which debts or taxes are owed. If there are no debts or taxes owed by the business, write "None" in the first field. You will be required to correct this form if a response of "N/A" is written in any field. Attach additional pages or documentation as necessary.

Creditor / Taxing Authority	Current Valid Email or Mailing Address of Creditor	Amount Owed
None		

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Alcohol and Marijuana Control Board
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/sqj/amco>
Phone 907.269.0350

IAN 13 2026

Dept. of Commerce
AMCO



Alaska Marijuana Control Board

Form MJ-19: Creditors Affidavit

Section 3 – Transferor Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all debts of the business and all taxes the business owes are listed on Page 1 of this form, and that the contact information provided for each creditor is current.

LC

I certify that I have submitted a completed copy of Form MJ-17c: License Transfer Application to each creditor listed on Page 1 of this form.

LC

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

LC

Lisa Coates
Signature of transferor

[Signature]
Signature of Notary Public

LISA COATES
Printed name of transferor

Notary Public in and for the State of Alaska

My commission expires: 5/20/2029

Subscribed and sworn to before me this 3rd day of November, 2025



Alaska Business License # 2225354

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 the owner

Lady Gray, LLC

is licensed by the department to do business as

Herban Extracts

35555 KENAI SPUR HWY, #255, SOLDOTNA, AK 99669

for the period

November 14, 2025 to December 31, 2027
for the following line(s) of business:

31-33 - Manufacturing

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Dept. of Commerce
AMCO



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 Sande
Commissioner



Thursday, April 2, 2026

Sent via email: cityclerk@kenai.city

Shellie Saner, City Clerk
City of Kenai

RE: Transfer of Owner Application for Marijuana Product Manufacturing Facility

Business Name	:	Herban Extracts, LLC
License Location	:	Kenai/14927 Kenai Spur Highway, Kenai, AK 99611
License No.	:	14432
License Type	:	Marijuana Product Manufacturing Facility
Application Type	:	Transfer of Owner

Dear Ms. Saner,

This serves to advise that the Kenai Peninsula Borough (KPB) has reviewed the above referenced application and has no objection to the transfer of name, owner. Pursuant to 3 AAC 306.060(b) the KPB requests the board continue to impose the following conditions:

1. The marijuana establishment shall conduct their operation consistent with the site plan submitted to the Kenai Peninsula Borough.
2. There shall be no parking in borough rights-of-way generated by the marijuana establishment.
3. The marijuana establishment shall remain current in all Kenai Peninsula Borough financial obligations consistent with KPB 7.30.020(A).

Should you have any questions, or need additional information, please don't hesitate to let us know.
Sincerely,

Should you have any questions, or need additional information, please don't hesitate to let us know.
Sincerely,

Michele Turner, CMC
Borough Clerk

cc: [REDACTED]

amco.localgovernmentonly@alaska.gov



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

THROUGH: Kevin Buettner, Planning Director

FROM: Brandon McElrea, Land Management Analyst

DATE: March 31, 2026

SUBJECT: **Action/Approval** - Special Use Permit to NILCHIL Solutions, LLC for an Off-Premise Sign on City Owned Property Described as Tract B, Gusty Subdivision Addition No. 2 Located at 11631 Kenai Spur Highway.

Jennifer Yeoman, a managing member for NILCHIL Solutions, LLC (NILCHIL Solutions) has requested a Special Use Permit (SUP) to continue the use of the City-owned property described as Tract B, Gusty Subdivision Addition No. 2, located at 11631 Kenai Spur Highway, for an off-premise sign. While off-premise signs are not permitted in any zoning district, the Planning and Zoning Commission approved Resolution PZ2023-25 granting a Variance Permit to allow an approximately 75 square foot off-premise sign, not to exceed 18 feet in height. This Council previously approved an SUP for the requested purpose at the May 7, 2025 Council meeting.

The applicant has requested a start date of May 2, 2026. The proposed permit fee is \$500.00 plus applicable sales tax for one (1) year from May 2, 2026 through May 1, 2027.

Pursuant to Kenai Municipal Code (KMC) Section 22.05.130 *Special Use Permits*, City Council may authorize the City Manager to grant special use permits for the temporary use of real property owned by the City for a period not to exceed one (1) year, without appraisal of the value of the property or public auction, for any purpose compatible with the zoning of the land, and on such terms and for such rentals as the Council shall determine.

If the City Council approves the Special Use Permit, The City Manager will be authorized to execute a Special Use Permit Agreement to allow NILCHIL Solutions to continue the use of the above-mentioned City-owned property for an off-premise sign for one (1) year.

Thank you for your consideration.

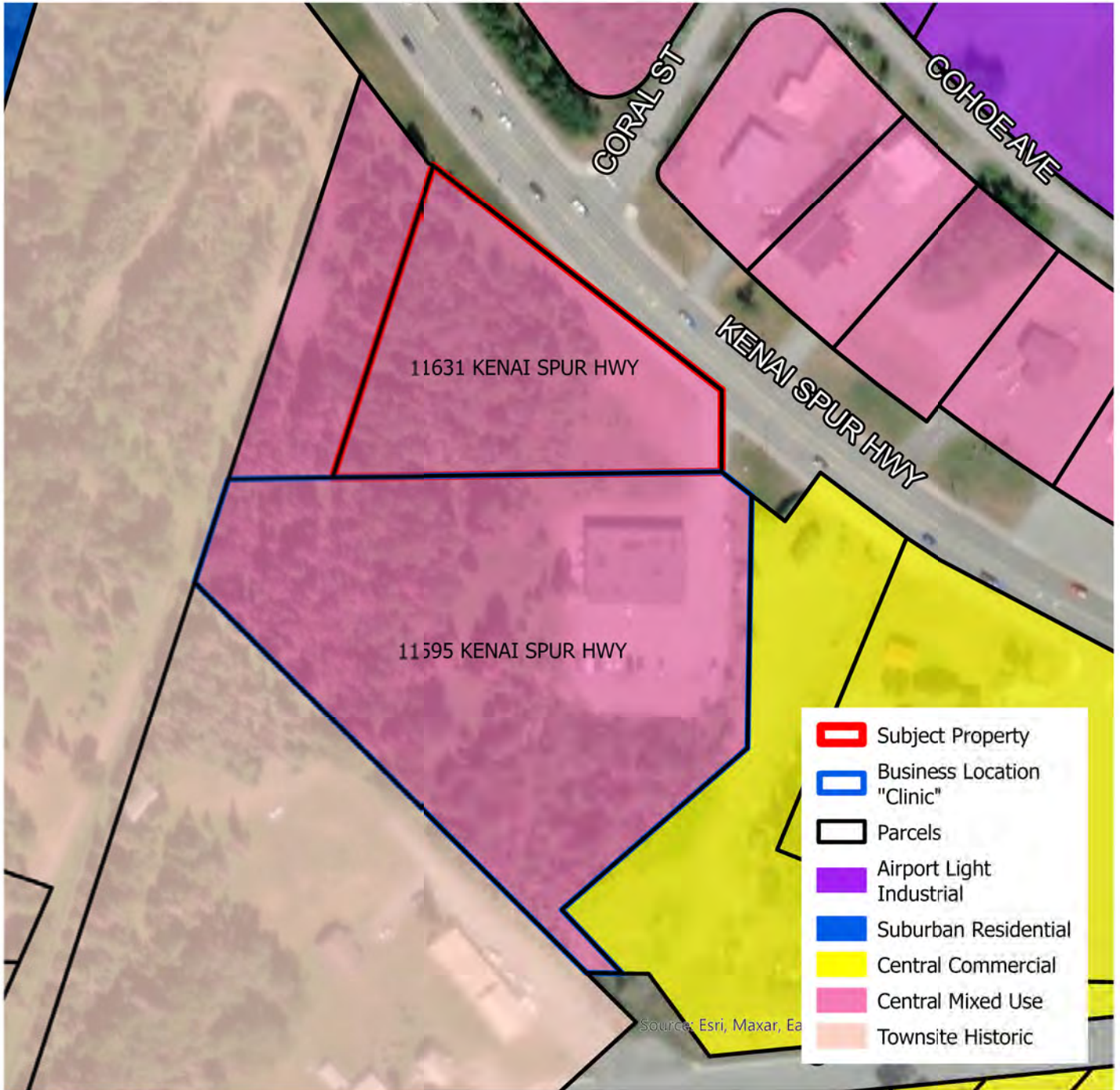
Attachments

- Exhibit A - Aerial Map
- Resolution PZ2023-25 – Variance Permit for Off-Premise Sign
- SUP Agreement



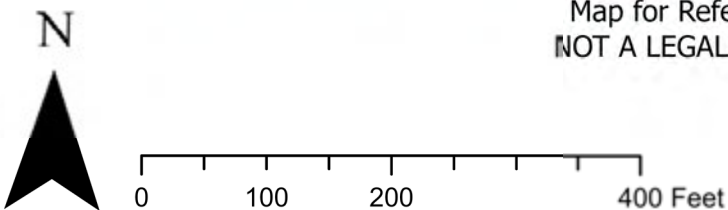
EXHIBIT A

Special Use Permit Off-Premise Sign 11631 Kenai Spur Highway



Date Printed: 2/15/2024

Map for Reference Only
NOT A LEGAL DOCUMENT





**CITY OF KENAI
PLANNING AND ZONING COMMISSION
RESOLUTION NO. PZ2023-25**

A RESOLUTION **GRANTING** THE APPLICATION FOR A VARIANCE PERMIT FOR AN OFF-PREMISE SIGN.

APPLICANTS: Jennifer Yeoman and Jason Yeoman

PROPERTY ADDRESS: 11631 Kenai Spur Highway

LEGAL DESCRIPTION: Tract B, Gusty Subdivision Addition No. 2

KENAI PENINSULA BOROUGH PARCEL NUMBER: 04716002

WHEREAS, a complete application meeting the requirements of Kenai Municipal Code (KMC) 14.20.185(c) was submitted to the City on November 30, 2023; and,

WHEREAS, the applicant has demonstrated that the prerequisites of a variance permit have been met pursuant to KMC 14.20.180(b); and,

WHEREAS, the City of Kenai Planning and Zoning Commission conducted a duly advertised public hearing, following requirements outlined in KMC 14.20.280 for public hearings and notifications.

WHEREAS, the Planning and Zoning Commission finds the criteria are met as set forth in KMC 14.20.180(c):

1. *Special conditions or circumstances are present which are peculiar to the land or structures involved which are not applicable to other lands or structures in the same land use or zoning district.*

Findings: The existing medical clinic ("clinic") is located at 11595 Kenai Spur Highway, known as Tract A-1, Shadura Subdivision Nichil Addition. The clinic is currently established on a parcel that records show it was first platted under Shadura Subdivision (Plat No. K-831) in 1961. Subsequently, several replats have been recorded on the parcel with the clinic but the overall property lines of the parcel have remained the same (see attached plats). The parcel with the clinic is setback at least 86 feet away from Kenai Spur Highway compared to other adjacent parcels with street frontage along Kenai Spur Highway. Therefore, the clinic is on a parcel with a unique site development that are not similar to surrounding parcels with primary access off of Kenai Spur Highway.

As expressed by the applicant, they have sought various options and concluded there is not a practical place on the subject parcel to place a sign for the clinic with reasonable visibility.

2. *The special conditions or circumstances have not been caused by actions of the applicant and such conditions and circumstances do not merely constitute pecuniary hardship or inconvenience.*

Findings: Staff finds the requested variance is not intended to redress a pecuniary hardship or inconvenience by the applicant; rather, it would address a non-pecuniary hardship to persons who visit the clinic for services.

3. *The granting of the variance shall not authorize a use that is not a permitted principal use in the zoning district in which the property is located.*

Findings: The proposed off-premise sign is intended to promote and identify the existing clinic, which is a permitted use in the Central Mixed Use (CMU) zoning district. The existing use is under construction for expansion. Therefore, the existing use will be compliant with the zoning district.

4. *The granting of a variance shall be the minimum variance that will provide for the reasonable use of the land and/or structure.*

Findings: The granting of the variance will allow an off-premise sign to be installed on 11631 Kenai Spur Highway, that would meet setbacks, height, and size requirements. The proposed sign face for the off-premise sign would be approximately 75 square feet, approximately 18-foot tall and at least 10 feet from the east property line due to an existing utility easement. In the CMU zone, it does not state a minimum setback from property lines; however due to the layout of the right-of-way, staff is recommending that a minimum 20-foot setback is required from the northeast corner and 10-foot setback from the street frontage along Kenai Spur Highway on the parcel with the off-premise sign to minimize any visual obstructions or interference with any future ROW expansion. Within proximity of the subject parcel, there is an existing pole sign, currently displaying "Coffee Time" along Kenai Spur Highway. If the business was located on 11631 Kenai Spur Highway, the proposed sign would be permitted without a variance permit. Therefore, the variance request would not provide relief beyond what would be allow if it was an on-premise sign.

5. *The granting of a variance shall not be based upon other nonconforming land uses or structures within the same land use or zoning district.*

Findings: The business location presents its own unique circumstance due to how it was originally platted and how the right-of-way of Kenai Spur Highway has changed overtime. Staff finds that the granting of this variance permit is not based upon other non-conforming land uses or structures within the same land use or zoning district.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF KENAI, ALASKA:

- Section 1.** That the request for a variance permit is granted for an approximately 75 square foot off-premise sign, not to exceed 18 feet in height, on the parcel located at 11631 Kenai Spur Highway and described as Tract B, Gusty Subdivision Addition No. 2.

Resolution No. PZ2023-25
Page 3 of 3

Section 2. That the variance permit is subject to the following conditions:

1. Applicant(s) must comply with all federal, State of Alaska, and local regulations.
2. The off-premise sign must be located a minimum 20-foot setback from the northeast corner and 10-foot setback from the street frontage along Kenai Spur Highway.
3. Prior to the installation of an off-premise sign on City-owned property, the applicant(s) must obtain approval from the City of Kenai City Council.
4. Applicant(s) must obtain a sign permit issued by the Building Official.

PASSED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF KENAI, ALASKA,
THIS 27TH DAY OF DECEMBER, 2023.



JEFF TWAIT, CHAIRPERSON

ATTEST:



Meghan Thibodeau, Deputy City Clerk

SPECIAL USE PERMIT

The **CITY OF KENAI** (City), for the consideration, and pursuant to the conditions set out below, hereby grants to **NILCHIL SOLUTIONS, LLC** (PERMITTEE), whose address is 51306 Dunes Road, Kenai Alaska 99611, a Special Use Permit ("Permit") for an off-premise sign subject to the requirements and conditions set forth below.

1. **PREMISES.** Permittee shall have a non-exclusive right to use approximately 75 square feet of area on a property described as Tract B, Gustly Subdivision Addition No. 2 (11631 Kenai Spur Highway; Parcel ID: 04716002). See attached Exhibit A and refer to Resolution PZ2023-25 for details of the off-premise sign.
2. **TERM.** This term of this Permit shall be for 12 months commencing on May 2, 2026 to May 1, 2027.
3. **PERMIT FEES.** The Permittee shall be charged an annual permit fee of \$500.00 plus applicable sales tax.

The permit fees must be paid prior to the use of the subject parcel.

Checks, bank drafts, or postal money orders shall be made payable to the City of Kenai and delivered to the City Hall, 210 Fidalgo Avenue, Kenai, Alaska 99611.

In addition to the permit fee specified above, the Permittee agrees to pay to the appropriate parties all levies, assessments, and charges as hereinafter provided:

- A. Sales tax nor enforced, or levied in the future, computed upon the permit fee payable in monthly installments whether said fee is paid on a monthly or yearly basis;
 - B. All necessary licenses and permits; all lawful taxes and assessments which, during the term hereof may become a lien upon or which may be levied by the State, Borough, City, or by any other tax levying body, upon any taxable possessory right which Permittee may have in or to the Premises by reason of its use or occupancy or by reason of the terms of this Permit, provided however, that nothing herein contained shall prevent Permittee from contesting any increase in such tax or assessment through procedures provided by law.
 - C. Interest at the rate of eight percent (8%) per annum and penalties of ten percent (10%) of any amount of money owed under this Special Use Permit which are not paid on or before the due date.
 - D. Costs and expenses incidental to this Special Use Permit, including but not limited to recording costs.
4. **USE.** The use by the Permittee of the Premises is limited to the purpose of an Off-Premise Sign. This use is subject to City, Borough, and State laws and regulations and the reasonable administrative actions of the City for the protection and maintenance of the

Premises and of adjacent and contiguous lands or facilities. Use of the Premises is subject to the following conditions:

- A. Permittee shall use the Premises only for installing, using and maintaining the signage described in this Permit, together with such ingress, egress and access as is necessary or desirable for the construction, installation, use, operation, maintenance, modification, repair, and replacement of the signage as described in this Permit.
 - B. The sign may be further modified or amended without the consent of the City under this Permit, provided that the proposed modification does not increase the square footage of the sign. In the event that the proposed modification increases the square footage of the sign by more than twenty percent (20%), such modification shall be subject to the approval of the City Manager.
 - C. The Permittee shall be responsible for the maintenance and operation of the sign.
 - D. The Permittee shall not sell advertisements for and shall be limited to advertising businesses located on a property described as Tract A-1, Shadura Subdivision Nilchil Addition, known as 11595 Kenai Spur Highway (KPB Parcel No. 04703015).
 - E. The Premises shall not be used to store any equipment or materials.
 - F. The Permittee shall be responsible, at its sole cost, for designing, procuring, constructing, installing, repairing, upgrading, operating, and maintaining the sign, to include, but not limited to utility expenses to service the sign.
 - G. Upon termination of this Permit, the sign shall remain the property of the Permittee, and the Permittee shall have the right to remove the sign from the Premises at its sole costs, and in any event, shall remove the sign if the City requests such removal. If such sign is removed, the Permittee will have the obligation to repair any damage to the Premises caused by the removal of the sign at its sole cost.
5. **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, the 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 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. 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 the 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 within 30 days of the effective date of the Special Use Permit. Evidence of insurance coverage must be submitted to the City prior to any use.
- vi. This insurance shall be primary and exclusive of any other insurance carried by the City of Kenai. This insurance shall be without limitation on the time within which the resulting loss, damage, or injury is actually sustained.

6. **INDEMNITY, DEFEND, AND HOLD HARMLESS AGREEMENT.** The Permittee shall fully indemnify, hold harmless, and defend the City of Kenai, its officers, agents, employees, and volunteers at its own expense from and against any and all actions, damages, costs, liability, claims, losses, judgments, penalties, including reasonable Attorney’s fees of or for liability for any wrongful or negligent acts, errors, or omissions of the Permittee, its officers, agents or employees, or any subcontractor under this Permit. The Permittee shall not be required to defend or indemnify the City for any claims of or liability for any wrongful or negligent act, error, or omission solely due to the independent negligence of the City. If there is a claim of or liability for the joint negligence of the Permittee and the independent negligence of the City, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. Apportionment shall be established upon final determination of the percentage of fault. If any such determination is by settlement, the percentage of fault attributed to each party for purposes of this indemnification provision shall only be binding upon the parties included in the settlement agreement. “Permittee” and “City” as used in this article include the employees, agents, officers, directors, and other contractors who are directly responsible, respectively, for each party. The term “independent negligence of the City” is negligence other than in the City’s selection, administration, monitoring, or controlling of the Permittee.
7. **PERMITTEE’S OBLIGATION TO PREVENT AND REMOVE LIENS.** Permittee will not permit any liens, including mechanic’s, laborer’s, construction, supplier’s, mining, or any other liens obtainable or available under existing law, to stand against the Premises or

improvements on the Premises for any labor or material furnished to Permittee or to any related entity or claimed entity. The Permittee shall have the right to provide a bond as contemplated by State of Alaska law and contest the validity or amount of any such lien or claimed lien. Upon the final determination of the lien or claim for lien, the Permittee will immediately pay any judgment rendered with all proper costs and charges and shall have such lien released or judgment satisfied at Permittee's own expense.

