



Kenai Airport Commission
Regular Meeting
February 12, 2026 - 6:00 PM
Kenai City Hall - Council Chambers
210 Fidalgo Ave., Kenai, AK 99611
Telephonic/Virtual Information on Page 2

Agenda

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Agenda Approval

B. SCHEDULED PUBLIC COMMENTS (*Public comments limited to ten (10) minutes per speaker*)

1. HDL Engineering - Discussion on 2026 Runway Reconstruction Project

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

D. APPROVAL OF MINUTES

1. January 8, 2026 Regular Meeting Minutes 3

E. UNFINISHED BUSINESS

1. Discussion/Recommendation - 2026 Annual Work Plan Goals 6

F. NEW BUSINESS

1. Discussion/Recommendation - Special Use Permit to Rainbow River Lodge Aviation, LLC ... 13
2. Discussion/Recommendation - Second Extension to the Airport Security Contract 24

G. REPORTS

1. Airport Manager
2. Commission Chair
3. City Council Liaison 28

H. ADDITIONAL PUBLIC COMMENTS (*Public comments limited to five (5) minutes per speaker*)

I. NEXT MEETING ATTENDANCE NOTIFICATION - March 12, 2026

J. COMMISSIONER COMMENTS AND QUESTIONS

K. ADJOURNMENT

L. INFORMATION ITEMS

1. Calendar Year 2025 Enplanements 33
2. Kenai Strategy Update: January 2026 Volaire Aviation Consulting Presentation to Council ... 34
3. Kenai Airport Master Plan Update - Notice of Public Meeting 78

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

https://us02web.zoom.us/meeting/register/LCAWLJhJQzSN-nqg_3Ui-w

The agenda and agenda items are posted on the City's website at www.kenai.city. Copies of the agenda items are available at the City Clerk's Office or outside of Council Chambers prior to the meeting. Please contact the Airport Manager at 907-283-7951 for additional details.

****COMMISSIONERS, PLEASE CONTACT US IF YOU WILL NOT BE ABLE TO ATTEND THE MEETING****

KENAI AIRPORT COMMISSION – REGULAR MEETING
JANUARY 08, 2026 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
CHAIR GLENDA FEEKEN, PRESIDING

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Airport Commission was held on January 8, 2026, in the Kenai City Council Chambers, Kenai, AK. Chair Feeken called the meeting to order at approximately 6:00 p.m.

1. Pledge of Allegiance

Chair Feeken led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Glenda Feeken, Chair	Paul Minelga, Vice Chair
James Bielefeld	Cody Whicker
Dan Knesek	James Zirul

A quorum was present.

Also in attendance were:

Mary Bondurant, Interim Airport Manager
Julie Semmens, Airport Administrative Assistant
Shellie Saner, City Clerk
Victoria Askin, City Council Liaison

3. Election of Chair and Vice Chair

MOTION:

Vice Chair Minelga **MOVED** to reappoint Glenda Feeken as Chair.

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

MOTION:

Commissioner Zirul **MOVED** to reappoint Paul Minelga as Vice Chair.

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

4. Agenda Approval

MOTION:

Commissioner Zirul **MOVED** to approve the agenda as presented. Commissioner Bielefeld **SECONDED** the motion.

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

B. SCHEDULED PUBLIC COMMENTS

1. HDL Engineering - Updates on Airport Projects

Erik Jordt, Civil Engineer with HDL Engineering, provided an update on the Airport Runway Rehabilitation project. He explained the primary runway will be closed during construction; Taxiway Alpha will serve as the temporary runway. Alpha would be painted with runway markings and would have runway lighting.

Commission members stated concerns regarding there being no approaches available during construction and shutting down of the navigational aids.

C. UNSCHEDULED PUBLIC COMMENTS - None.

D. APPROVAL OF MINUTES

1. November 13, 2025 Regular Meeting Minutes

MOTION:

Commissioner Zirul **MOVED** to approve the November 13, 2025 Airport Commission minutes. Commissioner Minelga **SECONDED** the motion.

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

E. UNFINISHED BUSINESS - None.

F. NEW BUSINESS

1. **Discussion** - 2025 Work Plan Report

It was noted that the Commission's preference was for Taxiway Sierra to be moved up on the Capital Improvement Plan, as it was directly tied to the Westside Hangar Subdivision goals. The Airport Master Plan was discussed, including HDL Engineering's kickoff meeting.

Commission members noted that the development of goals was outside of the Commission's responsibility due to its advisory role and lack of authority to initiate action.

2. **Discussion** - 2026 Annual Work Plan Goals

Commissioners discussed to move the 2025 goals to 2026.

G. REPORTS

1. Airport Manager - Interim Airport Manager Bondurant reported on the following:

- Alaska Airlines diverted a 76-passenger aircraft to Kenai due to Anchorage wind shear; TSA authorized controlled deplaning into the terminal
- Lease lot inspections are ongoing.
- TSA staff credentials and the Airport Certification Manual were updated to reflect new aircrafts operating at Kenai.
- Staff received a request from the control tower for C-17 lights-out operations; Commission advised this should occur when the tower is open and raised safety concerns regarding navigation lights.
- Jack Penning, Managing Partner of Volaire Aviation Consulting, is scheduled to present to City Council regarding the Air Service Development Grant.
- Fiscal Year 2027 budget documents are in preparation and expected to be submitted to Finance around February 13.

2. Commission Chair - No report.

3. City Council Liaison - Vice Mayor Askin reported on recent actions of the City Council.

H. ADDITIONAL PUBLIC COMMENTS - None.

I. **NEXT MEETING ATTENDANCE NOTIFICATION** - February 12, 2026.

J. **COMMISSION QUESTIONS AND COMMENTS**

There was discussion on Airport Manager recruitment.

K. **ADJOURNMENT**

L. **INFORMATIONAL ITEMS**

1. October 2025 Midmonth Report
2. November 2025 Midmonth Report
3. Lynden December 2025 Newsletter
4. Pet Relief Signage - Pictures
5. Enplanement Report

There being no further business before the Airport Commission, the meeting was adjourned at 6:45 p.m.

I certify the above represents accurate minutes of the Airport Commission meeting of January 08, 2026.

Logan Parks, Deputy City Clerk



KENAI

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

MEMORANDUM

TO: Airport Commission
FROM: Mary Bondurant, Airport Manager, Interim
DATE: February 2, 2026
SUBJECT: 2026 Airport Commission Annual Work Plan

At the January 8, 2026 Airport Commission meeting, Commission was asked to develop an annual workplan for 2026. The purpose of the work plan 1) documents that the work plan of the Commission aligns with the assigned role, plans, policies, and procedures of the City, and 2) ensures that Council and Administration are aware of the work intended for the year ahead.

Commission members discussed the three goals from 2025 and recommended moving the same three goals to the 2026 Annual Work Plan.