8. **PERSONALTY.** Permittee shall remove any and all personal property, including all vehicles, from the Premises at the termination of this Permit. Personal property placed or used upon the Premises and not removed upon termination of this Permit will be removed and/or impounded by the City. Property removed or impounded by the City may be redeemed by the owner thereof only upon the payment to the City of the costs of removal plus a storage fee of \$25 per day. The City of Kenai is not responsible for any damage to or theft of any personalty of Permittee or its customers.
9. **FORBEARANCE.** Failure to insist upon a strict compliance with the terms, conditions, and/or any requirement 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.
10. **TERMINATION, DEFAULT.** This Permit may be terminated by either party hereto by giving 30 days advance written notice to the other party. The City may terminate the Permit immediately, or upon notice shorter than 30 days, to protect public health and safety. The City may also terminate this Permit immediately, or upon notice shorter than 30 days, due to a failure of Permittee to comply with conditions and terms of this Permit, which failure remains uncured after notice by City to Permittee providing Permittee with a reasonable time period to correct the violation or breach.
11. **NO DISCRIMINATION.** Permittee will not discriminate on the grounds of race, color, religion, national origin, ancestry, age, or sex against any patron, employee, applicant for employment, or other person or group of persons in any manner prohibited by federal or State law. Permittee recognizes the right of the City to take any action necessary to enforce this requirement.
12. **ASSIGNMENT.** Permittee may not assign, by grant or implication, the whole any part of this Permit, the Premises, or any improvement on the Premises without the written consent of the City. Unless the City specifically releases the Permittee in writing, the City may hold the Permittee responsible for performing any obligation under this permit which an assignee fails to perform.
13. **ASSUMPTION OF RISK.** Permittee shall provide all proper safeguards and shall assume all risks incurred in its activities on the Premises and its exercise of the privileges granted in this Permit.
14. **NO JOINT VENTURE.** The 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.
15. **SURVIVAL.** The obligations and duties of Permittee under paragraphs 5 and 6 of this Permit shall survive the cancellation, termination, or expiration of this Permit.

16. **AUTHORITY.** By signing this Permit, Permittee represents that is has read this agreements and consents to be bound by the terms and conditions herein and that the person signing this Permit is duly authorized by the business to bind the business hereunder.

NILCHIL SOLUTIONS, LLC

CITY OF KENAI

By: _____

By: _____

_____(Name) Date
_____(Title)

Terry Eubank Date
City Manager

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____day of _____, 2026, the foregoing instrument was acknowledged before me by Terry Eubank, City Manager of the City of Kenai, Alaska, an Alaska home rule municipality, 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 _____, 2026, the foregoing instrument was acknowledged before me by _____(Name/Title) of NILCHIL Solutions, LLC, an Alaska limited liability company, on behalf of the company.

Notary Public for Alaska
My Commission Expires: _____

ATTEST:

Michelle M. Saner, MMC, City Clerk

SEAL:

APPROVED AS TO FORM:

Scott M. Bloom, City Attorney



Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3513-2026**

AN ORDINANCE AMENDING KENAI MUNICIPAL CODE CHAPTER 7.15 - PURCHASES AND SALES, TO REMOVE REQUIREMENTS TO PUBLISH ADVERTISEMENTS IN NEWSPAPERS.

WHEREAS, Kenai Municipal Code for Purchases and Sales of large purchases or professional services greater than \$35,000 requires publishing advertising in newspapers for public notice and distribution; and,

WHEREAS, The Public Works Department has switched to an online bidding platform, BidExpress, and is seeing increased public notice and distribution through this service at no additional cost to the City; and,

WHEREAS, circulation through local newspapers has been significantly reduced and costs for advertisements are increasing; and,

WHEREAS, KMC 7.15.040 (a) and 7.15.060 (c) contain similar language for newspaper advertisement requirements; and,

WHEREAS, it is in the best interest of the City to revise these requirements for posting on online bidding platforms.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, AS FOLLOWS:

Section 1. Amendment of Section 7.15.040(a) of Kenai Municipal Code: That Kenai Municipal Code, Section 7.15.040 (a) – Competitive Purchase for Large Purchases, is hereby amended as follows:

- (a) Before any purchase of, or contract for, supplies, materials, equipment, or contractual services in excess of thirty-five thousand dollars (\$35,000.00) is made, an invitation to bid shall be published, a minimum of [TWO (2) TIMES] at least two (2) weeks prior to the date bids are due [IN A NEWSPAPER OF GENERAL CIRCULATION WITHIN THE CITY] on an online bidding platform available on the City website. Invitations to bid may also be advertised in other appropriate forums.

Section 2. Amendment of Section 7.15.060 of Kenai Municipal Code: That Kenai Municipal Code, Section 7.15.060 (c) – Procurement of Professional Services, is hereby amended as follows:

- (c) Professional services procured in an amount in excess of thirty-five thousand dollars (\$35,000.00) must be solicited by issuing a request for proposals. The request for proposals shall state, or incorporate by reference, all specifications and contractual terms and conditions to which a proposal must respond, and shall state the factors to be considered in evaluating proposals and the relative importance of those factors. Public notice of a request for proposals shall be published [A MINIMUM OF TWO (2) TIMES] at least two (2) weeks prior to the date proposals are due [IN A NEWSPAPER OF GENERAL CIRCULATION WITHIN THE CITY] on an online bidding platform available on the City website and may be advertised in other appropriate forums. A request for proposals may be modified or interpreted only in written addenda.

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 6TH DAY OF MAY, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Introduced: April 22, 2026
Enacted: May 6, 2026
Effective: June 5, 2026



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Lee Frey, Public Works Director

DATE: April 14, 2026

SUBJECT: **Ordinance No. 3513-2026** - Amending Kenai Municipal Code Chapter 7.15 - Purchases and Sales, to Remove Requirements to Publish Advertisements in Newspapers.

Kenai Municipal Code for Purchases and Sales currently requires advertising requests for large purchases or professional services greater than \$35,000 in newspapers at least two times for public notice and distribution. The Public Works Department has recently changed to using BidExpress for online bidding and distribution. We have seen an increase in noticing due to this service and the ability to subscribe to notifications and postings. It is also free to the City and free for users to access. At the same time, we have seen a decrease in newspaper circulation and an increase in costs to advertise in the newspaper. We request removal of newspaper noticing requirements from the Purchases and Sales section of code and addition of posting these purchases and services through an online bidding platform available through the City website.

It is in the best interest of the City to make these modifications for Kenai Municipal Code and your support is respectfully requested.



**CITY OF KENAI
ORDINANCE NO. 3514-2026**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE GENERAL FUND AND AIRPORT FUND AND AWARDING A CONTRACT FOR PURCHASE OF FIREFIGHTING FOAM.

WHEREAS, the Airport and the Fire Department previously budgeted a total of \$86,564 for clean out of fire apparatus, disposal of existing foam and purchase of replacement foam; and,

WHEREAS, additional funding is need to complete this project with costs for decontamination of apparatus costing \$18,883.80, disposal of existing foam totaling \$,27,584.10 and the purchase of new foam totaling \$52,294.80 for a total project cost of \$98,762.70; and,

WHEREAS, an additional \$6,208.56 is needed for the Airport Airfield Department and an additional \$5,990.14 for the Fire Department; and,

WHEREAS, an Invitation to Bid was released on March 24, 2026 with bids due on April 9, 2026 for the 2026 Fire Fighting Foam purchase; and,

WHEREAS, two bids were received

<u>Contractor</u>	<u>Cost</u>
Municipal Emergency Services	\$52,294.80
L.N. Curtis and Sons	\$55,379.40; and,

WHEREAS, Municipal Emergency Services was the lowest bidder with a cost of \$52,294.80 for the foam purchase; and,

WHEREAS, the bids were determined to be responsive and responsible; and,

WHEREAS, it is in the best interest of the City to appropriate an additional \$12,198.70 to complete this project and to award the contract for the purchase of firefighting foam to Municipal Emergency Services; and,

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, AS FOLLOWS:

Section 1. That estimated revenues and appropriations in the General Fund – Fire Department are hereby increased as follows:

General Fund:

Increase Estimated Revenues:	
Appropriation of Fund Balance	<u>\$5,990.14</u>
Increase Appropriations:	
Fire – Professional Services	<u>\$5,990.14</u>

Section 2. That estimated revenues and appropriations in the Airport Fund – Airfield are hereby increased as follows:

Airport Fund:

Increase Estimated Revenues:
Appropriation of Fund Balance \$6,208.56

Increase Appropriations:
Airfield – Professional Services \$6,208.56

Section 3. That the City Manager is authorized to execute a contract with Municipal Emergency Services in the amount of \$52,294.80 for the purchase of Fire Fighting Foam.

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 6TH DAY OF MAY, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: DS

Introduced: April 22, 2026
Enacted: May 6, 2026
Effective: May 6, 2026



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

THROUGH: Dave Swarner, Finance Director

THROUGH: Jay Teague, Fire Chief

FROM: Lee Frey, Public Works Director

DATE: April 14, 2026

SUBJECT: **Ordinance No. 3514-2026** - Increasing Estimated Revenues and Appropriations in the General Fund and Airport Fund and Awarding a Contract for Purchase of Fire Fighting Foam.

The Airport and Fire Department has previously budgeted \$86,564 for decontamination of fire apparatus, disposal of existing PFAS containing foam and purchase of new fire fighting foam. Through requests for quotes for decontamination of equipment, disposal of foam and an invitation to bid for purchase of new foam, it has been determined that additional funding in the amount of \$12,198.70 is needed to complete this project with \$5,990.14 coming from the General Fund and \$6,208.56 coming from the Airport Fund. The contract for purchase of the new foam was released for bidding and two bids were received. Bids received are as follows:

<u>Contractor</u>	<u>Cost</u>
Municipal Emergency Services	\$52,294.80
L.N. Curtis and Sons	\$55,379.40

Municipal Emergency Services was the lowest bid for the contract with a cost of \$52,294.80. The contracts for the decontamination of the fire apparatus and disposal of the existing foam will be processed through the City Manager.

It is in the best interest of the City to appropriate the additional funding needed for this project and award the contract for the purchase of the foam to Municipal Emergency Services.



Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3515-2026**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATION IN THE AIRPORT SNOW REMOVAL EQUIPMENT CAPITAL PROJECT FUND TO TRANSFER RESIDUAL BALANCE FROM A COMPLETED PROJECT BACK TO THE ORIGINAL FUNDING SOURCE.

WHEREAS, Ordinance No. 3324-2022 appropriated \$1,720,000 to the Airport Snow Removal Equipment Fund for the purchase of a CAT 980 Wheel Loader, Plow Truck and Sander; and,

WHEREAS, Ordinance 3324-2022 allocated the full amount to cover the purchases due to lead times in excess of 365 days for the equipment; and,

WHEREAS, subsequently the City received a grant from the Federal Aviation Administration in the amount of \$1,179,884, appropriated by Ordinance 3426-2024, for the purchase of the CAT 980 Wheel Loader, Plow Truck and Sander; and,

WHEREAS, \$1,644,376 remains in Airport Snow Removal Equipment Project Funds from these purchases ; and,

WHEREAS, transfer of the residual \$1,644,376 to the Airport Fund, the fund from which the funds originated, will allow future appropriation of the funds for operations or future capital projects and is in the best interest of the city.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, AS FOLLOWS:

Section 1. That estimated revenues and appropriations be increased as follows:

Airport Snow Removal Equipment Capital Project Fund:

Increase Estimated Revenues –
Appropriation of Fund Balance \$1,644,376

Increase Appropriations –
Transfer to Airport Fund \$1,644,376

Section 2. 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 3. 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 6TH DAY OF MAY, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: DS

Introduced: April 22, 2026
Enacted: May 6, 2026
Effective: May 6, 2026



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Dave Swarner, Finance Director

DATE: April 10, 2026

Subject: **Ordinance 3515-2026** - Increasing Estimated Revenues and Appropriation in the Airport Snow Removal Equipment Capital Project Fund to Transfer Residual Balance from a Completed Project Back to the Original Funding Source.

The purpose of this memo is to recommend the enactment of Ordinance 3445-2024 that will transfer the remaining balance from a completed project back to the original funding source. This transfer will allow the residual funds to be appropriated for operations or new capital projects in the future and fully fund current year capital projects.

Ordinance 3324-2022 allocated the full amount to cover the purchase of a CAT 980 Wheel Loader and Plow Truck and Sander, due to lead times in excess of 365 days for the equipment. This also enabled the City to take advantage of the State of Alaska awarded contract (CA2284-21) which allowed other Alaska political subdivisions to cooperatively purchase from the resulting contract.

The City subsequently received a grant from the Federal Aviation Administration (FAA) in the amount of \$1,179,884, Ordinance 3426-2024 to utilize for the purchase of the CAT 980 Wheel Loader and the Plow Truck and Sander.

In total \$1,644,376 will be returned to the Airport Fund from the Airport Snow Removal Equipment Capital Project Fund after the completion of the purchase. With the enactment of the attached Ordinance, funds will be returned to their original funding source related to the Airport Snow Removal Equipment project, where they will reside in fund balance until the passage of future ordinances appropriating the funds for operations or other capital projects.

Your support for the enactment of this Ordinance is respectfully requested.



Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3516-2026**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE GENERAL FUND - FIRE DEPARTMENT FOR OVERTIME COSTS IN EXCESS OF BUDGETED AMOUNTS.

WHEREAS, the Kenai Fire Department anticipated a reduction in overtime expenditures following the hiring of three (3) additional firefighters; and,

WHEREAS, actual operations demonstrated that overtime usage has not decreased to the extent projected as new staff were hired and trained; and,

WHEREAS, the Fiscal Year 2026 budget did not fully account for overtime obligations required under the Fair Labor Standards Act (FLSA) and this omission has been included in the FY2027 Draft Budget; and,

WHEREAS, in order to maintain emergency response capacity and ensure public safety for the remainder of FY2026, supplemental overtime funding is being requested; and,

WHEREAS, it is in the best interest of the City to amend the Fire Department's personnel budget to reflect these operational realities and ensure continued delivery of essential emergency services.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, AS FOLLOWS:

Section 1. That estimated revenues and appropriations be increased as follows:

General Fund:

Increase Estimated Revenues	
General Fund, Appropriation of Fund Balance	<u>\$53,742.00</u>
Increase expenditures –	
Fire – Overtime	\$43,533.41
Fire – PERS	9,577.35
Fire – Medicare	<u>631.24</u>
	<u>\$53,742.00</u>

Section 2. 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 3. 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 6TH DAY OF MAY, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: DS

Introduced:	April 22, 2026
Enacted:	May 6, 2026
Effective:	May 6, 2026



MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

THROUGH: Dave Swarner, Finance Director

FROM: Jay Teague, Fire Chief

DATE: April 14, 2026

SUBJECT: **Ordinance No. 3516-2026** - Increasing Estimated Revenues and Appropriations in the General Fund - Fire Department for Overtime Costs in Excess of Budgeted Amounts.

The Kenai Fire Department anticipated a reduction in overtime expenditures following the hiring of three (3) additional firefighters. The three additional firefighters came on board in July, mid-August and September.

Actual operations demonstrated that overtime usage did not decrease to the extent projected largely due to onboarding and training of new personnel. In addition, the Fiscal Year 2026 budget did not fully account for overtime obligations required under the Fair Labor Standards Act (FLSA). This has been addressed in the Fiscal Year 2027 Draft Budget.

I am respectfully requesting supplemental funding to sustain emergency operations for remainder of this fiscal year.



Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3517-2026**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE GENERAL FUND AND AUTHORIZING A CONSULTING AGREEMENT TO EVALUATE NATURAL GAS STORAGE OPPORTUNITIES ON KENAI MUNICIPAL AIRPORT LANDS.

WHEREAS, the City of Kenai seeks to evaluate competing applications for leasing land for natural gas storage, including possible use of pore space in depleted reservoirs held by the City for the benefit of the Airport; and,

WHEREAS, specialized technical expertise is required to assess such opportunities; and,

WHEREAS, Kenai Municipal Code (KMC) 7.15 authorizes the City Manager to procure professional services costing less than \$35,000; and,

WHEREAS, Ordinance 3507-2026 appropriated \$30,000 from the Airport Fund for consulting services related to this evaluation; and,

WHEREAS, the City entered into a professional services agreement with Alaska Marine Power, LLC in an amount not to exceed \$30,000; and,

WHEREAS, the scope of work and hourly billing structure under the agreement are expected to exceed the original authorized amount; and,

WHEREAS, KMC 7.15.070 (6) permits procurement by direct negotiation when appropriate; and,

WHEREAS, the fee schedule submitted by Alaska Marine Power, LLC has been determined to be fair and reasonable; and,

WHEREAS, additional appropriation is required to complete the evaluation; and,

WHEREAS, sufficient unassigned fund balance is available in the Airport Fund for this purpose; and,

WHEREAS, it is in the best interest of the City of Kenai and the Kenai Municipal Airport to authorize and fund these consulting services.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, AS FOLLOWS:

Section 1. That estimated revenues and appropriations be increased as follows:

Airport Fund:

Increase Estimated Revenues –	
Appropriation of Fund Balance	<u>\$30,000</u>

Increase Appropriations –	
Other Buildings and Areas – Professional Services	<u>\$30,000</u>

Section 2. That the City Manager is authorized to execute a contract with Alaska Marine Power, LLC in the amount of \$30,000 for consulting services.

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 6TH DAY OF MAY, 2026.

Henry H. Knackstedt, Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: DS

Introduced: April 22, 2026
Enacted: May 6, 2026
Effective: May 6, 2026



MEMORANDUM

TO: Mayor Knackstedt and Council Members

FROM: Terry Eubank, City Manager

DATE: April 16, 2026

SUBJECT: **Ordinance No. 3517-2026** - Increasing Estimated Revenues and Appropriations in the General Fund and Authorizing a Consulting Agreement to Evaluate Natural Gas Storage Opportunities on Kenai Municipal Airport Lands.

The City has received competing applications to lease City-owned Airport land for natural gas storage, including the potential use of pore space within depleted reservoirs. These opportunities could represent a meaningful long-term revenue source for the Kenai Municipal Airport.

Due to the technical complexity of subsurface storage, reservoir capacity, and associated infrastructure considerations, the City engaged Alaska Marine Power, LLC to provide specialized consulting services. Ordinance No. 3507-2026 previously appropriated \$30,000 for this work, and the City executed a professional services agreement for that amount.

As the evaluation has progressed, it has become clear that additional analysis is necessary to fully assess and compare the proposals, including technical feasibility, operational considerations, and potential value to the City. Because the agreement is structured on an hourly basis, the total cost is expected to exceed the original authorization.

The proposed ordinance appropriates an additional \$30,000 from the Airport Fund unassigned fund balance to complete this work and authorizes the City Manager to enter into an agreement for this amount. The consultant's fee schedule has been reviewed and determined to be fair and reasonable, and procurement by direct negotiation is permitted under Kenai Municipal Code.

Completing a comprehensive and technically sound evaluation is essential for the City to make informed decisions regarding natural gas storage opportunities on City-owned Airport lands.

Administration recommends approval of the ordinance increasing estimated revenues and appropriations in the Airport Fund and authorizing additional funding for consulting services with Alaska Marine Power, LLC to evaluate natural gas storage opportunities on Kenai Municipal Airport lands.

Thank you for your consideration.



KENAI

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

MEMORANDUM

TO: Mayor Knackstedt and Council Members
THROUGH: Terry Eubank, City Manager
FROM: Tyler Best, Parks and Recreation Director
DATE: April 14, 2026
SUBJECT: **Action/Approval** - Workplan 2026-Parks and Recreation Commission.

The Parks and Recreation Commission met on April 2nd and approved its 2026 workplan goal. It set 1 goal, and the Administration supports it. The Administration supports the 2026 workplan as submitted.

Council support is requested.

INTRODUCTION

This area should include the advisory body's missions' statement and include a brief description of the overall purpose of the commission.

The purpose of the Parks and Recreation Commission is to advise the Council and Administration on issues involving the City's parks and recreational facilities.

Note: Work plans developed by the advisory body will be submitted to the City Council for approval; therefore, it is a good idea to align the goals and objectives with city code, policy and the City of Kenai Comprehensive Plan.

Instructions: In the space provided below, identify an issue or goals (objective) your commission would like to address in the upcoming year, the information provided should include plans on how to address those issues. This item should include information regarding additional staff resources and/or community volunteers needed; funding resources, are funds available in the budget if not are you proposing council include funding in the upcoming budget cycle; and how long is it expected to obtain the objective. Please prioritize the objectives of your group with number one (1) being the top priority (objective number).



Objective No. **1** Objective: **Tour of Parks and Facilities**

Estimated Time to Complete: **4**

Strategy: (Provide a summary of tasks which need to be done to obtain the objective.)