Does Commission recommend Council approve the 2026 Annual Work Plan?

Attachments: Goals 1,2 & 3

INTRODUCTION

This area should include the advisory body's missions' statement and include a brief description of the overall purpose of the commission.

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: **Construction of Taxiway Sierra** Estimated Time to Complete: **Unknown**

Strategy: *(Provide a summary of tasks which need to be done to obtain the objective.)*

We (Airport Commission) strongly support, design and construction of Taxiway Sierra remain in the Capital Improvement Budget or move to an earlier FY CIP Budget.

One necessary aspect of this review is to determine what work has been accomplished to meet this goal in accordance with the Airport Master Plan.

Narrative: *(Describe the benefits to the residents and visitors of the City.)*

The Kenai Municipal Airport is a for profit entity, in the sense that the airport needs to generate income to maintain the airport facilities and surrounding grounds. The Airport Master Plan identifies the west side of the airport as a source of income for activities such as user fees, fuel sales and lease properties. The construction of Taxiway Sierra is essential to the access of the west side of the airport.

Collaboration: (Who needs to be involved to obtain the objective?)

Kenai Airport Manager, Kenai City Manager, Kenai City Attorney, Kenai City Council and the Kenai Airport Commission.

Funding: (Are funds available, or is funding needed in a future budget?)

Funding source needs to be identified and budgeted for.

INTRODUCTION

This area should include the advisory body's missions' statement and include a brief description of the overall purpose of the commission.

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. **2** Objective: **West Side Hangar subdivision** Estimated Time to Complete: **Unknown**

Strategy: *(Provide a summary of tasks which need to be done to obtain the objective.)*

Westside development directly related to taxiway Sierra project. They will review funding sources, the timeline when this is available, and make recommendations.

Narrative: *(Describe the benefits to the residents and visitors of the City.)*

The Kenai Municipal Airport Terminal seeks to be financially stable. This could generate additional revenue for the airport and allow for more use.

Type text here

Collaboration: (Who needs to be involved to obtain the objective?)

Kenai Airport Manager, City Manager, City Attorney, City Council, and Airport Commission

Funding: (Are funds available, or is funding needed in a future budget?)

Funding sources for supporting infrastructure such as taxiways would be through AIP entitlements and discretionary funding. Airport Manager to research funding opportunities for hangars.

INTRODUCTION

This area should include the advisory body's missions' statement and include a brief description of the overall purpose of the commission.

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. **3** Objective: **Airport Master Plan- Update** Estimated Time to Complete: **TBD**

Strategy: *(Provide a summary of tasks which need to be done to obtain the objective.)*

The Airport Commission will assist HDL Engineering, providing input as they update the Kenai Airport Master Plan. Our guiding principle will be ensuring the Kenai Airport Master Plan reflects the needs of the community and complements the vision the City of Kenai has for the airport.

Narrative: *(Describe the benefits to the residents and visitors of the City.)*

The Kenai Municipal Airport is the commercial aviation gateway to the City of Kenai and the Greater Kenai Peninsula. Moreover, the airport is a for profit entity, in the sense that it needs to generate income to maintain the airport facilities and surrounding grounds. As the Kenai Peninsula grows, the airport will have to grow along with it. The Airport Master Plan is a document that is a touchstone and a guide, linking the current and future needs of the flying public to the City of Kenai's Imagine Kenai 2030 comprehensive plan and ensuring that it remains a financially viable entity.



Collaboration: (Who needs to be involved to obtain the objective?)

HDL Engineering, Kenai Airport Manager, Kenai City Manager, Kenai City Attorney, Kenai City Council and the Kenai Airport Commission.

Funding: (Are funds available, or is funding needed in a future budget?)

FAA Grant money and City of Kenai.

Type text here



KENAI

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

MEMORANDUM

TO: Airport Commission
FROM: Mary Bondurant, Airport Manager, Interim
DATE: February 2, 2026
SUBJECT: Special Use Permit – Rainbow River Lodge Aviation, LLC

Chris Hartis of Rainbow River Lodge Aviation, LLC is requesting to conduct a commercial operation transporting patrons in and out of the float plane basin.

The term of the Permit shall be for five (5) months from June 1, 2026 through October 31, 2026, or the closing date deemed necessary by Airport management due to icing in the water.

Mr. Hartis will provide the Airport with a Certificate of Insurance and payment of all fees prior to the start of the operation.

Does Commission recommend Council approve a Special Use Permit to Rainbow River Lodge Aviation, LLC?

Attachment – Special Use Permit

.....

SPECIAL USE PERMIT

The CITY OF KENAI (City) grants to Rainbow River Lodge Aviation, LLC (Permittee), whose address is 415 E. Falls Dr., Alpine, UT 84004, a Special Use Permit to conduct aeronautical and/or aviation-related activities at the Kenai Municipal Airport subject to the requirements and the conditions set forth below.

1. Premises. Permittee shall have the right to use commercial float plane basin parking spot () as described in the attached Exhibit A for the uses identified in this Permit.

2. Term. The term of this Permit shall be for five months commencing on June 1, 2026 and ending on October 31, 2026, or the closing date deemed necessary by Airport Management for weather conditions. Regardless of the date of signature, this Permit shall be effective as of June 1, 2026.

3. Permit Fees. Permittee shall pay the following fees for the privileges extended to Permittee under this Permit:

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

June – October 2026	\$300.00
Parking	\$25.00

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

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

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

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

Part 135 Commercial Operation with One Aircraft. NOTE: This permit does not guarantee the exclusive use of the area identified in Exhibit A. City reserves the right to re-assign Permittee, upon reasonable notice, to other areas as airport needs may require.

Permittee shall have the right of ingress and egress to the Airport using only designated gate access locations (which may require a proximity card) for the use of the Premises. This Permit, and any access rights allowed hereunder, are for Permittee's use only and may not be transferred or assigned. All passengers will be transported to and from the aircraft and be under escort at all times by the permittee.

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

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

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

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

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

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

7. Coordination with Airport Management. Permittee shall abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee germane to a commercial entity.

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

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

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

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

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

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

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

insurer to bind coverage on its behalf.

- iii. Permittee shall request a waiver of subrogation against City from Permittee's insurer and the waiver of subrogation, where possible, shall be provided at no cost to City.
- iv. Provide the City with notification at least thirty (30) days before any termination, cancellation, or material change in insurance coverage of any policy required hereunder.
- v. Evidence of insurance coverage must be submitted to City by June 1, 2026. The effective date of the insurance shall be no later than June 1, 2026.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23. Landing Fees; Fee Schedule. Timely payment of landing fees and other required Airport fees is a condition of this Permit and, as such, failure to timely pay landing and other airport fees is grounds for termination. Without limiting the foregoing, Permittee shall pay landing fees for aircraft landings as set out in the City's comprehensive schedule of rates, charges and fees. Permittee shall make payment within thirty (30) days following the end of each month and without demand or invoicing from City. Permittee shall also provide Airport Administration with monthly certified gross take-off weight reports within ten (10) days following the end of each month for landings for the preceding month. Airport landing fees shall be paid at the Airport Administration Building, 305 North Willow Street, Suite 200, Kenai, AK 99611.