Coordinate with the Parks and Recreation Director at a regular commission meeting prior to each tour to determine locations and focus areas. Conduct one spring tour to review winter impacts and seasonal readiness, and one fall tour to evaluate facility performance and identify maintenance and capital improvement priorities.

Narrative: (Describe the benefits to the residents and visitors of the City.)

Conducting regular tours of City parks, trails, and recreation facilities allows the Parks and Recreation Commission to better understand the condition, use, and needs of these community asset

Collaboration: *(Who needs to be involved to obtain the objective?)*

The Parks and Recreation Commission will collaborate with the Parks and Recreation Director and department staff to plan and conduct the tours. Prior to each tour, the Commission and Director will identify which parks, trails, and facilities should be visited and determine the focus areas for review. This collaboration will ensure the tours align with current operational priorities, maintenance needs, and long-term planning efforts, while providing the Commission with informed insight into the City's park system.

Funding: *(Are funds available, or is funding needed in a future budget?)*

N/A



MEMORANDUM

TO: Mayor Knackstedt and Council Members
FROM: Terry Eubank, City Manager
DATE: April 15, 2026
SUBJECT: **Kenai Central High School Pool Operations and Coordination.**

With the adoption of its FY2026 Budget, the Kenai Peninsula School District (KPBSD) Board of Education indicated that future funding of swimming pools by the School District was unlikely. Pools were being funded in FY2026 to provide time for alternative operations plans to be developed. With this information, Council directed the City Manager to explore opportunities for the City to facilitate the continued operations of the KCHS pool beyond June 30, 2026.

In November 2025 KPBSD Administration hosted a meeting with City Managers and staff from impacted communities. The result of that meeting was a request for additional information regarding the cost of pool operations and potential structures for agreements that would meet the KPBSD needs for future pool operations.

In January 2026 the attached report was presented by the KPBSD Administration to the KPBSD Board of Education. The report indicates the cost of operating the KCHS pool is \$302,388.89 including utilities of \$98,812.50, personnel cost of \$120,425.00 and average annual maintenance costs of \$83,151.39. The estimated savings to the KPBSD by closing the pool was estimated to be \$247,351.70. The \$55,037.19 difference being the estimated cost the KPBSD will incur to heat the pool building even if the pool is not operating.

Mayor Micciche has hosted two conversations with the Mayors and City Managers from the impacted communities to discuss municipal interest in the pools remaining open and possible solutions and structures that might achieve the desired interest.

In addition to meeting with public officials, I have met with members of the Kenai Piranhas Swim Club to discuss the Club's interest in continued operations of the KCHS pool and the Club's willingness and capacity to participate in a solution.

There are a number of structures which could be used to maintain operations of the KCHS pool including an entity simply writing the KPBSD a check to offset the District's cost of operating the pool to the City contractually taking over full operations of the pool or something in the middle. I believe a successful structure must include partnerships involving the KPBSD, KP, users and the City. Involvement of all stakeholders will be critical to long-term success.

I am seeking Council's direction and authorization to negotiate in this process in order to secure the continued operations of the KCHS Pool. Negotiations likely need to take place prior to adoption of the FY2027 City Budget. The Draft Budget presented to Council does not currently include any City funding for continued operations. A negotiated amount, if any, can be added and considered prior to adoption of the final budget. I am requesting an executive session to discuss negotiation strategy and authority on this matter.



ASHLEY POULIN

[REDACTED]
[REDACTED]
Kenai, Ak 99611

[REDACTED]
Kenai, Ak 99611

[REDACTED]
Kenai, Ak 99611

April 3, 2026

Kenai Central High School Pool
Peninsula Piranhas Swim Team
Kenai, Alaska 99611

Dear Representative,

I am a lifetime Alaskan resident who chose Kenai for personal residential investments with access to the pool, specially this swim team, in mind. My husband and I, both USA Swimming Officials, have 3 children, who were born and raised on the Kenai Peninsula. They have had the privilege to benefit from the many opportunities awarded to our Alaskan youth, such as sports, culture, and education.

Our oldest, a senior set to graduate in May from the United States Military Academy at West Point majoring in American Politics, started preschool right here in Kenai at the Kenaitze Head Start. For four years he captained sports and won state accolades in music for Kenai Central, graduating from atop of the Connections Home School Program, class of 2022. In the summers he worked at KCHS pool as a certified lifeguard and swim lesson instructor, helping the club as Area Athlete Representative and team leader. Last weekend, Koda raced his 4th consecutive Olympic length Triathlon Club National Championship. Their team, Army West Point, beat the other academies to earn a National Title. He was sent to Finland to represent Army at a World Championship, far from our blue green waters on the Kenai. Our second son, a student at Kenai Central punched his ticket to Western Zones, representing Alaska as the only boy in his his age group to qualify to compete at the highest level competition for the youth within USA Swimming. Our daughter contends on a state level, as an Area Champion with hopes of continuing her dominant swim career here in the same pool that sent her brothers across the nation then the world.

Please consider the following ways swimming can impact this community and help us create a way for Kenai to continue to offer this benefit to our families for years to come.

With the longest coastline in the U.S., measuring 6,640 miles or over 33,904-47,300 miles including islands/inlets, which is longer than all other 49 states combined, Alaska has the highest rate of drowning deaths in the United States. That is approximately 4.4 to 5.3 drowning deaths per 100,000 residents. Between 2016 and 2021, 342 people drowned. Most fatalities occur during recreational boating or while near the water. Summer water temperatures are around 50°F, leading to rapid hypothermia. Without a population of proficient swimmers, this creates a large service area for rescue organizations who hopefully got to learn to swim in their hometown.

Alaska's economy is driven by maritime activity and its largest industry is oil and gas. Oil revenues fund nearly 85% of the state budget and the industry employs 31,800 people. Our waters also produce over 60% of the US's seafood, making it the world's top producer of wild salmon. Tourism is another major sector, attracting over 1.1 million visitors annually. On the Kenai Peninsula, the economy is primarily driven by oil and gas development, commercial and sport fishing, tourism, and maritime industries. Everyone here has a beloved family member or friend who derives a livelihood from one of these industries.

Alaska hosts over 26,700 U.S. military personnel, including roughly 21,000 to 22,000 active-duty troops. We also are home to the highest concentration of military veterans per capita in the United States, with approximately 58,000 to 70,000 veterans comprising about 8%-10% of the state's population. Navy, Marine Corps, and Coast Guard have challenging swim standards, with lower standard requirements from Army and Air Force. After thanking our service members for their duty, inquire about their swim requirements, the answer could surprise you.

Approximately 24% of the population in the Kenai Peninsula Borough is under 20 years old, comprising roughly 14,000-15,000 children and teenagers based on a total population of nearly 60,000. With a total borough population around 59,843 in 2023, the population of children and teens (under 20) is considered significant. Another estimate indicates that 18.4% of the population is under 15, and 10.7% are in the 15-24 age group. Our kids are the reason for this conversation, and they should be in mind through every decision.

Suicide rates in the Kenai Peninsula Borough are significantly high, with an age-adjusted rate of 27.6 per 100,000 people reflecting the broader, critical mental health crisis in Alaska, which often ranks among the highest in the U.S.. Youth and young adults, specifically those aged 18-24, are at the highest risk, with rates in this group nearly double the national average. Approximately 7% to 8.2% of the population in the Kenai Peninsula Borough identifies as American Indian/Alaska Native. Within the Kenai Peninsula tribal health region, the age-adjusted suicide rate for Alaska Native people was 35.3 per 100,000 during the 2016-2019 period. Participating in sports significantly boosts mental health by reducing stress, anxiety, and depression while improving mood and self-esteem through endorphin release. Team sports often provide superior benefits to individual activities by offering social connection, camaraderie, and a sense of belonging, which can combat isolation.

Swimming is an elite, low-impact cross-training activity that builds cardiovascular endurance, boosts lung capacity, and strengthens the upper body, core, and legs. The rhythmic, meditative nature of swimming reduces stress and balances hormones after high-intensity training. Swimming is excellent for recovery, functioning as a low-impact, active recovery tool that reduces muscle soreness and speeds up healing. The water's buoyancy removes pressure from joints and ligaments, making it ideal for rehabilitating injuries. This applies throughout the stages of life, not just the competitors benefit.

Swimmers often perform higher academically, then transition into successful careers because the sport fosters highly desirable professional traits, such as extreme discipline, time management, and resilience. The rigorous, year round training schedules teach young swimmers how to prioritize tasks and maintain productivity, which translates directly into professional dedication. These individuals, described as coachable and good leaders, display valuable professional skills such as the ability to excel in high pressure situations. I can count the ways this is true in my experience, having met and known the student athletes who grow to become the nations premier leaders.

Thank you for your attention and consideration to this matter which remains near and dear to me. I hope we can all work together to preserve what should be considered a large asset to the area.

Ashley Poulin [PPST Board President](#)

From: [Henry Knackstedt](#)
To: [Shellie Saner](#)
Subject: Fwd: Kenai Pool
Date: Friday, April 3, 2026 2:34:40 PM

Shellie

Please add the attached email to our next packet.

Henry

----- Forwarded message -----

From: [REDACTED]
Date: Apr 3, 2026 12:26 PM
Subject: Kenai Pool
To: Henry Knackstedt <HKnackstedt@kenai.city>
Cc:

Kenai Central High School Pool & Swim Programs

Good afternoon, Mr. Mayor.

My name is **Dan Poulin**, and I am a longtime Alaska resident and Kenai homeowner. My family chose to live and invest here in Kenai specifically because of the community resources available to our children—most notably, access to the Kenai Central High School pool and its affiliated swim programs.

My spouse and I are both **USA Swimming Officials**, and we are raising three children who were born and raised on the Kenai Peninsula. Each of them has benefited directly from this facility, and I want to share how profoundly it has shaped their academic success, leadership development, and long-term opportunities.

Our oldest child will graduate this May from the **United States Military Academy at West Point**, majoring in American Politics. His educational journey began in Kenai at Kenaitze Head Start. During his K–12 years, he captained athletics teams, earned state-level music recognition, and graduated at the top of the Connections Homeschool Program's Class of 2022.

The Kenai Central pool was a foundational part of his development. He worked there as a **certified lifeguard and swim lesson instructor**, served the Peninsula Piranhas Swim Team as an **Area Athlete Representative**, and learned responsibility, discipline, and leadership on that pool deck. Today, he competes at a national and international level, most recently helping his team earn a **Collegiate Club National Championship** and representing his academy at a **world championship event overseas**.

Our second son is currently a student at Kenai Central High School and recently qualified for **USA Swimming Western Zones**, representing Alaska as the only boy in his age group to reach that level of competition. Our daughter is an **Area Champion** at the state level, with aspirations to continue her competitive career in the same pool that helped launch her brothers beyond Alaska and into the world.

These outcomes did not happen by chance. They resulted from:

- **A safe, functional school facility**
- **Access to quality programming**
- **Partnerships between the school district, families, and community**

organizations

- And the opportunity for students to grow through athletics, employment, and mentorship

The Kenai Central High School pool is more than a building. It is a classroom, a workplace, a training ground, and a pathway to success for students with many different goals—not just elite athletes, but lifeguards, instructors, team leaders, and responsible young adults.

I urge the board to recognize the **long-term educational and community value** of maintaining and supporting this facility and its programs. Continued investment in this resource ensures that Kenai can provide meaningful opportunities for students today—and for generations to come.

Thank you for your time and for your continued commitment to our students and our community.

Dan Poulin

From: [Henry Knackstedt](#)
To: [Shellie Saner](#)
Subject: Fwd: Urgent Request Regarding Closure of District Pools
Date: Friday, April 3, 2026 3:12:18 PM

Here is another to add to the next meeting.

HK

----- Forwarded message -----

From: Erin Sansotta [REDACTED]
Date: Apr 3, 2026 2:50 PM
Subject: Urgent Request Regarding Closure of District Pools
To: Henry Knackstedt <HKKnackstedt@kenai.city>, Victoria Askin <vaskin@kenai.city>, Phillip Daniel <pdaniel@kenai.city>, Bridget Grieme <bgrieme@kenai.city>, Glenese Pettey <gpettey@kenai.city>, Sovala Kisena <skisena@kenai.city>, Deborah Sounart <DSounart@kenai.city>
Cc:

Erin Sansotta

[REDACTED]
Soldotna, AK 99669

[REDACTED]
4/3/26

Dear Members of the City Council,

I am writing to express deep concern regarding the proposed permanent closure of swimming pools within the Kenai Peninsula Borough School District due to budget constraints. While I understand the financial pressures facing the district, the decision to eliminate access to these facilities carries significant consequences for student safety, academic development, and community well-being.

As a swim family, this issue is deeply personal and has our interest to maintain our investment. Our immediate family members collectively spend close to 20 hours each week in the water. All four of our children swim competitively. Beyond the competition aspect, swimming has been a source of connection, motivation, discipline and is necessary for their physical and mental health. For my oldest, swimming is not only a passion but a potential pathway to a college scholarship and future educational opportunity.

However, our story is just one example of what these programs make possible. The

broader impact extends well beyond competitive swimming.

1. Drowning Prevention and Life-Saving Skills

Access to swimming instruction is a critical public safety measure. Drowning remains the leading cause of death for children ages 1–4 and the second leading cause of unintentional injury death for children ages 5–14 in the United States. Formal swimming lessons can reduce the risk of drowning by up to 88% in young children. Our pools have historically provided these lessons and must continue doing so.

In a coastal region like the Kenai Peninsula, where lakes, rivers, and ocean access are part of daily life, removing access to pools directly reduces opportunities for children to learn these vital skills.

2. Academic and Developmental Benefits

Participation in structured athletic programs like swimming supports academic success by improving focus, discipline, time management, and resilience. Student-athletes often demonstrate stronger engagement in school and develop habits that carry into higher education and career pathways.

For students pursuing collegiate athletics, access to consistent training facilities is essential. Removing all our pools effectively closes doors for students who rely on these programs for scholarship opportunities and personal advancement.

3. Mental Health and Emotional Well-Being

Swimming provides a unique and powerful outlet for stress relief, emotional regulation, and mental health. The consistent, structured environment of swim practice offers stability and connection.

For many students and community members, time in the water is a key part of maintaining emotional balance and overall well-being.

4. Community Access, Recreation, and Equity

School pools serve as vital community resources, supporting not only competitive athletes but also swim lessons, recreational users, and families. Closing these facilities disproportionately impacts families who cannot afford private access or travel long distances, creating inequities in access to safety education, recreation, and health-promoting activities.

5. Consideration of Alternatives

Given the profound implications of this decision, I respectfully urge the district and borough to explore alternatives before pursuing permanent closure for all pools.

Potential options may include:

- Partnerships with local organizations or health providers
- Grant funding for water safety and drowning prevention programs
- Adjusted operational models (seasonal use, reduced hours, or shared staffing)
- Community-supported funding initiatives
- Spreading responsibility for maintenance needs where it is most logical
- Consider a budget that makes it financially reasonable to partner with outside entity who is willing to run the pools with support from the city
- Consider consolidating central peninsula pools instead of full closure

These options may offer a path forward that balances fiscal responsibility with community need.

The closure of school pools is a decision that directly impacts safety, opportunity, and quality of life for students and families across the Kenai Peninsula.

For families like ours, these pools represent years of commitment, growth, and opportunity. For many others, they represent the most basic chance to learn a life-saving skill that is necessary in the state of Alaska.

I respectfully ask that you consider the implications of this decision and work collaboratively with the community to identify sustainable solutions that preserve access to these critical facilities.

Thank you for your time, consideration, and service to our community.

Sincerely,

Erin Sansotta

From: [Henry Knackstedt](#)
To: [Shellie Saner](#)
Subject: Fwd: Reasons to keep the pools open
Date: Monday, April 6, 2026 7:22:35 AM

Please include with the others for the next packet.

Henry
Sent from my iPad

Begin forwarded message:

From: Daniel McIntosh [REDACTED]
Date: April 5, 2026 at 9:26:51 PM AKDT
To: Henry Knackstedt <HKKnackstedt@kenai.city>, Victoria Askin <vaskin@kenai.city>, Phillip Daniel <pdaniel@kenai.city>, Bridget Grieme <bgrieme@kenai.city>, Glenese Pettey <gpettey@kenai.city>, Sovala Kisena <skisena@kenai.city>, Deborah Sounart <DSounart@kenai.city>, jtauriainen@kpbsd.k12.ak.us, pvadla@kpbsd.org, tdaugharty@kpbsd.k12.ak.us, ptruesdell@kpbsd.k12.ak.us, sdouthit@kpbsd.k12.ak.us, kcizek@kpbsd.k12.ak.us, dmacrae@kpbsd.k12.ak.us, awaddell@kpbsd.k12.ak.us, mvanbuskirk@kpbsd.k12.ak.us, nsipes@kpbsd.k12.ak.us, rtunseth@kpb.us, kcooper@kpb.us, sgriebel@kpb.us, lniesen@kpb.us, struesdell@kpb.us, deicher@kpb.us, cecklund@kpb.us, mhicks@kpb.us, wdunne@kpb.us, pmicciche@kpb.us
Cc: Angie Brennan [REDACTED]
Subject: Reasons to keep the pools open

Hello,
My name is Daniel McIntosh. I am a current USA and USMS competitive swimmer for the Kenai/Soldotna Area. We disagree with these pool closures. The reasons that we should keep the pools open are because the competitive swimmers need the pools to stay fit if any athletes qualify for major national or international events and to train more professional athletes and possible coaches. Even professional athletes need these pools because it can save lives and prevent drownings in case of pool and open water emergencies, like rip tides and currents. Lifeguards and coaches need these pools to help those athletes achieve any competitive, safety, rehabilitation, or fitness goals. If those pools closed, the loss of lives in the water would increase, and college swimming recruitments would decrease. In fact, we, Alaska swimmers, are in progress of reinstating NCAA DII men's and women's swimming teams at the University of Alaska Anchorage in Anchorage, Alaska (It is currently a college club). These opportunities and resources would be taken away if those pools closed for high school swimmers and the younger swimming generations being recruited for college swimming whether in or out of Alaska.

Yours Truly,
Daniel McIntosh

From: [Henry Knackstedt](#)
To: [Shellie Saner](#)
Subject: Fwd: An item of important to Kenai
Date: Saturday, April 11, 2026 3:39:35 PM

Please include in our packet with the others. I understand this went to all council members

Henry

----- Forwarded message -----

From: j castimore [REDACTED]
Date: Apr 10, 2026 8:17 PM
Subject: An item of important to Kenai
To: Henry Knackstedt <HKnackstedt@kenai.city>
Cc:

Dear Henry Knackstedt,
I am concerned about a situation that is about to unfold in Kenai. Back in the 1970's we (Kenai) had a Central Swimming Pool operation at KCHS (Kenai Central High School) and it provided swimming lessons to All children in third grade from Sterling to Kasilof to Nikiski. And it was known as the Central Swimming Pool, with manager Steve Johnson and it was open from 6:30 A.M. until 8 P.M. with a lot of adults using, it Before Work and After Work six days a week. We have a change to add this valuation asset to Kenai once again, and the school board will be closing All swimming pools on the peninsula soon.

Our Ice Rink was started by 12 committee members that saw an important winter sport to add to our Motels and Restaurants during those Long winter months, and it is a success today. This Central Swimming Pool can work, and the current manager Will H. has a proposal and finance spread sheet that illustrated this. The school district has a policy that requires all children to learn to swim, so they could Pay to use our Kenai Central Pool and offset those costs. Alaska leads the nation in swimming deaths.

Please reach out to these parents and Will Hubler quickly so we (Kenai community) do not loss this valuable asset in our community.

Will Hubler (pool Manager) can be contacted at: 907-283-7476

Sincerely,
Jack Castimore, a Kenai resident for the past 48 years. [REDACTED]

From: [Henry Knackstedt](#)
To: [Shellie Saner](#)
Subject: Fwd: Support for Public Pool Access in the City of Kenai
Date: Thursday, April 16, 2026 4:52:47 PM

Please add to the other emails.

Henry

----- Forwarded message -----

From: Bristol DeMeter [REDACTED]
Date: Apr 16, 2026 4:31 PM
Subject: Support for Public Pool Access in the City of Kenai
To: Henry Knackstedt <HKnackstedt@kenai.city>, Victoria Askin <vaskin@kenai.city>, Phillip Daniel <pdaniel@kenai.city>, Bridget Grieme <bgrieme@kenai.city>, Glenese Pettey <gpettey@kenai.city>, Sovala Kisena <skisena@kenai.city>
Cc:

Dear Members of the Kenai City Council,

I am writing as a Kenai Peninsula Borough resident, a homeowner in the City of Kenai, a lifelong swimmer, and a parent of two young swimmers, ages 6 and 8, to urge you to take decisive action to preserve and strengthen public pool access in our community.