24. Impoundment. At the discretion of the Airport Manager, City may impound any aircraft parked on the Premises after termination of this Permit. Impoundment may be accomplished by affixing a seal to the door of the aircraft or the moving of the aircraft for impoundment purposes. Inconvenience or damage that may result from such movement will be at the risk of Permittee. An impoundment fee plus a towage fee shall be charged on each aircraft impounded. In addition, a daily storage fee shall be charged for each day the aircraft remains impounded. Any impounded aircraft that is not redeemed within ninety (90) days after impoundment shall be considered abandoned and shall be subject to sale at public auction. Notice of any auction shall be published. Publication shall be in a newspaper of general circulation in that area for at least once during each of three (3) consecutive weeks not more than thirty (30) days nor less than seven (7) days before the time of the auction.

25. Definitions. As used in this Permit, "Permittee" means Rainbow River Lodge Aviation, LLC, and where the context reasonably indicates, its officers, agents, and employees. "Airport" means the Kenai Municipal Airport.

CITY OF KENAI

By: Terry Eubank Date City Manager

Rainbow River Lodge Aviation, LLC

By: _____
Chris Hartis _____ Date
Permittee

ACKNOWLEDGMENTS

STATE OF ALASKA)
THIRD JUDICIAL DISTRICT)
) ss.

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, an Alaska municipal corporation, on behalf of the City.

Notary Public for Alaska
My Commission Expires: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

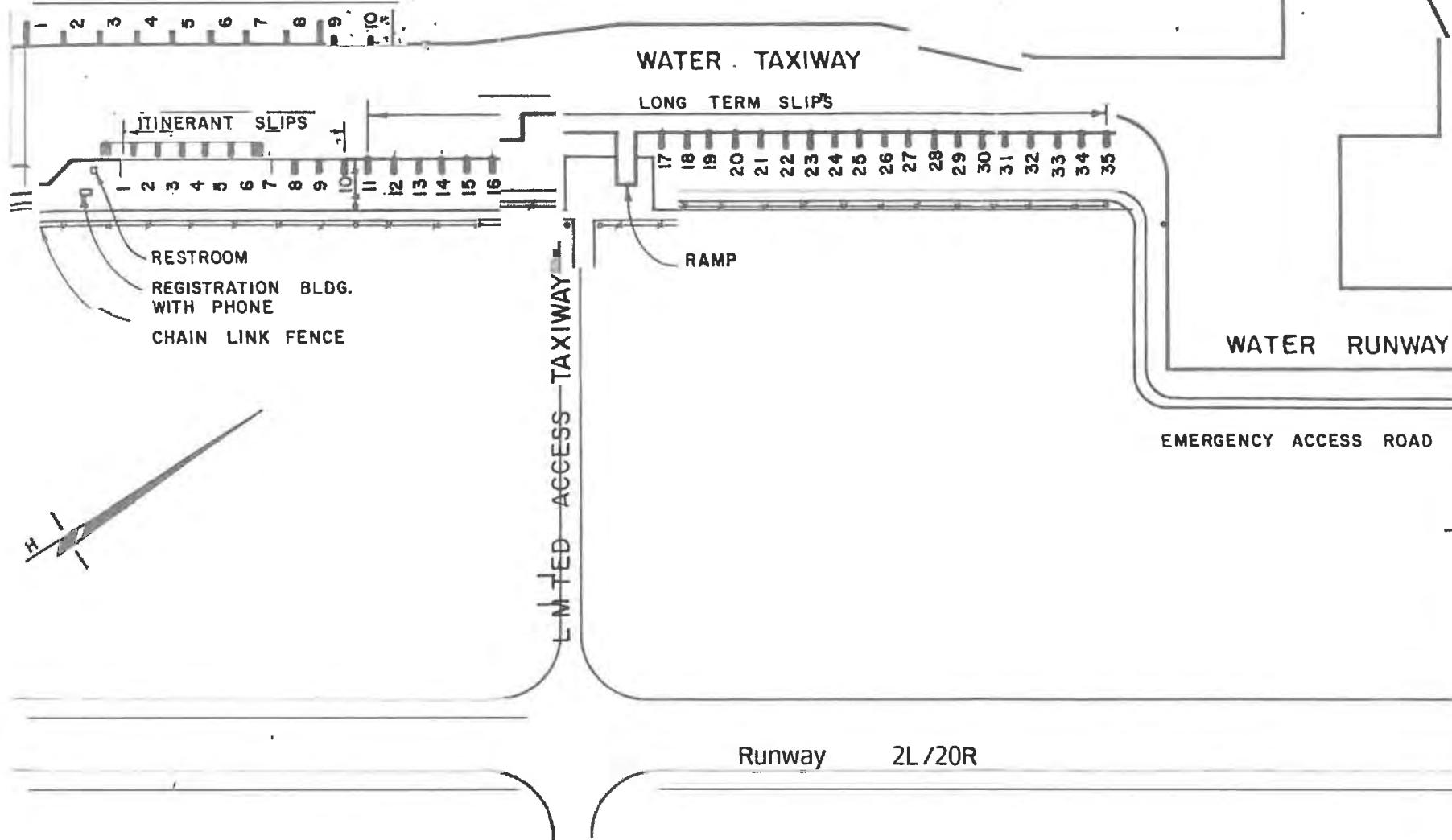
THIS IS TO CERTIFY that on this ____ day of _____, 2026, the foregoing instrument was acknowledged before me by Chris Hartis, Permittee, on behalf of Rainbow River Lodge Aviation, LLC.

Notary Public for Alaska
My Commission Expires: _____

Approved as to Form:

~~Scott Bloom
City Attorney~~

~~COMMERCIAL FLOAT PLANE FACILITY~~



~~KENAI FLOAT PLANE FACILITY~~

SCALE : 1" = 300'



KENAI

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

MEMORANDUM

TO: Airport Commission
THROUGH: Mary Bondurant, Interim Airport Manager
FROM: Julie Semmens, Administrative Assistant II
DATE: January 29, 2026
SUBJECT: **2nd Extension for Security Guard Services**

On February 29, 2024, the City of Kenai entered into an Agreement for Airport Security Guard Services with Guardian Security Systems, Inc. for a period of one year with the option to extend for an additional four, one-year terms if the City and Contractor mutually agree in writing.