My husband and I own a home in Kenai and are deeply invested—both financially and personally—in the long-term strength and livability of this community. We care about the services and infrastructure that make Kenai a place where families want to live, stay, and invest.

For that reason, I want to be very clear: we would support an increase in the City of Kenai mill rate if it is necessary to ensure these pools remain open, well-managed, and accessible to the public.

My family depends on these facilities. My children are members of the local swim club, and I swim with the Top of the World Masters Swim Team. In addition, I regularly pay for lap swim access. We are active, paying users who rely on consistent, year-round availability. We are not alone—these pools serve a broad cross-section of the community every day, and with improved management and a stronger community-centered approach, they could serve even more residents.

This is not just about recreation—it is about safety. Alaska faces some of the highest drowning rates in the country, particularly among children. In a region surrounded by open water, access to swim lessons and safe aquatic facilities is essential. Reducing access to pools directly reduces access to life-saving skills.

It is also about community strength and long-term investment. Public pools support youth development, physical and mental health, rehabilitation, and social connection. They are a key factor for families when deciding where to live—and for property owners like us when deciding where to continue investing.

I will be direct: maintaining and improving access to public pools makes Kenai a more desirable and stable community. Letting these facilities decline or close sends the opposite signal.

You have an opportunity to step forward, take ownership of this transition, and ensure these facilities are operated in a way that maximizes access, efficiency, and community benefit. With thoughtful management and a willingness to invest, these pools can become even stronger assets than they are today.

I urge you to act now: commit to preserving these facilities, develop a sustainable operational plan, and ensure they remain open and accessible for the families, residents, and property owners who depend on them.

Thank you for your time and leadership.

Sincerely,
Bristol DeMeter
Kenai Peninsula Borough Resident & Kenai Homeowner

KPBSD Pool Operations

Financial Overview & Options
Date: January 12, 2026

Purpose of Presentation



Review the financial impacts of operating or closing district pools



Highlight operating savings, maintenance considerations



Clarify maintenance in-kind funding



Discuss potential options moving forward

Maintenance Costs



4-Year Average Maintenance Costs



Includes routine repairs and replacement of chemical delivery systems, pool deck flooring, gutter system, pool tiles, grout caulking, pool locker rooms, pumps, water filters, heat exchangers, boilers and heating and ventilation equipment.



Maintenance cost varies year to year
Building and equipment are at different points in their life cycle

Annual Savings From an Empty Pool

Total Estimated Annual Savings:

- **\$1,158,417.56**
- Includes:
 - Reduced staffing (Pool Managers paid by KPBSD General Fund)
 - Lower utility usage – still have building space (KPBSD General Fund)
 - Decreased maintenance – less equipment (KPB In-Kind)

	Estimated 2026 Utilities	Salary and Benefits	Maintenance 4 Year Average	Savings
Susan B. (Oil)	\$26,830.03	\$35,791.00	\$24,549.95	\$87,170.98
Ninilchik (Gas)	\$22,593.71	\$46,254.00	\$21,642.60	\$90,490.31
Seward (Oil)	\$42,363.21	\$110,169.00	\$20,725.05	\$173,257.26
Homer (Gas)	\$56,484.28	\$100,964.00	\$41,823.37	\$199,271.65
SOHI (Gas)	\$43,775.32	\$100,282.00	\$13,960.43	\$158,017.75
SKYVIEW (Gas)	\$49,423.75	\$97,887.00	\$55,547.16	\$202,857.90
Kenai (Gas)	\$43,775.32	\$120,425.00	\$83,151.39	\$247,351.70
	\$285,245.63	\$611,772.00	\$261,399.94	\$1,158,417.56
	To Close	General fund - 100		\$285,245.63
		In-kind		\$261,399.94
		Salary and Benefits		\$611,772.00
		Total Savings		\$1,158,417.56

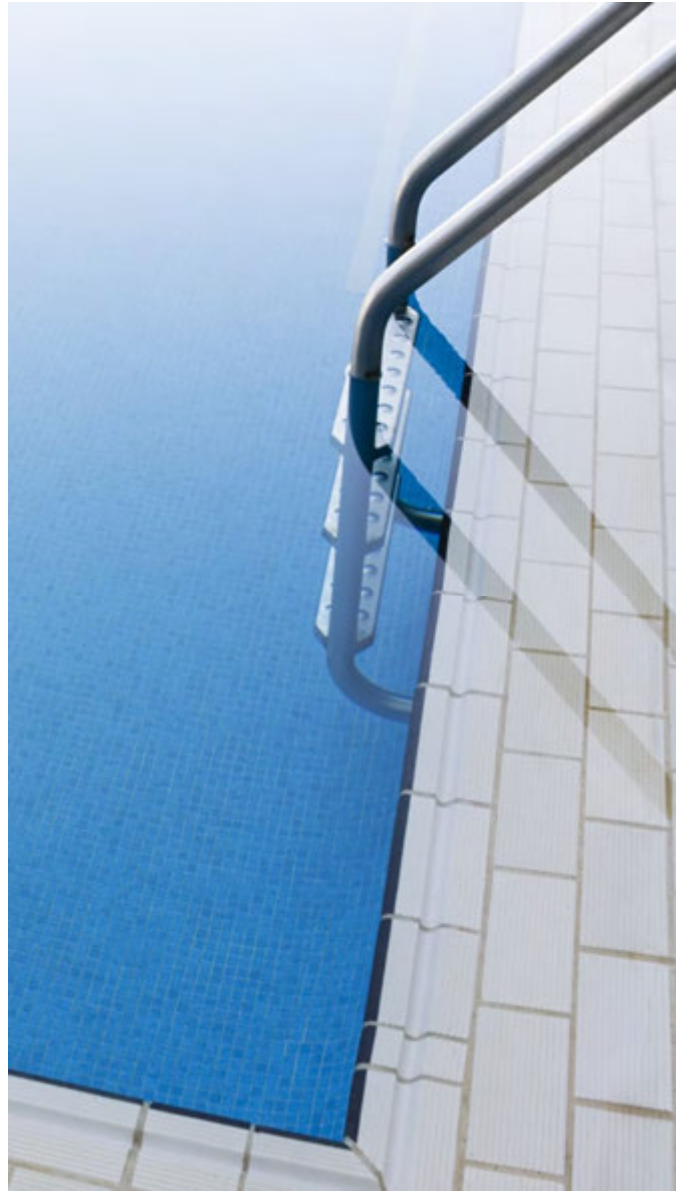


Annual Costs - KPBSD or other entity (City / Borough or Club) of Operating the Pools

Total Estimated Annual Cost:

- **\$1,517,046.94**
- Includes:
 - Staffing of pool related activities
 - Utility usage for all pool related space
 - Maintenance needs will not be paid by KPBSD (KPB In-Kind)

	Pool Utility Operations	Salary and Benefits	Maintenance 4 Year Average	Savings
Susan B. (Oil)	\$60,562.50	\$35,791.00	\$24,549.95	\$120,903.45
Ninilchik (Gas)	\$51,000.00	\$46,254.00	\$21,642.60	\$118,896.60
Seward (Oil)	\$95,625.00	\$110,169.00	\$20,725.05	\$226,519.05
Homer (Gas)	\$127,500.00	\$100,964.00	\$41,823.37	\$270,287.37
SOHI (Gas)	\$98,812.50	\$100,282.00	\$13,960.43	\$213,054.93
SKYVIEW (Gas)	\$111,562.50	\$97,887.00	\$55,547.16	\$264,996.66
Kenai (Gas)	\$98,812.50	\$120,425.00	\$83,151.39	\$302,388.89
	\$643,875.00	\$611,772.00	261,399.94	\$1,517,046.94
	Operating the pools	General fund - 100		\$643,875.00
		In-kind		\$261,399.94
		Salary and Benefits		\$611,772.00
		Total		\$1,517,046.94



710 – Pool Operations account



Revenue Sources:

Pool User Fees
 Building Use fees
 Lane Rentals
 Donations
 Punch Cards
 Swim Lessons
 Grants – Red Cross



Expenditures:

Chemicals
 Lifeguard Payroll
 Supplies
 Equipment
 Diving Boards
 Score Boards
 Sound Systems
 Starting / Timing Systems
 ADA Equipment
 Operational efficiency Upgrades – VFD



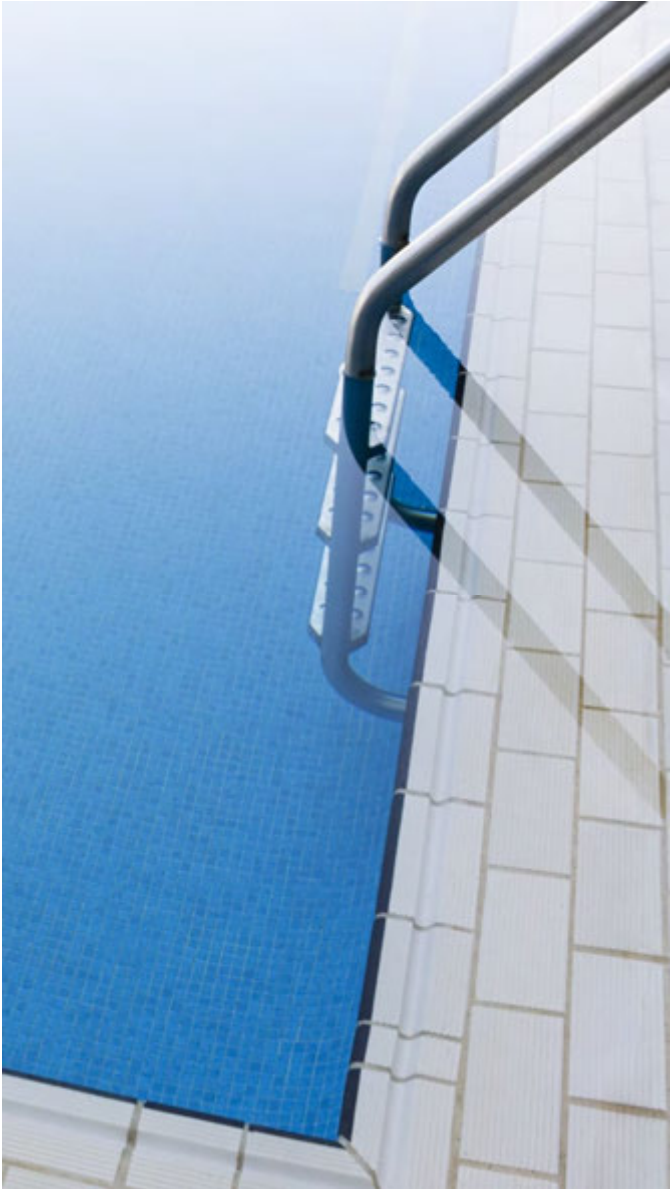
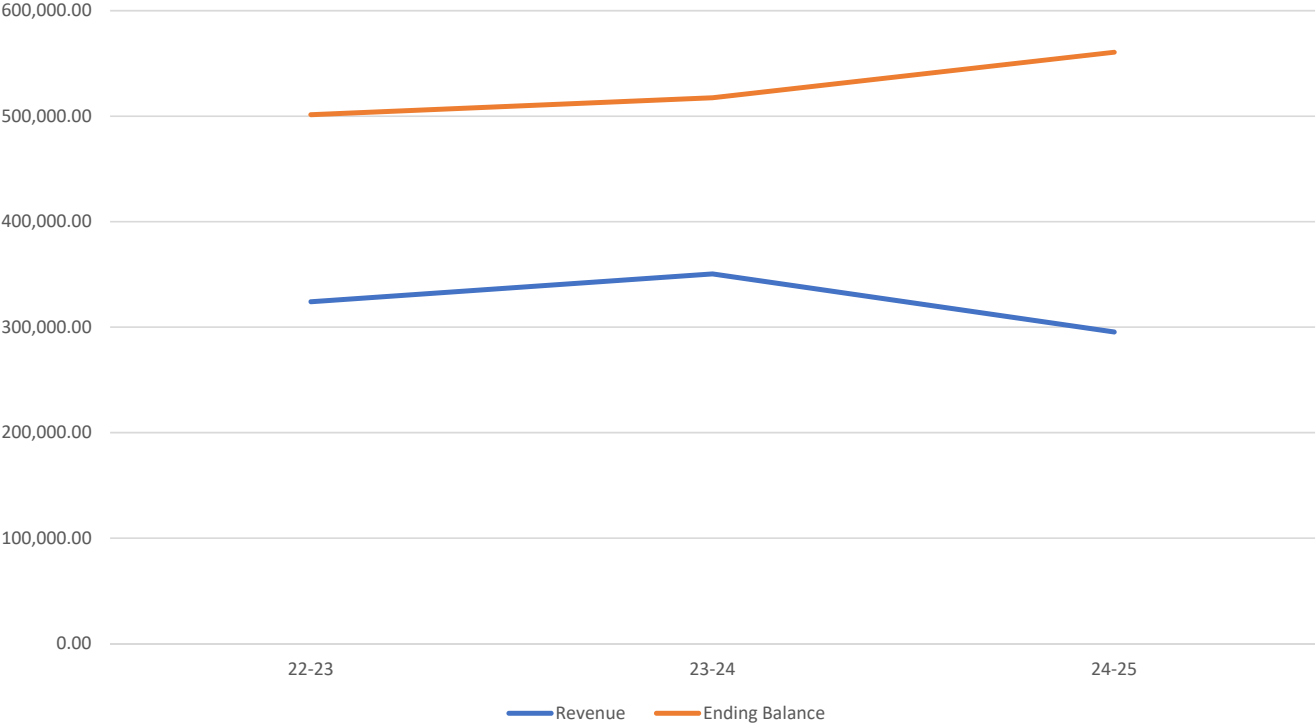
Fund Balance:

Available to address month to month fluctuations
 Available to fund equipment replacement
 Punch Card Swims – not already used

Pool 710 – Combined (7 Pools)

12/23/25 balance **\$593,982.99**

710 - Pool Revenue vs Ending Balance



Pool 710 – Skyview

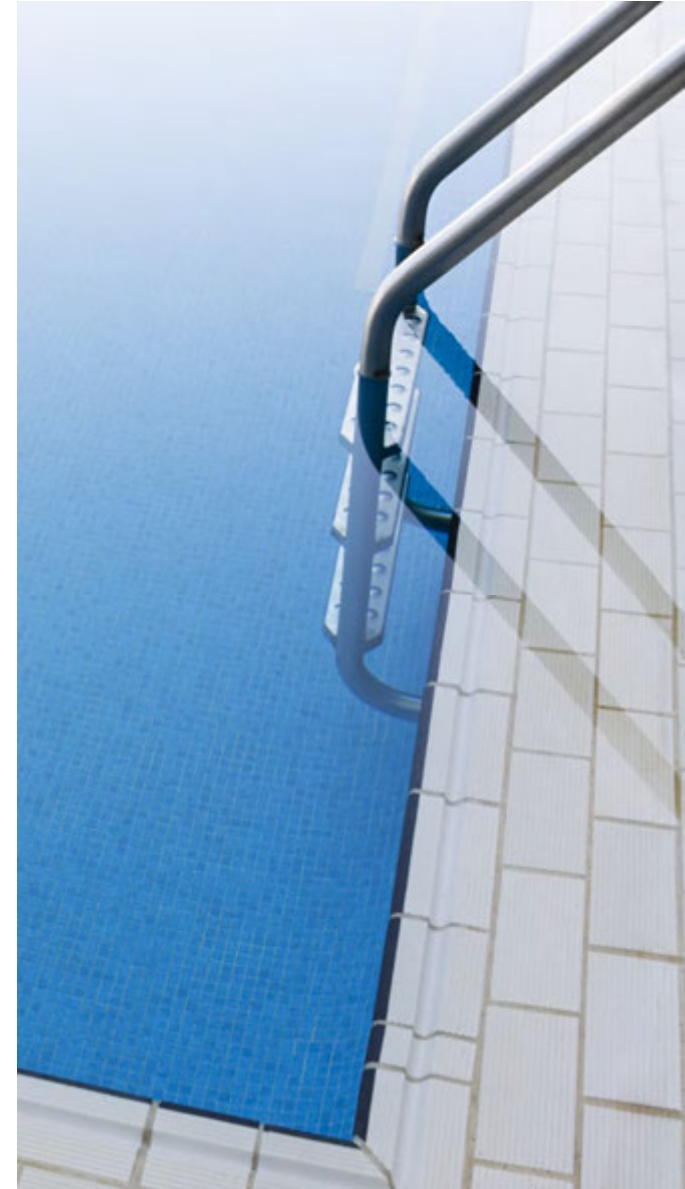
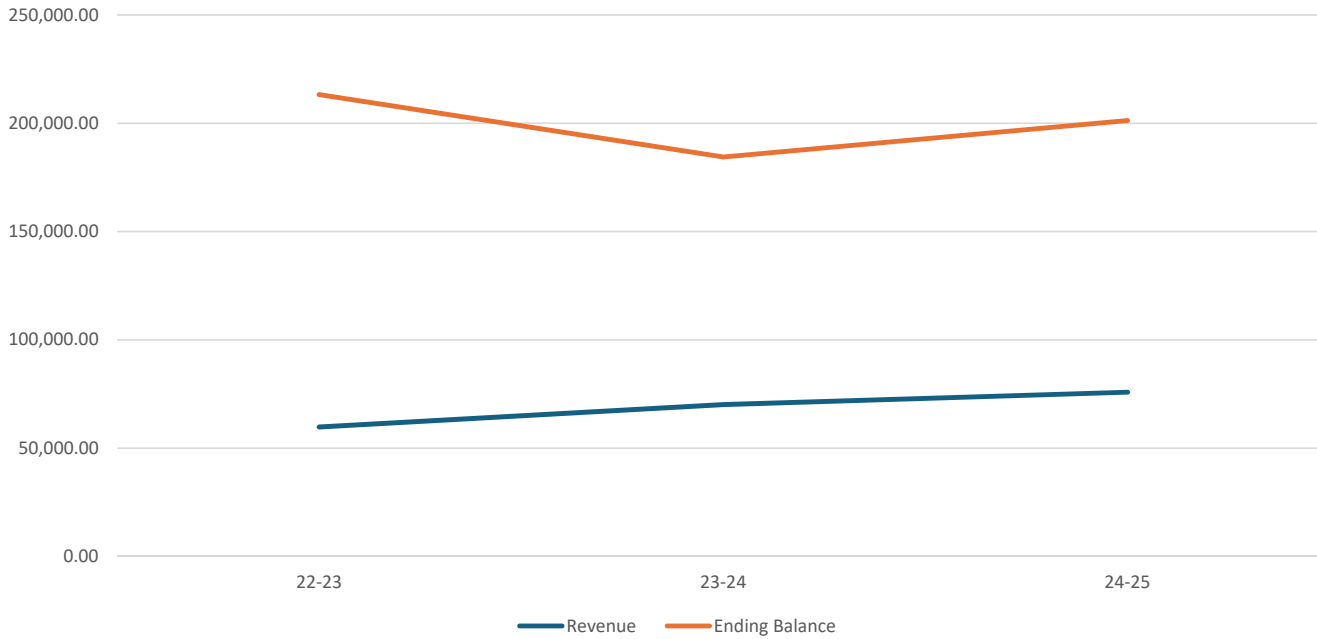
12/23/25 balance **\$216,921.57**

259 Day Calendar

Pool – 75 x 45 ft
3.5ft shallow - 11.6ft deep
210,000 gal.
NO - Diving Boards
1 Lifeguard stand
No - ADA access – Stairs