The Contractor has a current certificate of insurance on file, and requests to renew under the same terms and conditions.

Does Commission recommend Council approve the 2nd extension for security guard services to Guardian Security?

Attachment – 2nd Extension

SECOND EXTENSION TO KENAI MUNICIPAL AIRPORT AGREEMENT FOR AIRPORT SECURITY GUARD SERVICES

This Second Extension for Security Guard Services is made the 4th day of March, 2026, by and between the City of Kenai (Owner), a municipal corporation whose address is 210 Fidalgo Avenue, Kenai, Alaska 99611, and Guardian Security Systems, Inc. (Contractor), an Alaska corporation whose address is 2600 Seward Highway, Anchorage, Alaska, 99503.

WHEREAS, February 29, 2024, the City entered into an Agreement for Airport Security Guard Services with Guardian Security Systems, Inc., of Anchorage for Airport Security Guard Services for the facilities at the Kenai Municipal Airport terminal building, vehicle parking lots, aircraft tie down areas, float plane basin, ski strip areas, the airport perimeter fence, the Airport Operations Facility, and the Air Traffic Control Tower.

WHEREAS, The City and Guardian Security Systems, Inc. wish to extend the Agreement one year under the same terms and conditions.

NOW, THEREFORE, the parties hereto agree as follows:

1. Pursuant to Section II, of the Agreement, the Agreement term is extended for one year, beginning on February 28, 2026 and ending on February 28, 2027.

2. The parties agree that this Second Extension to the Agreement and all obligations under this extension shall be effective as of February 28, 2026, regardless of the date of signatures indicated below.

3. Except as expressly modified or stated herein, all other terms and conditions of the Agreement remain in full force and effect.

CITY OF KENAI

By: _____
Terry Eubank
Its: City Manager

**GUARDIAN SECURITY
SYSTEMS, INC.**

By: _____
Kemp Knapman
Its: Vice President

ATTEST:

Name

Title

STATE OF ALASKA)
)ss
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by Terry Eubank, City Manager of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

Notary Public in and for Alaska
My Commission expires: _____

STATE OF ALASKA)
THIRD JUDICIAL DISTRICT)
ss)

THIS IS TO CERTIFY the foregoing instrument was acknowledged before me this _____ day of _____, 2026, by Kemp Knapman, Vice President of Guardian Security Systems, Inc., an Alaska corporation, on behalf of the corporation.

Notary Public in and for Alaska
My Commission expires:

Approved as to form:

Scott M. Bloom
City Attorney

Second Extension to Agreement --Guardian Security Systems, Inc.



Kenai City Council - Regular Meeting

January 07, 2026 — 6:00 PM

Kenai City Council Chambers

210 Fidalgo Avenue, Kenai, Alaska

www.kenai.city

****Telephonic/Virtual Information on Page 3****

Action Agenda

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. 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*)

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

E. PUBLIC HEARINGS

1. **ENACTED WITHOUT OBJECTION** **Ordinance No. 3497- 2025** - Accepting and Appropriating a Donation to the Kenai Community Library for Library Materials, Wayfinding, and Programming. (Administration)
2. **ADOPTED WITHOUT OBJECTION** **Resolution No. 2026-01** - Amending the City of Kenai's Schedule of Rates, Charges, and Fees by Increasing the City League Participation Fee and Removing the City League Basketball Team Fee. (Administration)

F. MINUTES

1. *Regular Meeting of December 17, 2025. (City Clerk)

G. UNFINISHED BUSINESS

H. NEW BUSINESS

1. ***Action/Approval** - Bills to be Ratified. (Administration)
2. ***Action/Approval** - Purchase Orders and Purchase Order Amendments Requiring Council Approval in Accordance with KMC 7.15.020. (Administration)
3. ***Ordinance No. 3498-2026** - Increasing Estimated Revenues and Appropriations in the General Fund to Provide Supplemental Funding for Election Costs in Excess of Budgeted Amounts for the Purpose of Conducting a Special Election. (City Clerk)

4. ***Ordinance No. 3499-2026** - Increasing Estimated Revenues and Appropriations by \$6,500 in the General Fund for Expenditures Which Could Influence the Outcome of the City of Kenai Ballot Proposition No. 2026-A at the April 14, 2026 Special Election. (City Clerk)
5. **APPROVED WITHOUT OBJECTION** Action/Approval - Authorizing the City Manager to Complete an Agreement for Mutual Aid and Assistance for the Alaska Water / Wastewater Agency Response Network. (Administration)
6. **APPROVED WITHOUT OBJECTION** Action/Approval - Consent to Assignment and Assignment of Lease Agreement of Tract A and Tract B, City of Kenai Shore Fishery No. 1. (Administration)
7. **Discussion/Action** - 2026 Special Election - Proposition Question(s) (City Clerk)

I. COMMISSION REPORTS

1. Council on Aging Commission
2. Airport Commission
3. Harbor Commission
4. Parks and Recreation Commission
5. Planning and Zoning Commission
6. Beautification Commission

J. REPORT OF THE MAYOR

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

N. PENDING ITEMS

O. ADJOURNMENT

P. INFORMATION ITEMS

1. Boys and Girls Clubs of the Kenai Peninsula - Thank You Letter

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/ZwezbcRNQ5SaKnTwxyTeeA>



Kenai City Council - Regular Meeting

January 21, 2026 — 6:00 PM

Kenai City Council Chambers

210 Fidalgo Avenue, Kenai, Alaska

www.kenai.city

****Telephonic/Virtual Information on Page 3****

Action Agenda

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. 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

1. Kenai Municipal Airport Small Community Air Service Development Program (SCASDP) Application, Jack Penning, Managing Partner, Volaire Aviation Consulting.

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

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

E. PUBLIC HEARINGS

1. **ENACTED UNANIMOUSLY. Ordinance No. 3498-2026** - Increasing Estimated Revenues and Appropriations in the General Fund to Provide Supplemental Funding for Election Costs in Excess of Budgeted Amounts for the Purpose of Conducting a Special Election. (City Clerk)
2. **ENACTED UNANIMOUSLY. Ordinance No. 3499-2026** - Increasing Estimated Revenues and Appropriations by \$6,500 in the General Fund for Expenditures Which Could Influence the Outcome of the City of Kenai Ballot Proposition No. 2026-A at the April 14, 2026 Special Election. (City Clerk)
3. **ADOPTED UNANIMOUSLY. Resolution No. 2026-02** - Adopting the City's Capital Improvement Plan for Fiscal Years 2027-2031. (Administration)
4. **ADOPTED UNANIMOUSLY. Resolution No. 2026-03** - Adopting Goals to Guide the Preparation of the Fiscal Year 2027 Annual Budget. (Administration)
5. **ADOPTED UNANIMOUSLY. Resolution No. 2026-04** - Authorizing a Budget Transfer Within the Kenai Recreation Center Improvements Capital Project Fund. (Administration)
6. **ADOPTED UNANIMOUSLY. Resolution No. 2026-05** - Declaring a 20-Foot Pedestrian Easement on Lot 48, Shoreline Heights 2023 Addition (Plat KN 2024-83), and as Set Forth on

the Attached Exhibit "A" is Not Needed for a Public Purpose and Consenting to Vacation of The Easement. (Administration)