Max capacity- 88
Water – Well
Chemtrol -ORP

710 - Pool Revenue vs Ending Balance



Pool 710 – SOHI

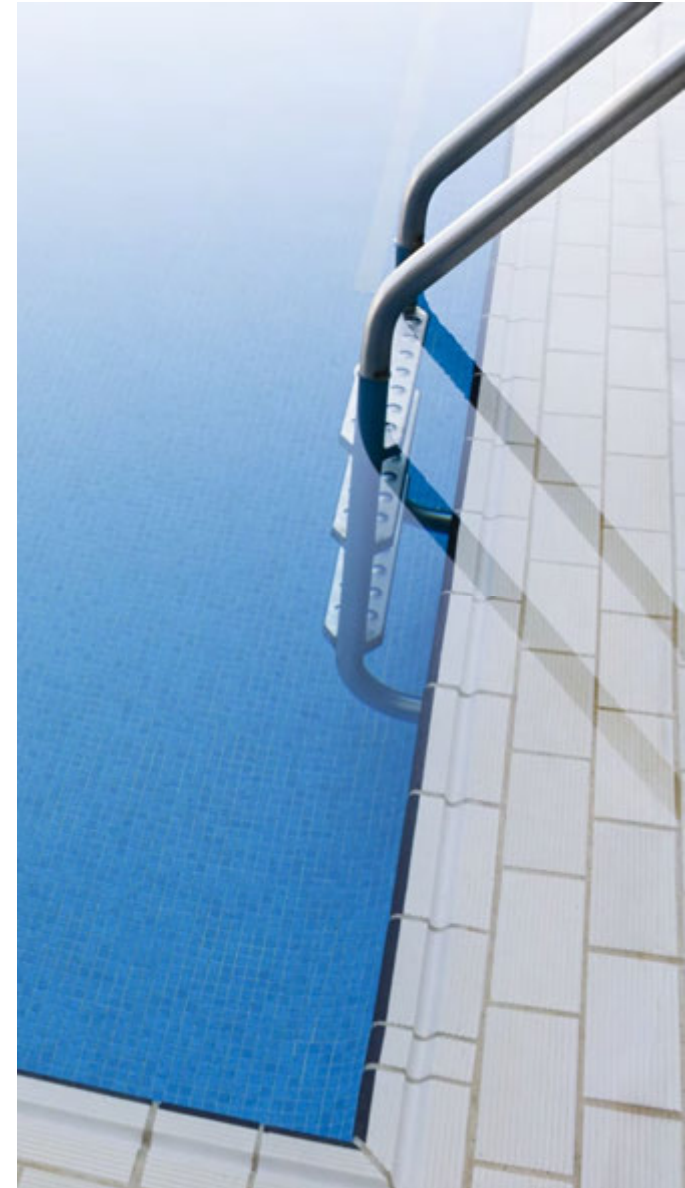
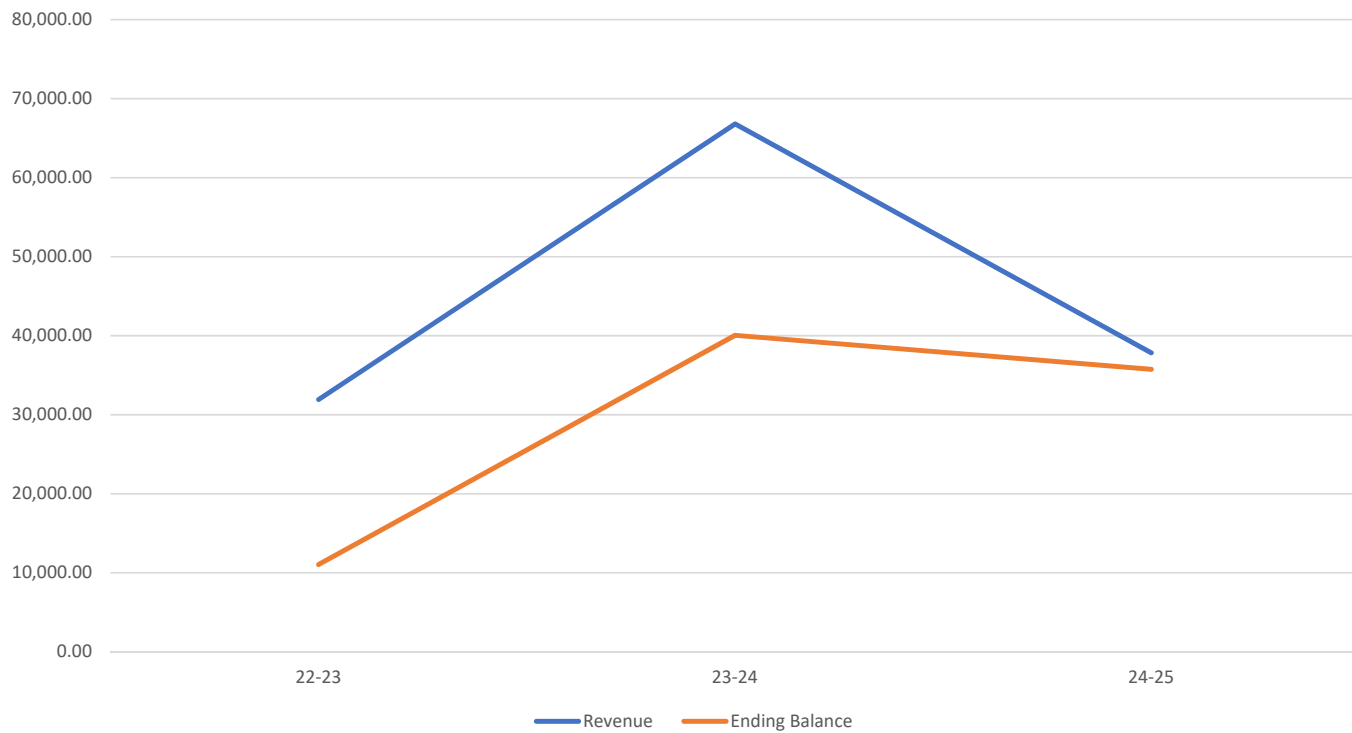
216 Day Calendar reduced to 206

Pool – 75 ft x 45 ft
3.5ft shallow & 13ft deep
210,000 gal.
2 Low Diving Boards
1 Lifeguard stand
ADA access – Lifts

Max capacity- 79
Water – Metered
Chemtrol -ORP

12/23/25 balance **\$28,858.74**

710 - Pool Revenue vs Ending Balance



Pool 710 – Seward

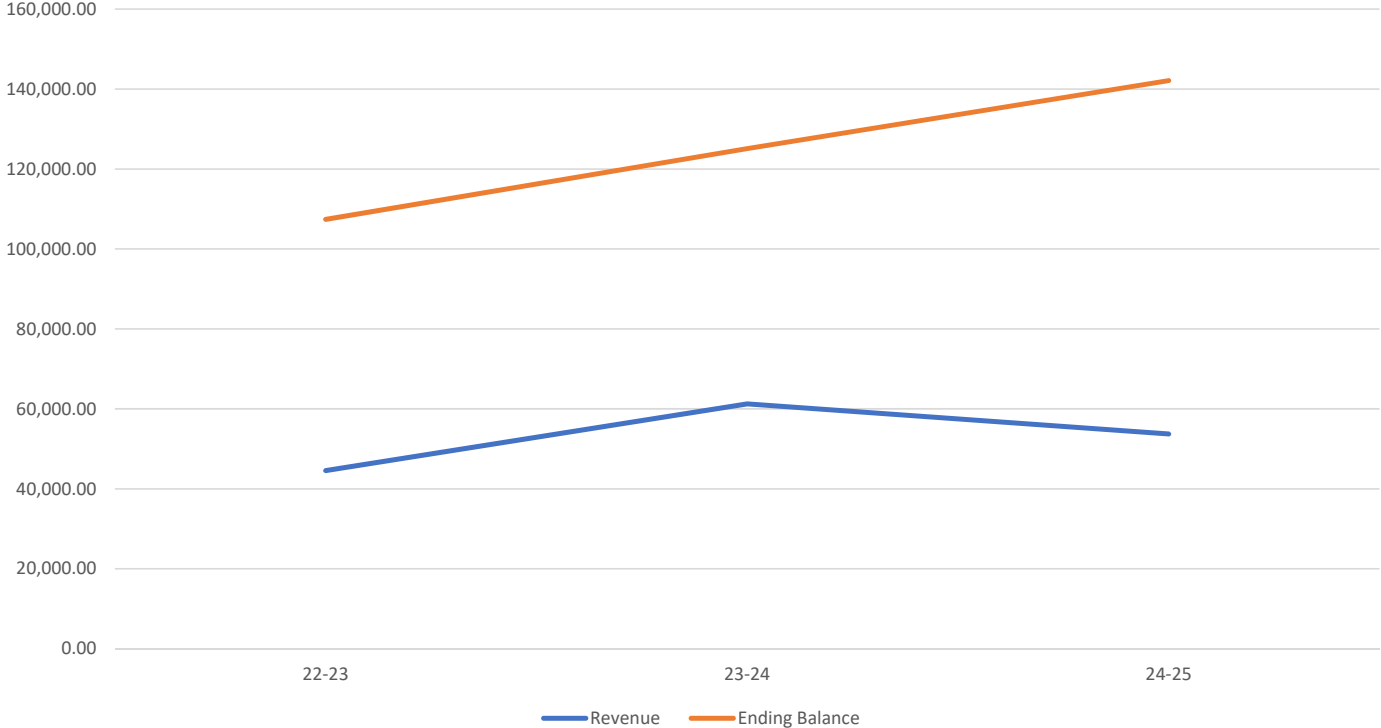
216 Day Calendar reduced to 206 - Operated Summer 24 & 25 (259 days)

- Pool – 75 ft x 45 ft
- 3.6 ft shallow & 12 ft deep
- 180,000 gal.
- 1 Low Diving Boards
- 1 Lifeguard stand
- ADA access – Lifts & Stairs

- Max capacity- 88
- Water – Flat Rate
- Chemtrol -ORP

12/23/25 balance **\$154,578.94**

710 - Pool Revenue vs Ending Balance



Pool 710 – Kenai

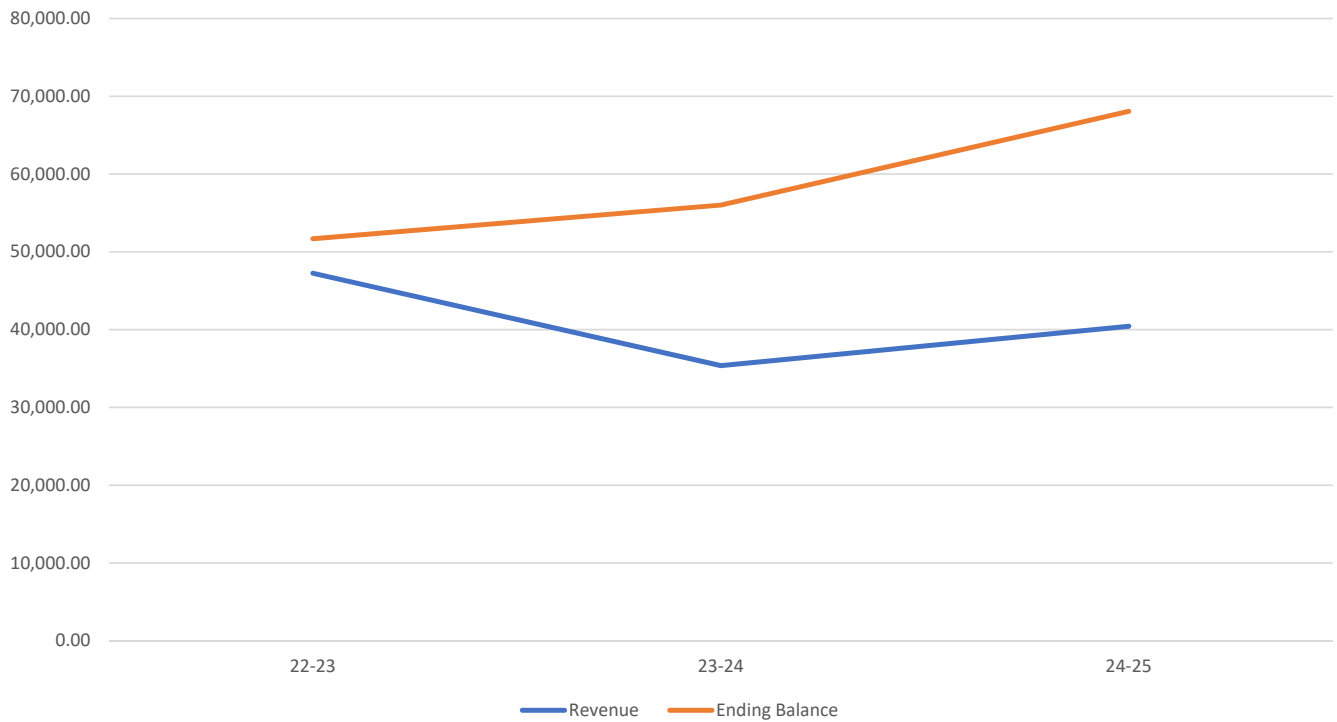
259 Day Calendar

Pool – 75 ft x 45 ft
3.5 ft shallow & 12.6 ft deep
175,000 gal.
2 Low Diving Boards
2 Lifeguard stand
ADA access – Lifts

Max capacity- 79
Water – Metered
Chemtrol -ORP

12/23/25 balance **\$61,717.41**

710 - Pool Revenue vs Ending Balance



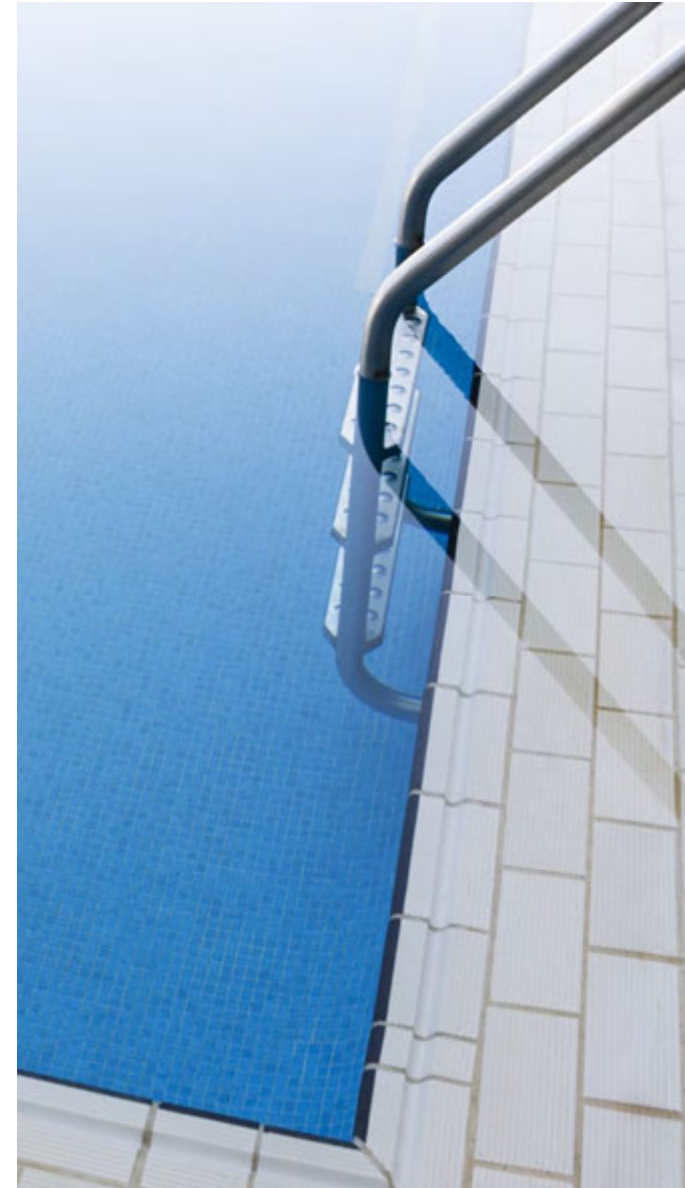
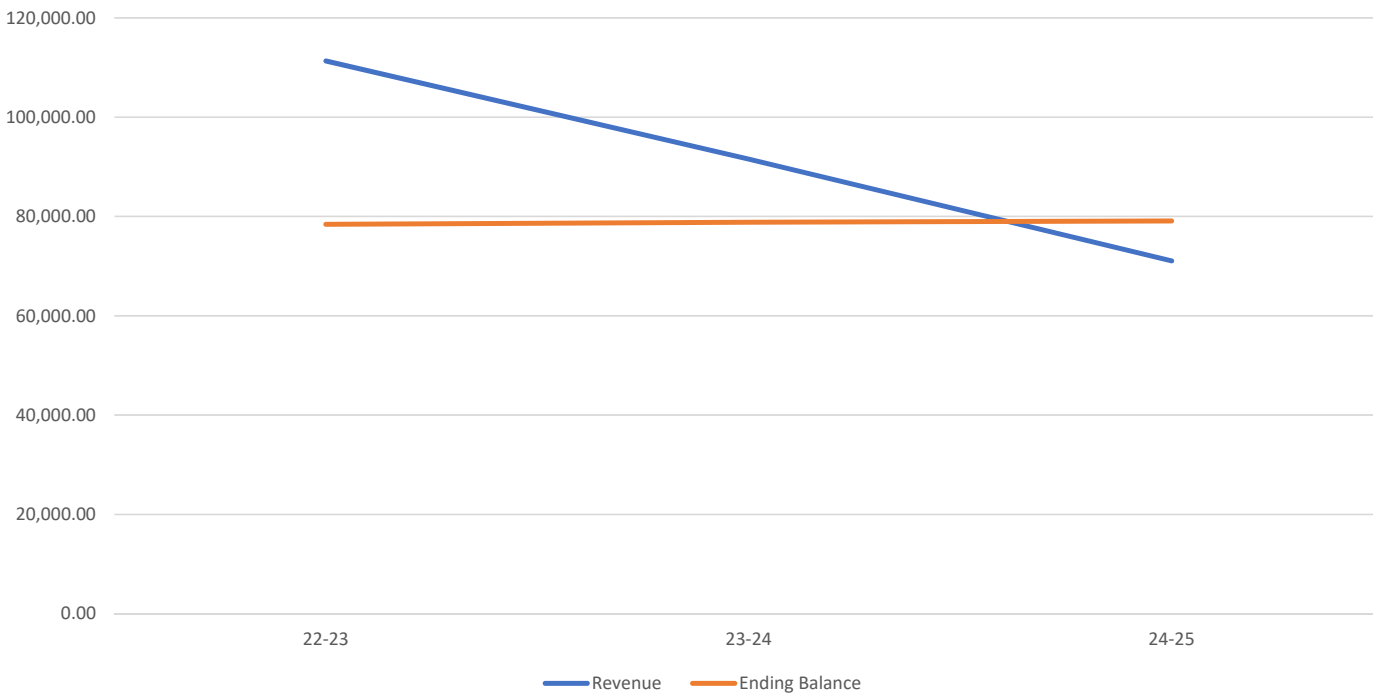
Pool 710 – Homer

12/23/25 balance **\$85,624.86**

- 259 Day Calendar
- Pool – 75 ft x 45 ft
- 3.6 ft shallow–12.9 ft deep
- 200,000 gal.
- 2 Low Diving Boards
- 1 Lifeguard stand
- ADA access – Lifts & Stairs

- Max capacity- 79
- Water – Metered
- Chemtrol -ORP

710 - Pool Revenue vs Ending Balance



Pool 710 – Seldovia

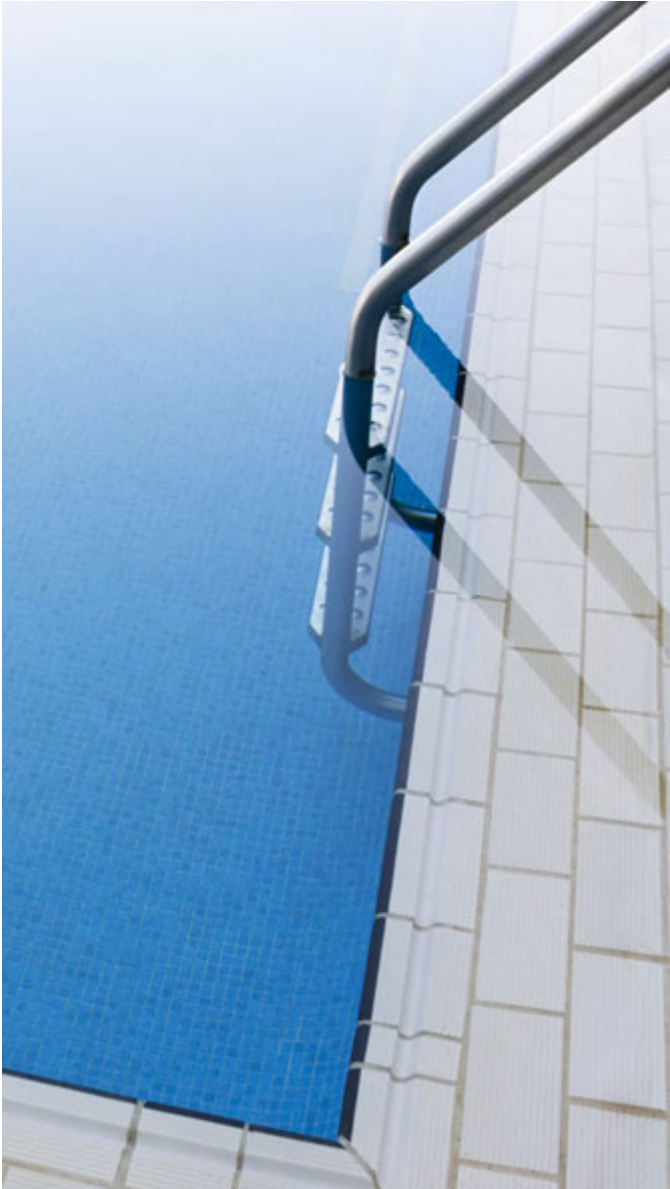
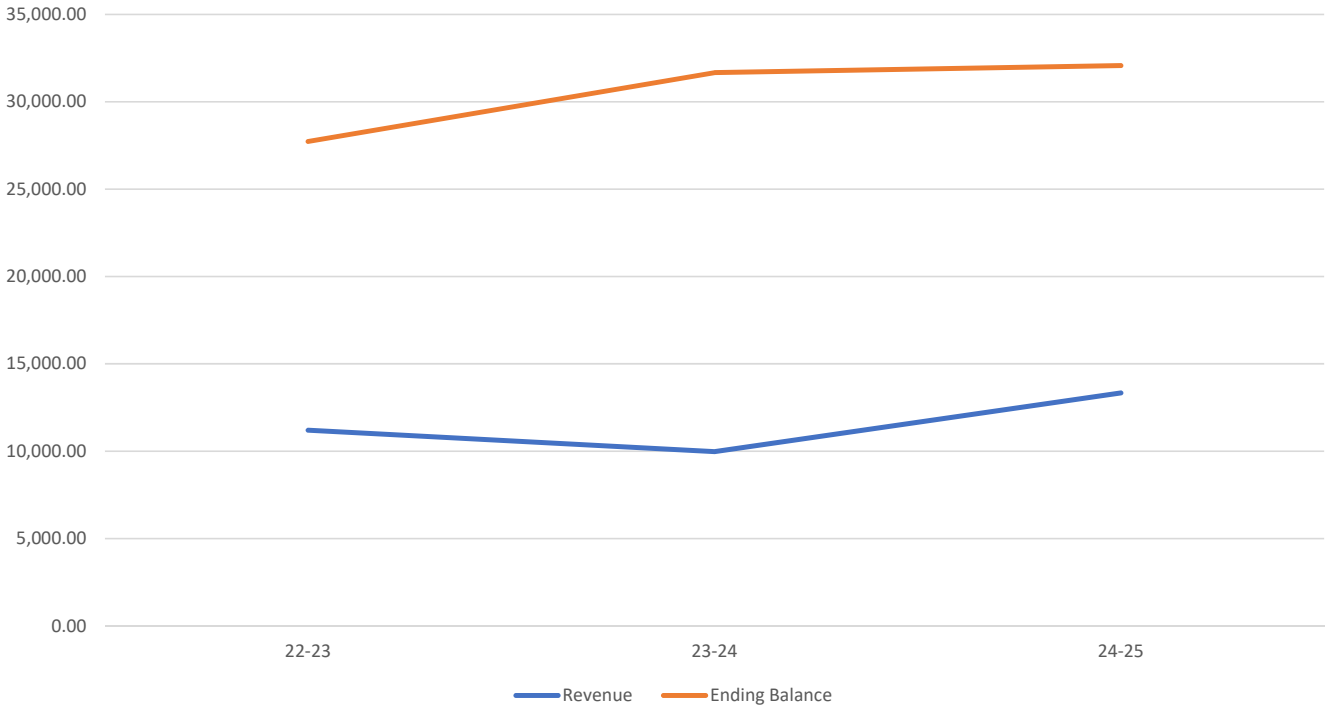
216 Day Calendar reduced to 206

- Pool – 25 ft x 50 ft
- 3 ft shallow – 9 ft deep
- 59,000 gal.
- No- Diving Boards
- Pool Slide
- No - Lifeguard stand
- No - ADA access –Stairs

- Max capacity- 35
- Water – flat rate
- Chemtrol -ORP

12/23/25 balance **\$36,809.72**

710 - Pool Revenue vs Ending Balance



Pool 710 – Ninilchik

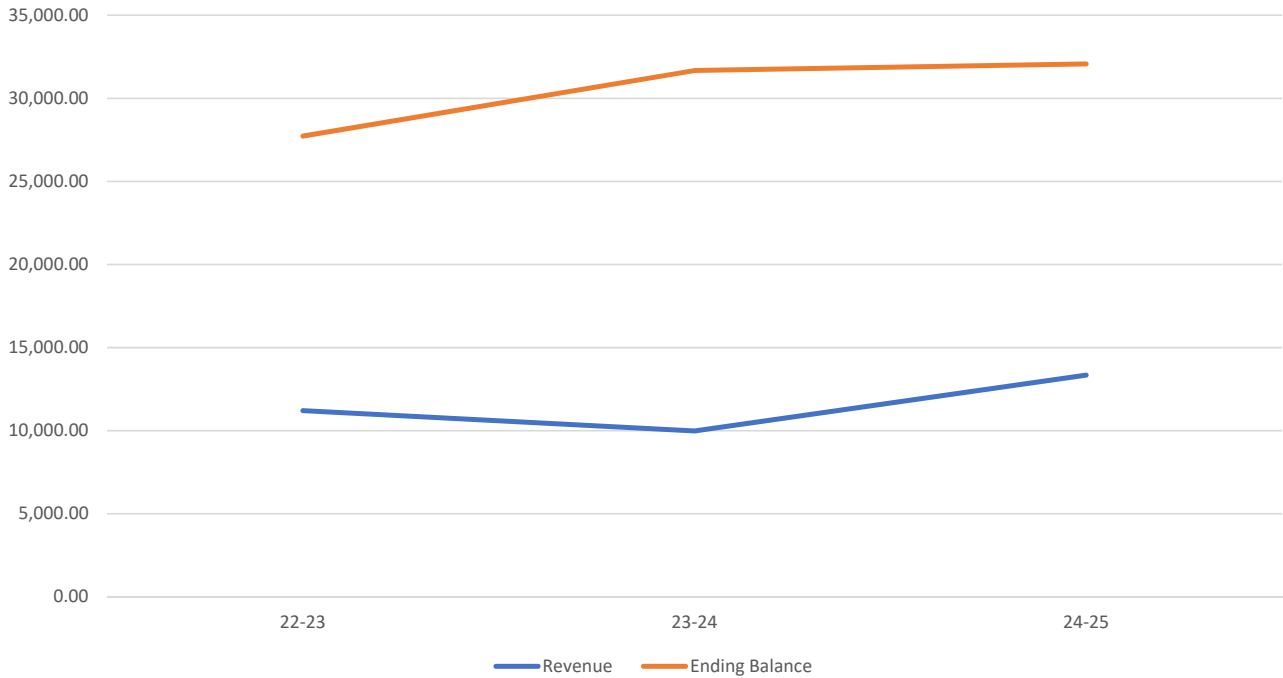
216 Day Calendar Reduced to 206

Pool – 50 ft x 25 ft
3.2 ft shallow – 9.6 ft deep
60,000 gal.
4 lane pool
No - Diving Boards
1 Lifeguard stand
ADA access – Lifts

Max capacity- 27
Water – Well
Chemtrol -ORP

12/23/25 balance	\$ 9,471.75
Remaining Donation	\$21,977.38
Total	\$31,449.13

710 - Pool Revenue vs Ending Balance



Fee Structure Considerations

Increase User Fees to offset cost of operation either for KPBSD, KPB or other Entity

- Public Admission Swim Current Rates
- Lane Rental proposed increase:
- Category B (swim clubs)
- Category C (birthday parties, etc.)
- Lifeguard Fees
- Storage Fees



In-Kind Cost Reminder

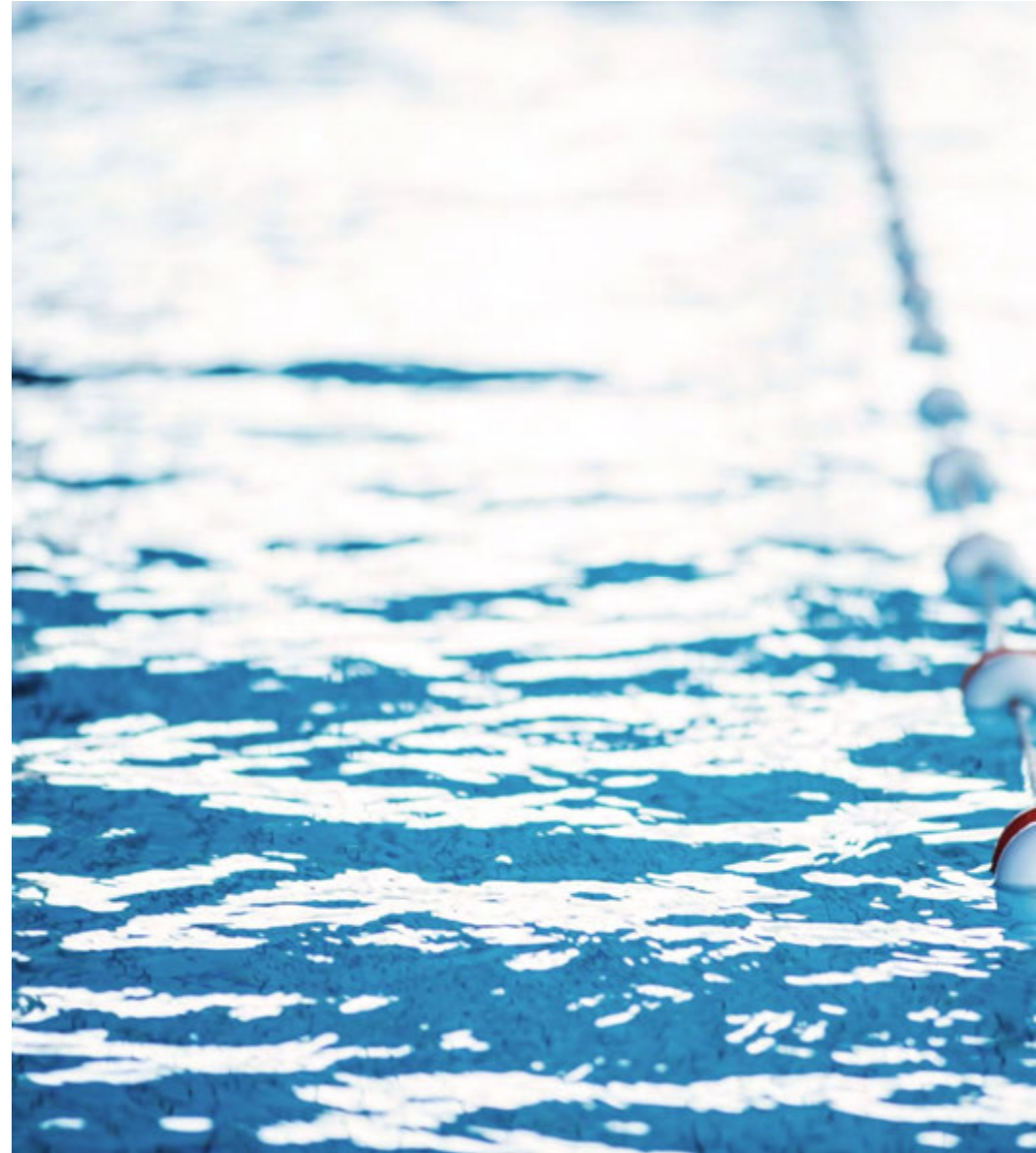
Important Clarification

- In-Kind contributions come from Borough budget allocations
- These funds are subtracted from the total Borough contribution
- The District does not control these funds
- In-Kind dollars do not increase available district spending.
- Savings would likely be invested into maintenance into other facilities such as schools.



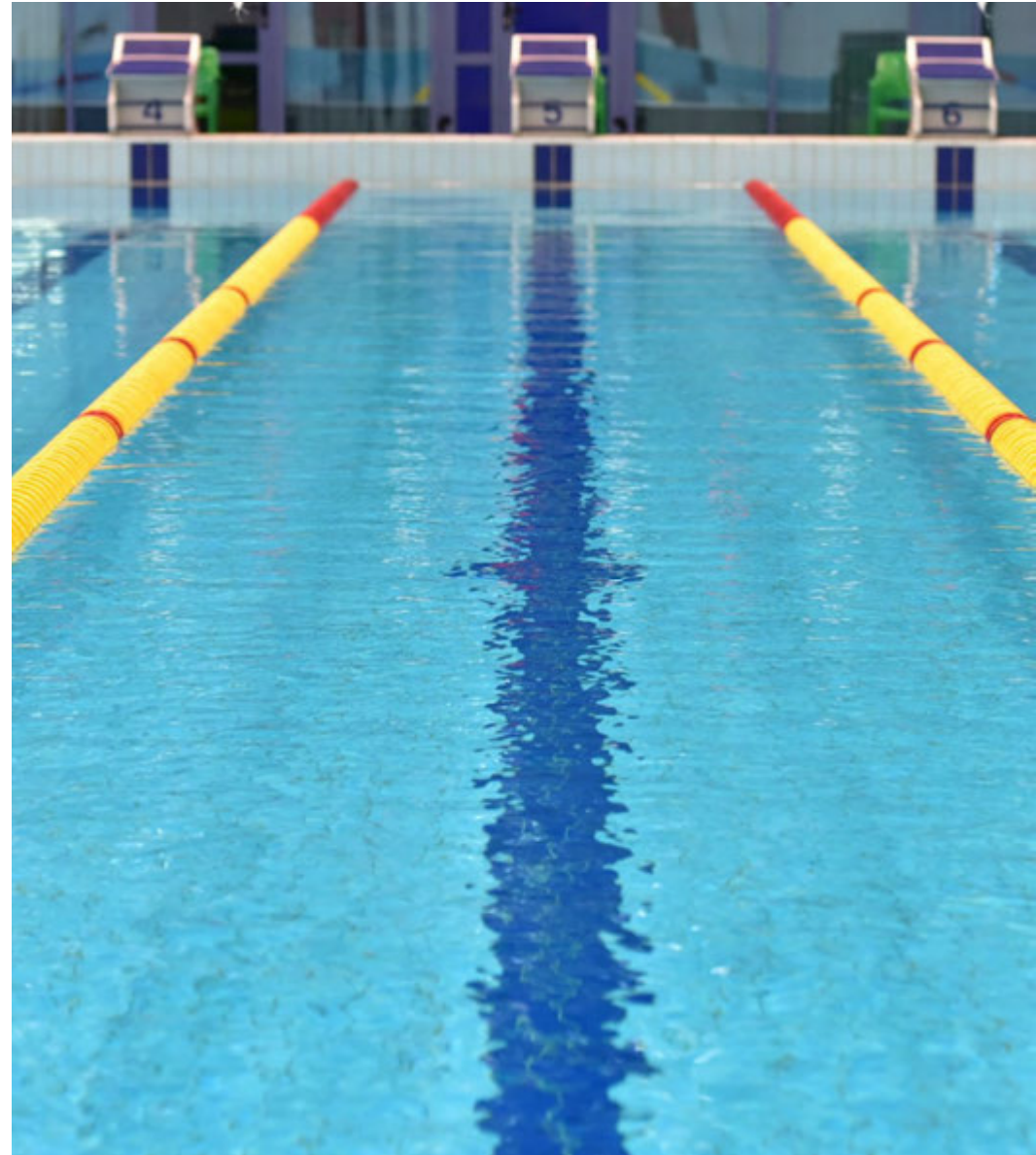
Pool Operation Scenarios

- District closes pools
- Borough funds pool operations to the district outside the funding cap
- Another entity such as a city or swim club assumes full operational responsibility
- Municipalities or another external entity provide funding to fully offset operating costs



Recommendation

- Close the pool effective June 30, 2026 unless one of the following occurs:
 - The Borough funds pool operations outside the funding cap
 - Municipalities or another external entity provide sufficient funding to fully offset operating costs
 - Another entity such as a city or swim club assumes full operational responsibility, with no ongoing KPBSD operational or financial responsibility





Questions

Thank you for your time. Questions and discussion.





MEMORANDUM

TO: Mayor Knackstedt and Council Members
FROM: Shellie Saner, Kenai City Clerk
DATE: April 10, 2026
SUBJECT: **Amendments to the Candidate Filing Period**

With voter approval of Propositions 2026-A and 2026-B, the City of Kenai annual election date has been amended to occur on the first Tuesday following the first Monday in November. In consideration of the election occurring later in the year, the Council may wish to consider adjusting the candidate filing period accordingly.

Currently the City's candidate filing period is August 1 through August 15 of each year. The Kenai Peninsula Borough has recently revised their filing period to August 15 through August 31 and incorporated additional provisions allowing for a one-week withdrawal period following the close of the filing period.

Additionally, another municipality within the Kenai Peninsula Borough has adopted a candidate filing period of September 1 through September 15. The Kenai Peninsula Borough Clerk has confirmed that a filing period ending on September 15 would still provide sufficient time to accommodate ballot programming and printing requirements.

Direction from Council regarding the candidate filing period dates will be included in a future ordinance that will incorporate changes in the code that are necessary to align with the recent charter amendments.



KENAI

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

MEMORANDUM

TO: Mayor Knackstedt and Council Members
THROUGH: Terry Eubank, City Manager
FROM: Tyler Best, Parks and Recreation Director
DATE: April 14th, 2026
SUBJECT: **Workplan 2025 report**

The Parks and Recreation Commission met on April 2nd. and approved its 2025 workplan report to the council.

Parks and Recreation Commission Annual Report

Commissioner Michael Bernard

March 6, 2026

Summary

During the year, the Parks and Recreation Commission worked on developing its annual goals, including planning the spring and fall tours of City parks, trails, and recreation facilities. The Commission also recommended to Administration that the Kenai Recreation Center adopt new hours to provide more consistent year-round access and reduce drastic seasonal schedule shifts. Additionally, the Commission reviewed proposed changes to the Leif Hansen Memorial policy brought forward by the City Clerks and provided feedback on the recommendations.

Purpose

The purpose of the Parks and Recreation Commission is to advise the Council and Administration on issues involving the City's parks and recreational facilities. Kenai Municipal Code 1.95.050

Objective 1: Tour Parks and Trails Twice Annually

Status: Partially Completed

A tour of the Kenai Recreation Center and Multi-Purpose Facility was conducted on June 5, 2025. A second tour of other Parks facilities was not conducted.

Objective 2: Capital Improvement Plan Work Session Twice Annually

Status: Partially Completed

A work session was held in the fall to discuss the Capital Improvement Plan for the Parks and Recreation budget.

Objective 3: Development of Long-Term Goals

Status: Not Completed

A discussion item was added to the agenda for the December 4, 2025 commission meeting; however, the meeting was cancelled due to a lack of quorum.

Objective 4: Development of a Unique Work Plan for FY26

Status: Not Completed

A discussion item was added to the agenda for the December 4, 2025 commission meeting; however, the meeting was cancelled due to a lack of quorum.

**KENAI PLANNING & ZONING COMMISSION – REGULAR MEETING
MARCH 25, 2026 – 7:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
CHAIR KEATON, PRESIDING**

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Kenai Planning & Zoning Commission was held on March 25, 2026, in City Hall Council Chambers, Kenai, AK. Chair Keaton called the meeting to order at approximately 7:00 p.m.

1. Pledge of Allegiance

Chair Keaton led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Sonja Earsley	Alex Douthit, Vice Chair
Jeanne Keaton, Chair	Diane Fikes
Marty Askin	

Absent:

Gwen Woodard	Stacy Krause
--------------	--------------

A quorum was present.

Also in attendance were:

Kevin Buettner, Planning Director
Logan Parks, Deputy City Clerk

3. Agenda and Consent Agenda Approval

MOTION:

Commissioner Askin **MOVED** to approve the agenda and consent agenda. Commissioner Fikes **SECONDED** the motion.