7. **ADOPTED UNANIMOUSLY. Resolution No. 2026-06** - Scheduling a Special Election for April 14, 2026, for the Purpose of Providing for Submission to the Qualified Voters of the City the Question(s) of Amending Kenai Municipal Charter, Section 10-1 Annual Election - Time. (Askin, Sounart, Daniel, Kisena, Grieme, Pettey, Knackstedt)
8. **ADOPTED UNANIMOUSLY. Resolution No. 2026-07** - Providing for Submission to the Qualified Voters of the City of Kenai, at the Special Election to be Held on April 14, 2026, the Question of Amending Kenai Municipal Charter, Section 10-1 Annual Election - Times, to Provide that the Annual Date of the City's General Election is Aligned with the Current Annual Election Date of the Kenai Peninsula Borough. (Askin, Sounart, Daniel, Kisena, Grieme, Pettey, Knackstedt)
9. **ADOPTED UNANIMOUSLY. Resolution No. 2026-08** - Providing for Submission to the Qualified Voters of the City of Kenai, at the Special Election to be Held on April 14, 2026, the Question of Amending Kenai Municipal Charter, Section 10-1 Annual Election - Times, to Set the Fixed Date of the City's Annual General Election in 2026 and Thereafter Remove the Fixed Date of the City's Annual General Election and Authorize the City Council to Establish the Annual General Election Date by Ordinance. (Askin, Sounart, Daniel, Kisena, Grieme, Pettey, Knackstedt)
10. **ADOPTED AS AMENDED UNANIMOUSLY. Resolution No. 2026-09** - Authorizing a Contract for Design of a New Approach Procedure for the Temporary Runway to be Used During the Main Runway Rehabilitation Project. (Administration)

F. MINUTES

1. *Regular Meeting of January 7, 2026. (City Clerk)

G. UNFINISHED BUSINESS

H. NEW BUSINESS

1. ***Action/Approval** - Bills to be Ratified. (Administration)
2. ***Action/Approval** - Purchase Orders and Purchase Order Amendments Requiring Council Approval in Accordance with KMC 7.15.020. (Administration)
3. ***Ordinance No. 3500-2026** - Sunsetting the Harbor Commission, Amending Kenai Municipal Code 1.90.010 - General Standards for Standing Advisory Commissions, Repealing Kenai Municipal Code 1.95.040 - Harbor Commission, Repealing Kenai Municipal Code 11.20 - Leasing of Tidelands, Amending Kenai Municipal Code 14.05.010 - Duties and Powers, Enacting Kenai Municipal Code 22.05.016 - Tidelands Available for Leasing, Enacting Kenai Municipal Code Chapter 22.10 - Tideland Leases for Shore Fisheries, and Amending Council Policy 20.020 to Reflect the Sunsetting of The Harbor Commission. (Administration)
4. ***Ordinance No. 3501-2026** - Determining Four City-Owned Properties in the Beaver Loop Area are Not Needed for a Public Purpose and Authorizing Sale by Public Sealed Bid Auction. (Administration)
5. ***Ordinance No. 3502-2026** - Authorizing the City Manager to Reimburse Annual Leave Used by Firefighter Garrick Martin for Attending a Paramedic Internship Program. (Administration)

6. ***Ordinance No. 3503-2026** - Increasing Estimated Revenues and Appropriations in the Water & Sewer Capital Project Fund and Accepting a Loan from the State Revolving Fund Program for the Water Treatment Pumphouse Project. (Administration)
7. **APPROVED UNANIMOUSLY. Action/Approval** - Confirmation of Mayoral Nomination for a Partial Term Appointment of Autumn Carlson to the Beautification Commission and the Parks and Recreation Commission. (Knackstedt)
8. **APPROVED UNANIMOUSLY. Action/Approval** - Authorizing the Use of City Facility People Counter Cameras for Operational and Safety Purposes. (Administration)
9. **Discussion** - International Pacific Halibut Commission (IPHC) Proposed Fishery Regulations Reducing Sport Caught Halibut in Alaska from Two (2) Fish to One (1) Fish a Day. (Grieme, Askin)

I. COMMISSION REPORTS

1. Council on Aging Commission
2. Airport Commission
3. Harbor Commission
4. Parks and Recreation Commission
5. Planning and Zoning Commission
6. Beautification Commission

J. REPORT OF THE MAYOR

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

N. PENDING ITEMS

O. ADJOURNMENT

P. INFORMATION ITEMS

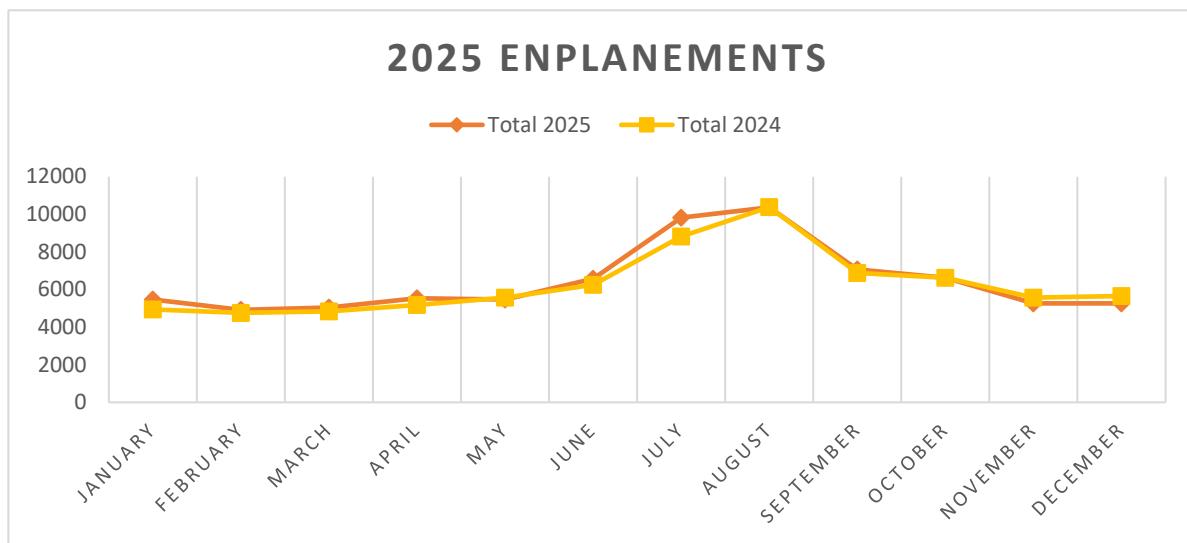
The agenda and supporting documents are posted on the City's website at www.kenai.city. Copies of resolutions and ordinances are available at the City Clerk's Office or outside the Council Chamber prior to the meeting. For additional information, please contact the City Clerk at 907-283-8231.