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

Chair Keaton opened the floor for public comment on consent agenda items; there being no one wishing to be heard, the public comment period was closed.

UNANIMOUS CONSENT was requested.

VOTE: There being no objection; **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 Commissioner 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. APPROVAL OF MINUTES

1. *Regular Meeting of March 11, 2026.

C. SCHEDULED PUBLIC COMMENTS - None.

D. UNSCHEDULED PUBLIC COMMENTS - None.

E. CONSIDERATION OF PLATS

- 1. **Resolution PZ2026-07** - Recommending that Preliminary Plat Black Gold Estates 2026 Vacation be Conditionally Approved.

MOTION:

Commissioner Earsley **MOVED** to approve Resolution PZ2026-07. Commissioner Fikes **SECONDED** the motion.

[Clerk’s Note: Commissioner Douthit declared a conflict with Resolution PZ2026-07 as he was the applicant. Chair Keaton ruled a conflict did exist and Commissioner Douthit stepped away from the dais and abstained from voting on the Resolution.]

Director Buettner read the staff report as provided in the packet.

Chair Keaton asked if there were any remote attendees wishing to speak. Chair Keaton asked if any Commissioners had any questions for the applicant.

Chair Keaton called for the vote.

[Clerk’s Note: Although a vote was taken it was immediately followed by a Point of Order as the public hearing in chambers was never opened. The vote was out of order; therefore, stricken from the record.]

Clarification was provided regarding the changes that were made since the previous application; and instructions were provided that when voting, Commissioners need to include their findings for the record.

Chair Keaton opened the public hearing.

Alex Douthit, applicant addressed the Commission noting that the original denial was based on unresolved right-of-way ownership; a perceived conflict of interest, which was no longer applicable; the City no longer required the right-of-way; staff supported the vacation; and additional costs would be borne by the landowner. He further clarified that the vacation would allow drainage issues to be addressed.

There was discussion regarding the historical purpose and ownership of the land.

There being no one else wishing to be heard, the public comment period was closed.

VOTE:

- YEA: Keaton, Earsley, Fikes
- NAY: Askin
- ABSENT: Krause, Woodard
- ABSTENTION: Douthit

MOTION PASSED.

F. PUBLIC HEARINGS - None.

G. UNFINISHED BUSINESS - None.

H. NEW BUSINESS - None.

I. REPORTS

- 1. Planning Director

Planning Director Buettner reported on the following:

- FAA Section 106 findings related to fence replacement at the Airport were included under Informational Items for awareness.
- Upcoming schedule changes: no meeting on April 8, and the next meeting is April 29, 2026 due to Council meeting shift.

- Spring workload is increasing, with anticipation of starting seasonal activities soon.

2. Commission Chair - No report.
3. Kenai Peninsula Borough Planning

Commissioner Fikes reported on recent actions of the Kenai Peninsula Borough Planning Commission.

J. ADDITIONAL PUBLIC COMMENTS - None.

K. NEXT MEETING ATTENDANCE NOTIFICATION

1. Next Meeting: April 29, 2026

L. COMMISSION COMMENTS AND QUESTIONS

MOTION:

Commissioner Douthit **MOVED** to excuse Commissioner Woodard's absence. Commissioner Askin **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

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

There was appreciation for the Spring weather; Commissioners reminded to state their findings when voting on items brought to the Commission.

M. PENDING ITEMS - None.

N. ADJOURNMENT

O. INFORMATIONAL ITEMS

1. FAA Section 106 Findings

There being no further business before the Planning & Zoning Commission, the meeting was adjourned at 7:27 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of March 25, 2026.

Logan Parks, Deputy City Clerk

PROCLAMATION

In Recognition of the

Kenai Peninsula Hockey Association (KPHA) Ice Hawks 12U Girls Hockey Team

WHEREAS, the Kenai Peninsula Hockey Association's (KPHA) Ice Hawks 12U Girls hockey team achieved a historic milestone by winning the 2026 Alaska State Hockey Tournament against a competitive co-ed field; and

WHEREAS, this remarkable accomplishment marks the first time in Alaska history that an all-girls hockey team has captured a co-ed state championship, demonstrating exceptional skill, determination, and resilience; and

WHEREAS, the Ice Hawks secured their championship with a 3–2 victory over a previously undefeated opponent, showcasing perseverance, teamwork, and composure under pressure throughout a demanding tournament schedule; and

WHEREAS, the team's success reflects the dedication and leadership of their coaches - Chris Chambos, Rainy Kisena, Branda Madrid, and Lenaya Braniff - whose guidance, mentorship, and commitment fostered both athletic excellence and personal growth; and

WHEREAS, the following athletes represented the Kenai community with distinction, sportsmanship, and unity, forming lasting bonds and serving as inspiring role models for future generations of girls in athletics:

Alexia Lee, Annabeth Dura, Chloe Chambos, Elliot Rininger, Ember Kisena, Harper Madrid, Hayden Seifert, Irie Iverson, Bella Puentes, Jenessa Holloway, Kailea Beddow, Luna Felt, Maggie Schaefer, Ria Martin, Sadie McCanna, and Sophie Glick; and

WHEREAS, this historic achievement advances opportunities for girls' hockey in Alaska and inspires young athletes throughout the State to pursue their goals with confidence and determination; and

WHEREAS, the accomplishments of the Ice Hawks 12U Girls team highlight the strength, pride, and supportive spirit of the Kenai community, including the families, volunteers, and fans who contributed to the team's success;

NOW, THEREFORE, I, Henry Knackstedt, Mayor of the City of Kenai, Alaska, do hereby recognize and commend the KPHA Ice Hawks 12U Girls team for their historic state championship and their outstanding representation of our community.

DATED: This 22nd day of April, 2026.

Henry H. Knackstedt Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



2026 STATE OF THE CITY



CITY OF KENAI

Mayor Henry Knackstedt
City Manager Terry Eubank

ESSENTIAL SERVICES SAFETY



Kenai Police Department
Kenai Fire Department
Public Works

QUALITY OF LIFE COMMUNITY



Kenai Municipal Airport
Parks & Recreation
Kenai Community Library
Kenai Senior Center

FUTURE PLANNING GROWTH



Planning & Lands
Finance
City Administration & Support
(City Manager, City Clerk, Legal)



68,120
VISITORS



677
PROGRAMS



109,943
CHECKOUTS

A LIBRARY CARD OPENS THE DOOR TO ENDLESS RESOURCES



39,539

KENAI RECREATION
CENTER VISITS



807

HOURS OF ICE
RESERVATIONS



PARKS & REC
MASTER PLAN

360+ ACRES OF PARKS AND OPEN SPACES!



35,172
HOME DELIVERED &
CONGREGATE MEALS



TRANSPORTATION
SERVICES EXPANDED



5,465
VOLUNTEER HOURS



SAFEGUARDING LIVES



1,481
CALLS FOR SERVICE



191
COMMERCIAL
INSPECTIONS

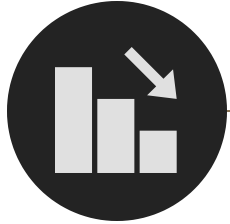


3 NEW FIREFIGHTER
POSITIONS





6,534
CALLS FOR SERVICE



19%
REDUCTION IN
REPORTED CRASHES



DRONES
SUPPORTING
SEARCH & RESCUE





77,417
ENPLANEMENTS
(passengers boarding flights)



**RUNWAY
REHABILITATION
PROJECT**



**AIRPORT MASTER
PLAN**

GATEWAY TO THE KENAI PENINSULA AND COOK INLET





LAND REVIEW AND
SUBDIVISION
STANDARDS



STOREFRONT
IMPROVEMENT
PROGRAM



LAND LEASE
DEVELOPMENT

FLEXIBILITY ENCOURAGES ENTREPRENEURSHIP





675,317 GALLONS OF POTABLE WATER PRODUCED AND **527,000** GALLONS OF WASTEWATER TREATED DAILY



95 BUILDING PERMITS ISSUED AND **382** FACILITY WORK ORDERS COMPLETED



307 VEHICLES AND PIECES OF EQUIPMENT MAINTAINED BY CITY SHOP



135 LANE MILES OF ROADS AND PARKING LOTS MAINTAINED





INVESTING IN KENAI'S INFRASTRUCTURE

27 active projects | 8 completed projects
\$1M+ invested annually

ACTIVE PROJECTS

PARKS & FACILITIES

Park shelters, pavilion, cemetery, senior center upgrades

CITY BUILDINGS

City Hall systems, Vintage Pointe upgrades, Animal Control roof

AIRPORT

Runway rehabilitation, apron maintenance, master plan, fencing

UTILITIES & ROADS

Water plant, lift stations, sewer, repaving, stormwater, lighting

COMPLETED PROJECTS

- Softball dugouts
- Bluff stabilization
- Emergency services assessment
- Boiler replacement
- Street lighting assessment
- Road standards update
- Vintage Pointe upgrades
- Sewer insulation



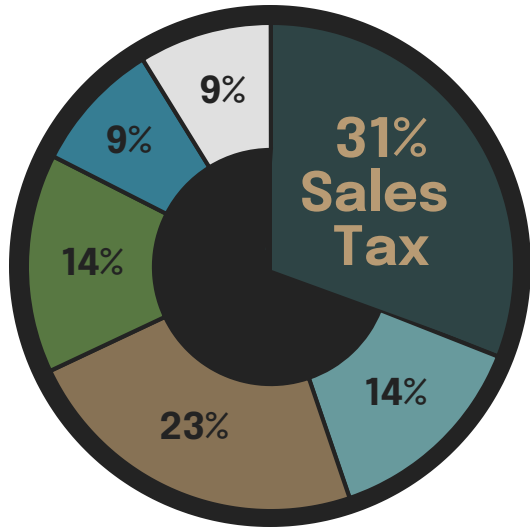
AVAILABLE ON THE CITY WEBSITE WWW.KENAI.CITY





KENAI REVENUES

Sales tax is the City's largest revenue source





	FY2023	FY2024	FY2025
Sales Tax	\$9,818,482	\$9,975,032	\$10,497,334
Property Tax	\$4,316,204	\$4,440,189	\$4,540,042
Charges for Service	\$7,552,552	\$7,470,194	\$8,430,520
Interest	\$2,723,737	\$4,663,935	\$5,161,064
Intergovernmental	\$5,000,041	\$2,801,726	\$3,002,999
Misc	\$3,261,582	\$2,834,620	\$3,399,863
Total Revenues	\$32,672,598	\$32,185,696	\$35,031,822



KENAI MILL RATE

The City's mill rate has been the same for ten years

**Property tax example:
\$350,000 home**

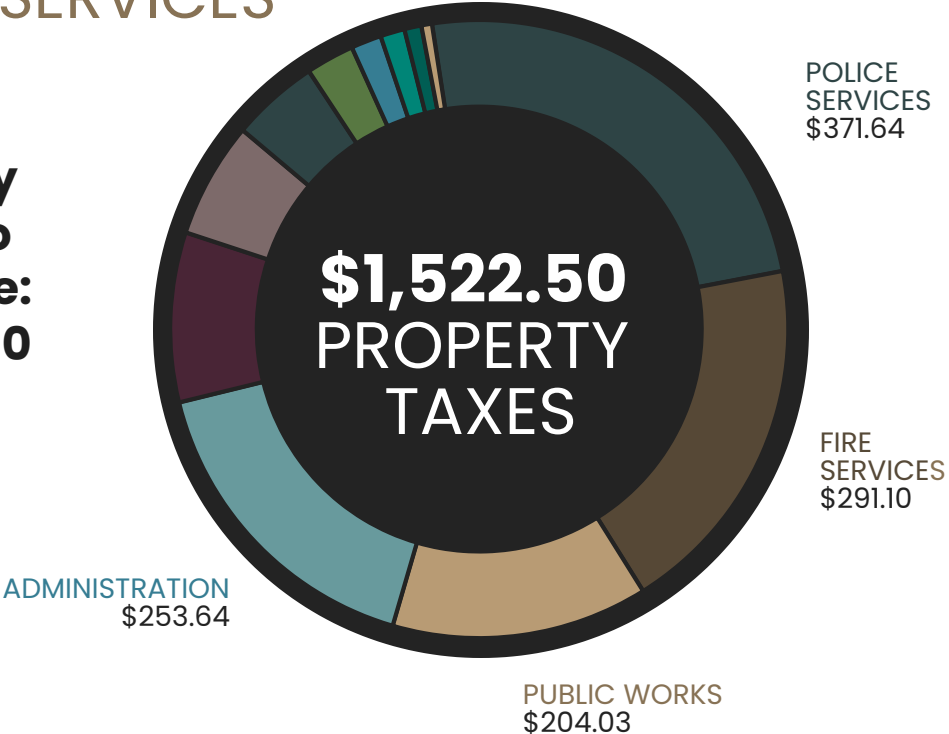
	Taxing Entity	Mill Rate	Tax
	Kenai Peninsula Borough <small>*After \$50,000 primary residence exemption FY27 Exemption is \$75,000</small>	4.30 mills	\$1,290.00
	City of Kenai	4.35 mills	\$1,522.50
	Central Peninsula Hospital	.01 mills	\$3.50
	FY26 Total	8.66	\$2,816.00





KENAI SERVICES

Where
your
property
taxes go
example:
\$350,000
home



Police	\$371.64
Fire	\$291.10
Public Works	\$204.03
Administration	\$253.64
Capital Projects	\$135.05
Parks & Rec	\$92.41
Library	\$69.88
Clerk & Council	\$38.67
Lands & Planning	\$24.36
Senior Services	\$19.34
Visitor Center	\$13.55
Debt Service	\$8.83

Administration includes City Manager, Finance, Legal, and Human Resources. Police includes Animal Control, and Dispatch.



BLUFF STABILIZATION PROJECT COMPLETE

From decades of erosion to long-term protection for Kenai's shoreline



MAY

MOBILIZATION

Contractor barges enter the river to begin rock placement.



SEP

PROGRESS

Construction continues upriver at the new location; barge updates reduced.



OCT

COMPLETION

Project Completion Celebration held with City and USACE partnership.



JAN

ANALYSIS

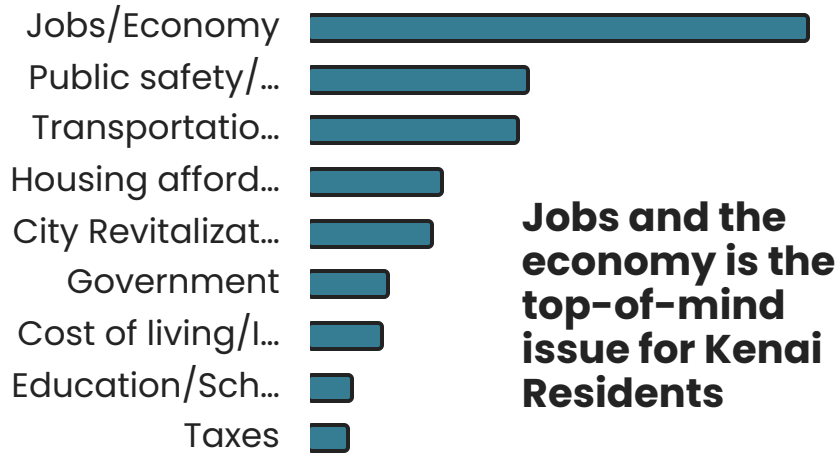
Post Construction Top of Bluff Retreat Analysis.





KENAI COMMUNITY SURVEY RESULTS

Statistically valid survey conducted Oct–Nov 2025



Jobs and the economy is the top-of-mind issue for Kenai Residents

What We Heard

Strong Foundation

- **67%** rate quality of life as good
- **80%** are satisfied with City services

Top Priorities

- **56%** say infrastructure is a top focus
- **54%** prioritize economic development

Biggest Gap

- Support for local business and job growth

Housing Challenge

- **74%** see a housing issue
- **62%** say single-family homes are most needed





MEMORANDUM OF UNDERSTANDING

- Kenaitze Indian Tribe
- Salamatof Tribe



KENAI BRONZE BEAR FAMILY SCULPTURE



HOUSING DEVELOPMENT

- CDBG Grant Collaboration
- Economic and Housing Development Initiatives





PLAN

Charting a clear path for Kenai's future through thoughtful goals, actionable strategies, and measurable outcomes

GROWTH

Fostering a thriving local economy by supporting businesses, creating jobs, and encouraging sustainable development

RESIDENTS

Strengthening connections with residents and community partners to enhance quality of life and shared success



QUESTIONS?



MEMORANDUM

TO: Mayor Henry Knackstedt and Kenai City Council
THROUGH: Terry Eubank, City Manager
FROM: Mary Bondurant, Interim Airport Manager
DATE: April 9, 2026
SUBJECT: **Airport Mid-month Report March 2026**

FY2025 Airport Capital Improvement Projects

- Runway Rehabilitation Project
Construction to start Spring of 2026. Safety Risk Management (SRM) meeting scheduled for April 15, 2026. Runway closure slated for May 15, 2026. Meetings are being held weekly with the Airport, engineers, and contractor.
- Apron crack sealing, marking, and sealcoat
Construction to start June 2026, Meetings are being held weekly with the Airport, engineers, and the contractor.
- Acquire SRE (Loader & Plow Truck with Sander)
Update: the CAT 980 loader has been delivered with all of the attachments and the plow truck and sander now has a delivery date of April 2026.
- Airport Master Plan – Phase 1
Phase 1 is almost complete. Working on comments from the Public Meeting to draft 1 alternative for review this fall.
- ARFF Building Rehabilitation – Boiler Replacement
This project is complete and the closeout packet is being prepared.

In-house Activities

- The Airport has published a virtual tour on the airport website: <https://www.kenai.city/airport/page/airport-virtual-tour>. Please check it out and give us your comments. Future plans are to provide virtual tours of the Alaska Regional Fire Training Facility and the Airfield after the runway rehabilitation project.

- Safety Risk Management meeting for the Runway Rehabilitation Project is scheduled for April 15, 2026.
- A Runway Safety Action Plan meeting has been scheduled for April 21, 2026 in City Council chambers at 10:30 a.m. This meeting is being handled by Carey Adcock, Air Traffic Control Tower Manager. More information will become available.
- FAA Part 139 inspection is scheduled for April 21-23, 2026. A Certification Inspector will be reviewing the Airport Certification Manual, records, personnel, paved areas, safety areas, markings, signs, and lighting and all aspects of the Airport's Firefighting Operations.





KENAI

City of Kenai - Animal Control | 510 N. Willow St, Kenai, AK 99611 | 907.283.7353 | www.kenai.city

MEMORANDUM

TO: Mayor Henry Knackstedt and Kenai City Council
THROUGH: Terry Eubank, City Manager
THROUGH: Dave Ross, Police Chief
FROM: Ian Braman, Animal Control Chief
DATE: April 1st, 2026
SUBJECT: March 2026 Monthly Report

This month the Kenai Animal Shelter took in 21 animals.

DOGS:				
INTAKE	12	DISPOSITION	11	
Waiver	6	Adopted	3	
Stray	6	Euthanized	2	
Impound	0	Claimed	6	
Protective Custody	0	Field Release	0	
Quarantine	0	Transferred	0	
CATS:				
INTAKE	9	DISPOSITION	7	
Waiver	7	Adopted	7	
Stray	0	Euthanized	0	
Impound	0	Claimed	0	
Protective Custody	0	Field Release	0	
Quarantine	0	Transferred	0	
Transferred in	2			

OTHER ANIMALS:				
	INTAKE	0	DISPOSITION	0
	Rabbit	0	Rabbit	0
DOA:			OTHER STATISTICS:	
	Dog	0	Licenses (City of Kenai Dog Licenses)	26
	Cat	0	Rabies Clinic	0
	Rabbit	0		
	Bird	0		

3 Animals dropped with After Hours (days we are closed but cleaning and with KPD)

- 15** Field Investigations & patrols
- 4** Pet Food Bank Request
- 0** Volunteer Hours Logged
- 1** Citations
- 0** Educational Outreach
- 10** Microchips

Total Animal Contacts:

- 5** Animals are *known* borough animals
- 12** Animals are *known* City of Kenai
- 4** Animals are *known* City of Soldotna
- 0** Animals are *unknown* location

Statistical Data:

- 98** 2024 YTD Intakes
- 89** 2025 YTD Intakes
- 69** 2026 YTD Intakes





MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Dave Swarner, Finance Director

DATE: April 11, 2026

SUBJECT: **Finance Department Mid-Month Report – March 2026**

The FY27 Budget is now the major focus for the department, the City Manager has met with all the department heads to review their budgets. The Council is scheduled to receive the first draft of the FY2027 budget on April 17th, with the budget work session scheduled for May 2nd.

The RFP process for our external auditor evaluation was completed. We received two applications for this, one from BDO USA, P.C. and the other from Altman, Rogers & Co. The External Auditor Evaluation Committee selected BDO USA, P.C.



KENAI

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

MEMORANDUM

TO: Mayor Knackstedt and Kenai City Council

THROUGH: Terry Eubank, City Manager

FROM: Jay Teague, Fire Chief

DATE: April 09, 2026

SUBJECT: Fire Department Mid-Month Report – March Data.

For February, we experienced a call volume decrease from the previous year.

March	2025	2026	% change
Month totals	131	120	-8%
EMS	98	90	-8%
All Other	33	30	-9%

Training:

- 320 total hours of training for month.
- EMS Renewals accomplished with National Registry and State of Alaska Office of EMS for paramedics and AEMTS
- American Heart Assoc. BLS renewals completed for personnel
- State of Alaska Division of Forestry Annual Refreshers (RT-130)
- US DOT TIMS (Traffic Incident Management) classes completed
- US Coast Guard Auxiliary Boat Operations training with all shifts
- Airfield Annual Driver’s Training and Tested in progress
- Airport Wildlife Hazing Training for shift personnel conducted
- Annual helicopter Landing Zone/Operational Safety training with LifeMed and Guardian has been scheduled
- 3 firefighters have slots for April and May to complete ARFF Initial Certification Training

Projects/Grants/MISC:

- Fire Marshal completed 12 commercial property fire inspections.
- Department in preparation/internal audit for FAA Inspection
- New firefighter (Seth Hagen) hired. Start date of April 20th.
- Chief Teague participated in next round of Airport Manager Interviews
- Planning meeting hosted for 2026 Firefighter Conference on March 17th



MEMORANDUM

TO: Mayor Henry Knackstedt and Kenai City Council
THROUGH: Terry Eubank, City Manager
FROM: Stephanie Randall, Human Resources Director
DATE: April 3, 2026
SUBJECT: **Human Resources Activity – March 2026**

Recruitment

The Fire Department has hired a new firefighter, who is scheduled to start in April. The Police Department began recruiting for a police officer, a part-time administrative assistant I position, and five Temporary Enforcement Officers. The Parks Department began actively recruiting for summer hires for Temporary Maintenance worker positions. Public Works recruited for a Lead Equipment Operator to work in streets and a part time janitor for City Hall. Two new Utility Operators were onboarded and began work at the City.

Safety

Four accident reports were completed in March, one was submitted to workers compensation for a minor injury.

Employee Recognition and Awards




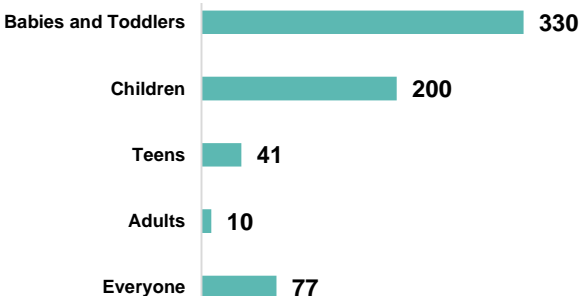

The following Employees received certificates of appreciation at the employee appreciation in recognition of their years of employment with the City: 5 years: Kevin Grimes, Austin Asp, Stephanie Seierup, Chad Larsen; 10 years: Kurt Brauer; 15 years: Scott Summers; 20 years: Curt Wagoner, Abe Porter and Janina Efta.

Special Projects

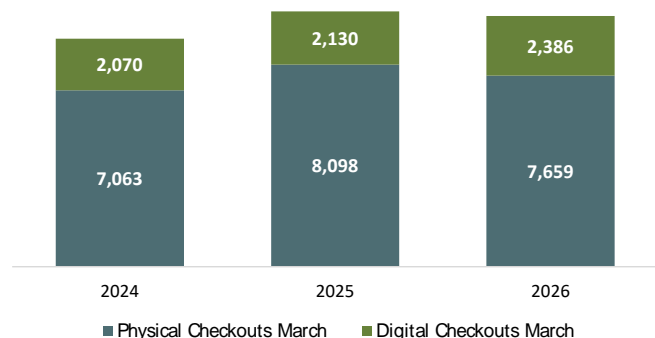
Human Resources participated with a group of City employees in planning the Employee Appreciation party and attended the Leadership training with other Department Heads. Human Resources continues work on policies and procedures.

MEMORANDUM

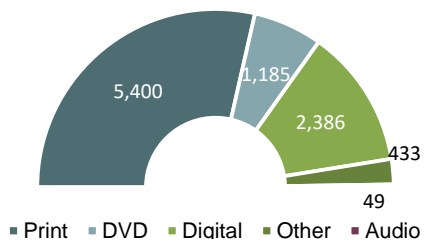
TO: Mayor Knackstedt and Council Members
THROUGH: Terry Eubank, City Manager
FROM: Katja Wolfe, Library Director
DATE: April 7, 2026
SUBJECT: Library Report for March 2026

SERVICES	PROGRAMS AND EVENTS										
 <p>5890 Visitors 64 New Members</p>	 <p>650 Attendees 73 Programs</p>										
 <p>571 Computer Sessions 5639 WiFi Sessions</p>	<p>Program Attendance</p>  <table border="1"> <tr><td>Babies and Toddlers</td><td>330</td></tr> <tr><td>Children</td><td>200</td></tr> <tr><td>Teens</td><td>41</td></tr> <tr><td>Adults</td><td>10</td></tr> <tr><td>Everyone</td><td>77</td></tr> </table>	Babies and Toddlers	330	Children	200	Teens	41	Adults	10	Everyone	77
Babies and Toddlers	330										
Children	200										
Teens	41										
Adults	10										
Everyone	77										
 <p>205 Room Reservations 394 Hours of Use</p>											

CIRCULATION



Year	Physical Checkouts March	Digital Checkouts March
2024	7,063	2,070
2025	8,098	2,130
2026	7,659	2,386



Format	Count
Print	5,400
DVD	1,185
Digital	2,386
Other	433
Audio	49

*Does not include in-house use.



KENAI

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MEMORANDUM

TO: Mayor Knackstedt and Kenai City Council
THROUGH: Terry Eubank, City Manager
FROM: Tyler Best, Parks and Recreation Director
DATE: April 14th, 2026
SUBJECT: **Mid-Month Report – March**

Parks coordinated with the Streets Department to clear one field at the Steve Shearer Memorial Ball Park and one field at the Kenai Little League field for high school sports. This will help teams prepare for their upcoming season in April.

March marked the end of the ice season at the Multi-Purpose Facility (MPF). KPHA hosted several state tournaments to close out the season, and on one of the last days of ice, Parks and Recreation held a free community skate. (See attached photos.)

Ski trails were groomed throughout March. Typically, trail conditions deteriorate by the end of the month, but thanks to a cold spring break, crews were able to groom the trails daily and keep them in excellent shape.

At the Kenai Recreation Center, afternoon pickleball has been very popular, keeping the facility busy while the City League continues to play three nights a week.

Kenai Recreation Center Visits – Month of April

Weight Room/Cardio Room	871
Racquetball /Wallyball Court	213
Shower/Sauna	180
Gymnasium	891
Gym rental participants	807
Total Number of Sign-ins	2,956
Door Counter Log	5,364



KENAI

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MEMORANDUM

TO: Mayor Knackstedt and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Tyler Best, Parks and Recreation Director

DATE: April 14th, 2026

SUBJECT: **Kenai River Special Management Area (KRSMA) Advisory Board Meetings Recap**

Tyler Best is the City of Kenai representative for the KSRMA Advisory Board. The City of Kenai is a voting member of this advisory board. The Kenai River Special Management Area Advisory Board was originally created in 1985 under the authority of A.S. 41.21.510. The original Board was charged with developing a comprehensive management plan for the Kenai River. The original Comprehensive Plan was completed, and the Board disbanded in 1986. In 1988, a new board was appointed to advise the Department of Natural Resources on the implementation of the Plan. In 1997, the Board worked to update the Kenai River Comprehensive Management Plan, and it was adopted in December 1997. In May 2004, the Alaska Legislature passed a bill that changed the composition of the board from what the original 1984 KRSMA statute had directed.

Attached is a recap of the KRSMA meeting held on March 12 at 5:30 pm and April 9th at 5:30 pm. The next meeting will be on May 14th at 5:30 pm at the Kenai Wildlife Refuge. The February meeting was canceled due to a lack of agenda items.

Kenai River Special Management Area Advisory Board Meeting Recap (3/12)

I attended the Kenai River Special Management Area Advisory Board meeting on March 12th at 5:30 p.m. The Board consists of 17 members: nine public members, three agency voting members, and five agency non-voting members.

Public Comment

- No public comment.

Alaska State Parks Report- Hams Rinke

- Seeking applications for board seats; deadline is the end of the month.
- Design and Construction working on 90% design for Eagle Rock and Big Eddy projects, with hopes to go out to bid soon.
- State Parks participated in the Guide Academy, hosted at KPC.
- Kenai Keys well casing removal is underway and progressing.
- The State is currently under a hiring freeze.

DEC Report — Mary Inovejas

- Making progress on Administrative Order 360.

ADF&G Report — Phil Stacey

- Participated in the Guide Academy.
- Hiring freeze does not apply to seasonal positions.

U.S. Fish and Wildlife Service — Steve Miller

- Setting an interagency meeting at the end of April.
- Campground should be open for Memorial Day.
- There will be an update on the Elodea project at the next meeting.
- Ongoing fuel treatment near Tern Lake.
- Able to hire for seasonal positions.

U.S. Forest Service — Alex McLain

- Hiring for seasonal positions; positions are currently posted.
- Campground expected to open for Memorial Day.

City of Kenai — Tyler Best

- Hiring for seasonal positions; positions are currently posted.
- Currently working on finishing the Parks and Recreation Master Plan.



City of Soldotna — Joel Todd

- Hiring with some success.

Kenai Peninsula Borough

- No report.

Committee Reports

Guide Advisory Committee

- Discussed red and white vs. green and white signage on the river
- Committee position is that the proper tool is not signage but rather working with landowners and pursuing habitat closures; willing to consider formalizing a habitat closure.
- Committee charters are being formalized.
- Guide Academy update: one person did not pass, but there were 61 graduates overall. Described as a very strong program.

Habitat/River Use Committee

- Discussed drafting committee charters for both committees.
- Middle River toilet situation: four sites were identified as priorities and will be reviewed.

Board Discussion

- No discussion.

Kenai River Special Management Area Advisory Board Meeting Recap (4/9)

I attended the Kenai River Special Management Area Advisory Board meeting on April 9th at 5:30 p.m. The Board consists of 17 members: nine public members, three agency voting members, and five agency non-voting members.

Public Comment

- Joe Hanes, a guide on the river, spoke in regard to the Guide Advisory Committee's earlier discussion about a motion to change signage on the river. He served on the original committee that installed the signs, describing it as a significant undertaking with funding pulled from multiple sources, and advised against removing them.



Alaska State Parks Report — Hans Rinke

- Presentation on the status of the Elodea project at Crescent Lake. The project will continue this year and is currently seeking funding for a third year.
- State received waivers to hire seasonal staff; ten hosts on the Kenai River.
- Ongoing work on the Kenai Flats project, expected to be completed by the end of May.
- Well casing removal from Kenai Keys update: all permits obtained; work should begin soon.

DEC Report

- No report.

ADF&G Report

- No report.

U.S. Fish and Wildlife Service — Steve Miller

- Hiring for summer.

U.S. Forest Service — Alex McLain

- Actively hiring; some staff secured, with students coming to assist.

City of Kenai — Tyler Best

- PU fishery jobs will be open next week; I will be attending the job fair at the Old Cars Mall.

City of Soldotna — Joel Todd

- City Council work session held regarding pools.

Kenai Peninsula Borough

- No report.

Committee Reports

Guide Advisory Committee

- Met and discussed one primary item: changing the red and white signs set by Fish and Game to green and white DNR signs.



- Concern raised that enforcement may decrease, as troopers may not prioritize park regulations over federal regulations.
- Discussion indicated this may not be the solution but rather a band-aid, as general access needs to be improved to the river to protect the habitat.
- Motion to recommend the director close areas marked by red and white signs and replace them with DNR green and white signs — motion failed.

Habitat/River Use Committee

- Met and discussed the Trout Lake Trailhead project and improvement to the trailhead. USFS is seeking to use funding to expand the trailhead; the current trailhead is on Borough land, which may mean USFS would lose the funding and have to move the trailhead.
- Motion for the board to write a letter to the Borough to work with USFS on developing the current land or establishing a new trailhead.





KENAI





MEMORANDUM

TO: Mayor Knackstedt and Kenai City Council
THROUGH: Terry Eubank, City Manager
THROUGH: Kevin Buettner, Planning Director
FROM: Jessica See, Planning Technician
DATE: April 6, 2026
SUBJECT: **Planning and Zoning – March 2026 Monthly Report**

General Information

Spring has sprung in Kenai! With the warmer weather and melting snow we are preparing for an increase in Code Enforcement violations as well as some follow-ups on a few open cases that were not completed before the snow fall froze things in place. We have reached 100% compliance for CUP annual reports and are now following up on fire inspection requirements. Lands is shifting its focus this quarter to executing new leases for Shore Fishery Tideland Tracts and continues steadily working on the mapping and zoning cleanup.

Department Summary

Lands & Leases:

- Continued cleaning up Zoning map
- Shore fishery lease reminders sent to lessees
- Opened bids and prepared purchasing agreements for City Owned land auctioned for use as gravel pits
- Continued reviewing and itemizing of leases
- Finalizing completion, and processing of, new City land lease applications
- Mapping of City Lands released by FAA for purposes other than aeronautical
- Discussed zoning regulations, plats, easements and leases with various departments, lessees, surveyors and members of the public

Planning & Zoning:

- Reviewed/updated Parks & Airport Master Plan
- Meetings to discuss residential and commercial development in Kenai
- Reviewed Airport Master Plan potential alternatives
- Cleanup and review of files for Natural Resources Conditional Use Permits

Planning and Zoning Commission

Two (2) public meetings were held in the month of March with the following actions/recommendations:

- 2 Landscaping & Site Plans were approved
- Resolution PZ2026-05 Granting a Conditional Use Permit to operate a retail marijuana store was dismissed, due to an applicant no show on 3/25/2026.





MEMORANDUM

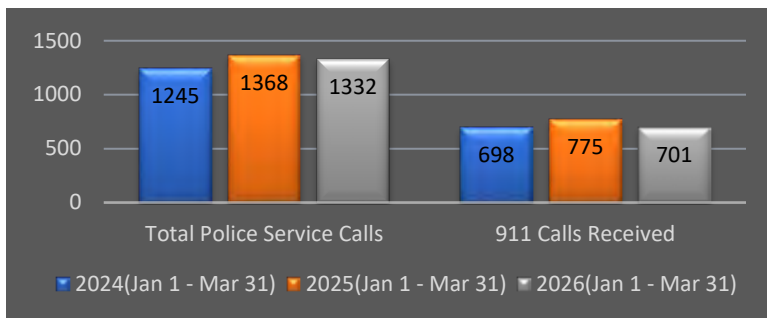
TO: Mayor Henry Knackstedt and Kenai City Council
THROUGH: Terry Eubank, City Manager
FROM: David Ross, Police Chief
DATE: April 6, 2026
SUBJECT: **Police & Communications Department Activity – March 2026**

Police handled 413 calls for service in March and 225 calls were received by dispatch via 911. Officers made 23 arrests. Traffic enforcement resulted in 228 traffic contacts with 77 traffic citations issued and there were 6 DUI arrests. There were 16 reported motor vehicle collisions. There were 3 collisions involving a moose or caribou, and no collisions involving drugs or alcohol.

One officer attended a two-week firearms instructor class in Sitka. One officer attended a one-week conference for Law Enforcement trainers, in Missouri.

A dispatcher was selected in a recruitment process to fill the vacant position, however, a second dispatch position became vacant due to a resignation. The department is working on filling that position through the same recruitment process. One officer submitted his resignation and a recruitment process is underway to fill that vacancy. The part-time administrative assistant submitted her resignation and a recruitment is underway to fill that position as well.

The School Resource Officer (SRO) taught DARE classes at Mountain View Elementary and Kaleidoscope Elementary, participated in an intruder drill at KCHS, and responded to a number of police related calls in the schools.





KENAI

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MEMORANDUM

TO: Mayor Knackstedt and Kenai City Council
THROUGH: Terry Eubank, City Manager
FROM: Lee Frey, Public Works Director
DATE: April 14, 2026
SUBJECT: **Public Works Mid-month Report April 2026**

Capital Projects currently in process:

- Parks & Recreation Master Plan – Project ongoing
- Emergency Services Facility Assessment – Assessment complete. Project on hold.
- KMA Apron Sealcoating and Crack Sealing – Preconstruction meetings ongoing with project to start in May.
- Kenai Municipal Airport Runway Rehabilitation Project - Preconstruction meetings ongoing with project to start in May.
- Kenai Municipal Airport Operations Building HVAC Controls Upgrade & Boiler Replacement Project – Project being closed out
- Kenai Municipal Airport Master Plan Update – Phase 2 ongoing
- USACE Kenai Bluff Bank Stabilization Project – Construction completed. Closeout ongoing
- Wastewater Plant Digester Blowers Replacements – Reviewing submittals. Construction to start in spring.
- Water Treatment Plant Pumphouse – Project awarded. Setting up contracts.
- Harbor Float Replacement – Construction ongoing. Floats for one ramp will be completed. For this summer replacing oldest floats.
- Aliak Storm Drain Repairs – Releasing for bid for completion this summer.
- Community Wildfire Protection – Phase 3 work ongoing
- Street Condition Assessment – Project completed.
- Street Light Assessment – Final report being developed.
- Architectural Services – Design services ongoing
- Fire Monitoring Services – Reviewing bids.

Capital Projects in planning to be released:

- Sewer Lift Station Upgrades
- Citywide Crack Sealing
- Cemetery Improvements Design
- Flight Services RTU Replacement

- Municipal Park Pavilion Replacement

Other Projects/Services in development for ITB/RFP:

- Banking Services

Our new Building Official continues working on revising documents and processes for future software use and streamlining our internal and public process. We have issued ten residential and three commercial permits in calendar year 2026. Buildings continues to work on regular maintenance at our facilities.

The Streets crew has been managing breakup around town for the last several weeks. They are preparing the asphalt patching machine and organizing to start sweeping soon. The Shop continues working on outfitting new police vehicles and repairing issues as they arise. They are transitioning vehicles to summer and prepping summer equipment for use soon.

The Utility Department has been assisting Streets with some thawing of storm drains and inlets and are taking various calls for frozen service lines throughout the City. We are hoping to start flushing hydrants on April 20th if weather allows.



MEMORANDUM

TO: Mayor Henry Knackstedt and Kenai City Council
THROUGH: Terry Eubank, City Manager
THROUGH: Kathy Romain, Senior Center Director
FROM: Astrea Piersee, Administrative Assistant III
DATE: April 5, 2026
SUBJECT: **March 2026 Monthly Report**

Number of individuals served in February:

Home Delivered Meals	1857
Individuals	109
Dining Room (Congregate) Meals	561
Individuals	146
Transportation (1-way rides)	361
Individuals	23
Grocery Shopping Assistance	19/71
Writers Group	33
Caregiver Support Group	9
Widows/Widowers Grief Support Group	22
Growing Stronger Exercise	192
Tai Chi Class	53
TOPS Weight Loss Class	63
Bluegrass & Music Sessions	69
Card Games	127
Wii Bowling	7
Arts & Crafts	42
Volunteers Hours	754
Individuals	41
Total Event Sign-ins *	1692
Individuals *	189
Vintage Pointe Manor Vacancies	2

*(not including home meals clients)

March was a flurry of last-minute preparations for the year-long planning of the March for Meals 2026 fundraiser. Overall, it was a successful night, overshadowing the regular monthly activities, which included a no-host dinner at Siam Noodles, the annual St. Patrick’s Day celebration featuring a performance written and presented by the Writers Group, and, of course, Waffle Friday.