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

https://us02web.zoom.us/meeting/register/yw5zqq4kRwGQZJC4_rQBlw

..... 79
Kenai Airport Enplanements

Month	Grant 2025	Kenai Aviation 2025	Aleutian 2025	Grant 2024	Kenai Aviation 2024	Total 2025	Total 2024	Change from 2024 to 2025
January	4466	1003		3218	1719	5469	4937	532
February	4001	917		3207	1553	4918	4760	158
March	3973	1072		3508	1325	5045	4833	212
April	4464	1071		3847	1326	5535	5173	362
May	4353	1122		4024	1546	5475	5570	-95
June	5249	1129	190	4635	1624	6568	6259	309
July	6771	2003	1044	6585	2231	9818	8816	1,002
August	7362	2064	944	7584	2798	10370	10382	-12
September	5394	1222	448	5291	1583	7064	6874	190
October	4955	1308	356	5090	1528	6619	6618	-1
November	5083	118	70	4301	1267	5271	5568	-297
December	5018	0	247	4338	1321	5265	5649	-384
Total	61089	13029	3299	55628	19821	77417	75439	1976



KENAI STRAGEGY UPDATE

PREPARED BY VOLAIRE AVIATION CONSULTING • JANUARY 2026

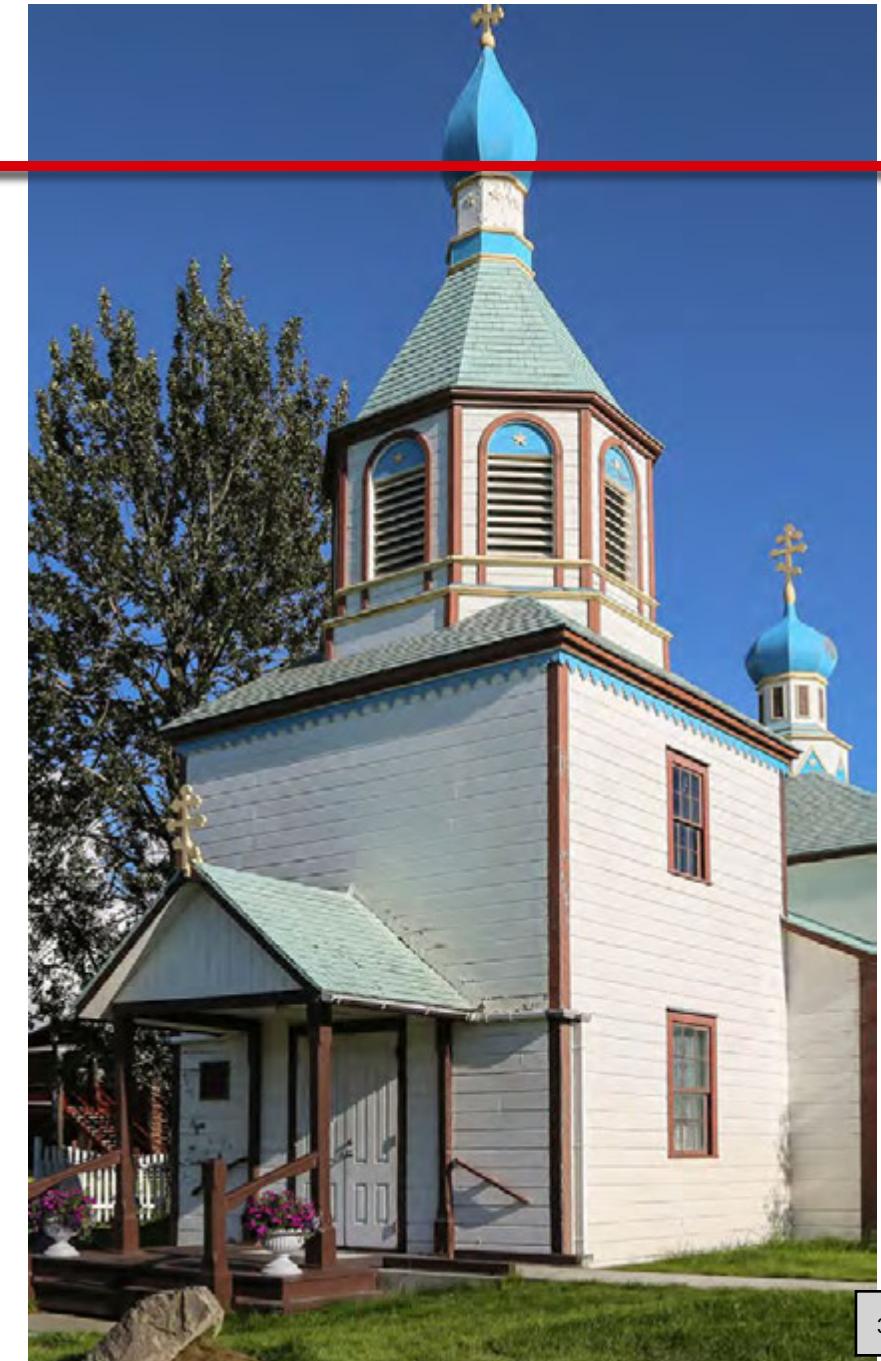




TEN TEAM MEMBERS
200+ YEARS COMBINED EXPERIENCE

AGENDA

- > **CHANGES IN KENAI**
 - > LOST CAPACITY AND HIGH FARES
- > **THE INDUSTRY AT A GLANCE**
 - > SLOWER ECONOMIC GROWTH
 - > RELIANCE ON HIGH INCOME CUSTOMERS
- > **ALASKA AIRLINES EVOLUTION**
 - > HAWAIIAN AIRLINES MERGER
 - > INCENTIVES FOR NEW ROUTES
- > **DUAL STRATEGIES**
 - > NETWORK AND LOW COST



TOPIC ONE

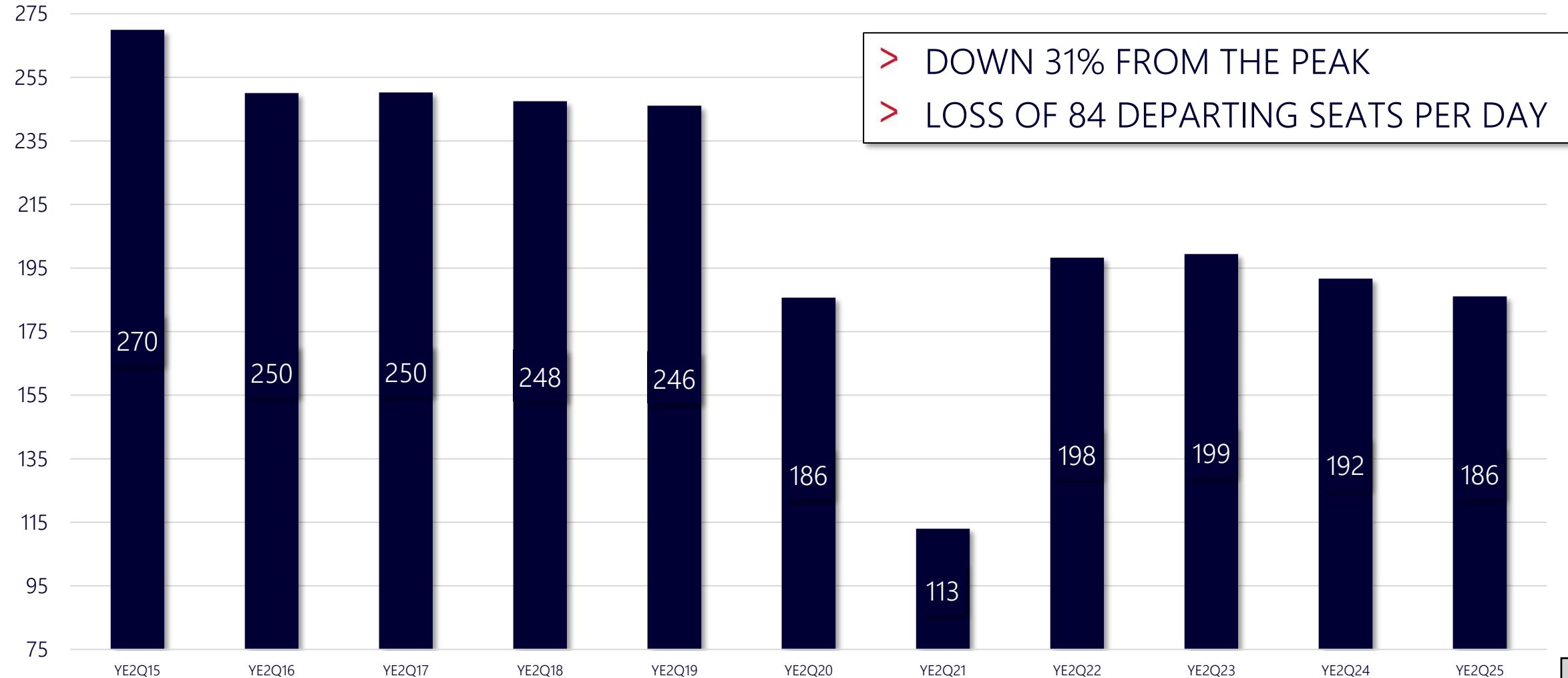
CHANGES IN KENAI



KENAI AVAILABLE SEATS HAVE FALLEN PRECIPITOUSLY

KENAI MUNICIPAL AIRPORT SCHEDULED DEPARTING AIRLINE SEATS PER DAY

YEAR ENDED SECOND QUARTER 2012 – YEAR ENDED SECOND QUARTER 2025

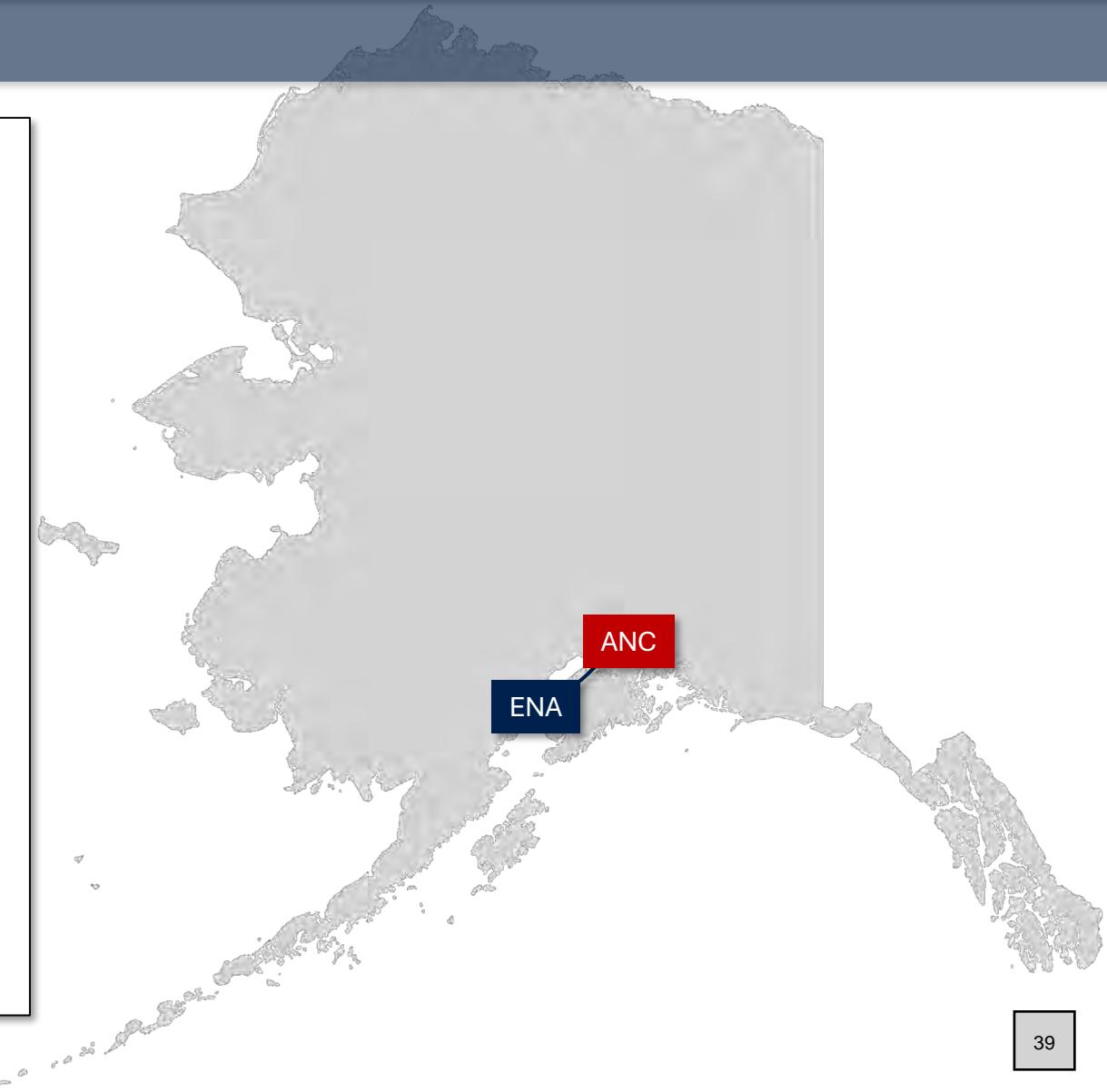


KENAI HAS SEEN HUGE SERVICE CHANGES

KENAI MUNICIPAL AIRPORT SCHEDULED SERVICE

FOR SUMMER 2026, AS OF JANUARY 2026

- > **Kenai Aviation**
 - > ENDED OPERATIONS
 - > LOSS OF SEVEN DEPARTURES/DAY



39

KENAI HAS SEEN HUGE SERVICE CHANGES

KENAI MUNICIPAL AIRPORT SCHEDULED SERVICE

FOR SUMMER 2026, AS OF JANUARY 2026

- > **Kenai Aviation**
 - > ENDED OPERATIONS
 - > LOSS OF SEVEN DEPARTURES/DAY

- > **ALEUTIAN AIRWAYS**
 - > LAUNCHED SERVICE
 - > BUT DOWN TO ONE FLIGHT PER DAY

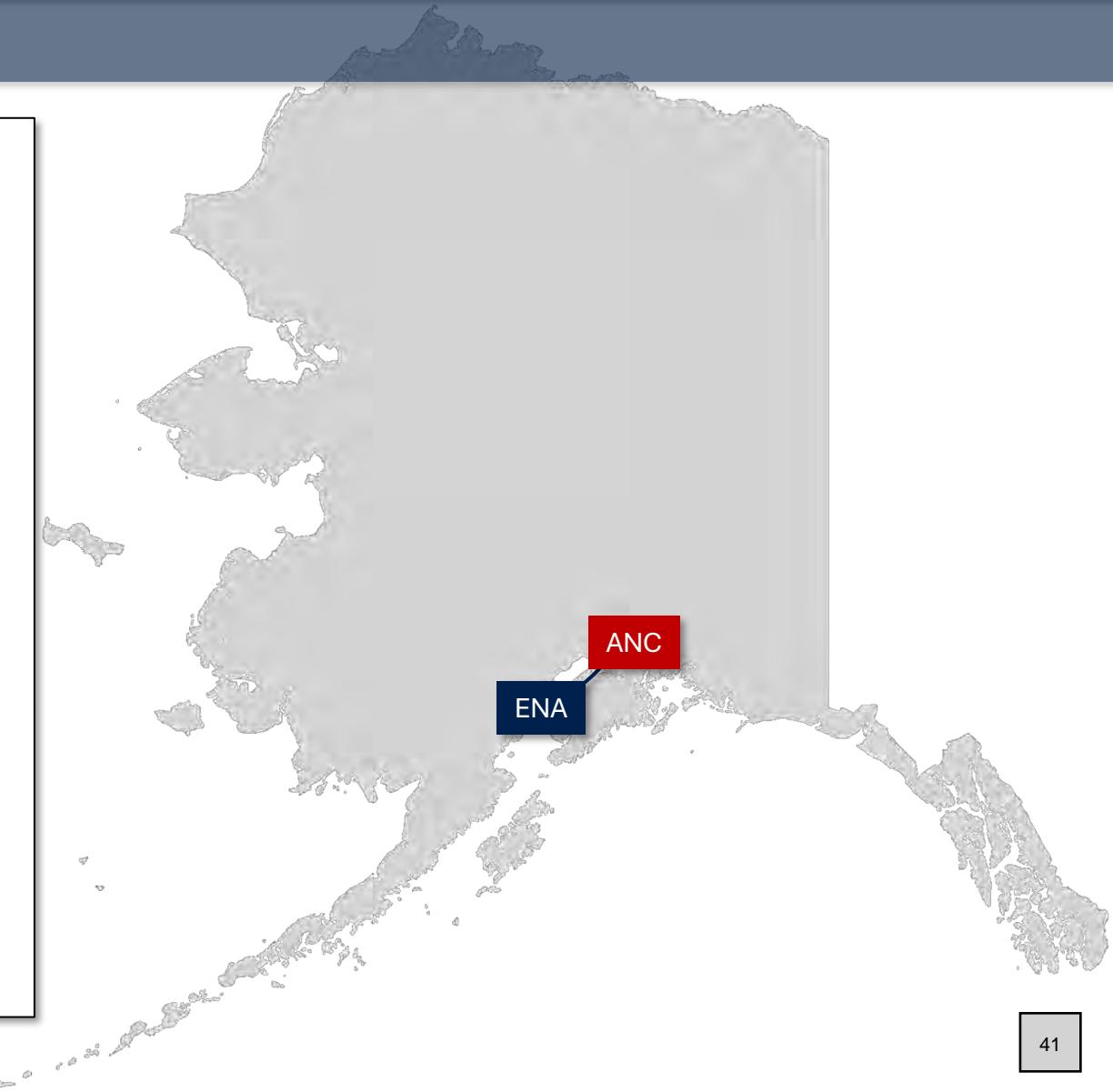


KENAI HAS SEEN HUGE SERVICE CHANGES

KENAI MUNICIPAL AIRPORT SCHEDULED SERVICE

FOR SUMMER 2026, AS OF JANUARY 2026

- > **Kenai Aviation**
 - > ENDED OPERATIONS
 - > LOSS OF SEVEN DEPARTURES/DAY
- > **ALEUTIAN AIRWAYS**
 - > LAUNCHED SERVICE
 - > BUT DOWN TO ONE FLIGHT PER DAY
- > **GRANT AVIATION**
 - > OPERATED 34 DEPARTURES PER DAY
 - > SCHEDULES JUST 17 FOR SUMMER 2026



KENAI HAS SEEN HUGE SERVICE CHANGES

KENAI MUNICIPAL AIRPORT SCHEDULED SERVICE

FOR SUMMER 2026, AS OF JANUARY 2026

- > **Kenai Aviation**
 - > ENDED OPERATIONS
 - > LOSS OF SEVEN DEPARTURES/DAY
- > **ALEUTIAN AIRWAYS**
 - > LAUNCHED SERVICE
 - > BUT DOWN TO ONE FLIGHT PER DAY
- > **GRANT AVIATION**
 - > OPERATED 34 DEPARTURES PER DAY
 - > SCHEDULES JUST 17 FOR SUMMER 2026

362

DAILY SEATS, SUMMER 2025

ANC

ENA

KENAI HAS SEEN HUGE SERVICE CHANGES

KENAI MUNICIPAL AIRPORT SCHEDULED SERVICE

FOR SUMMER 2026, AS OF JANUARY 2026

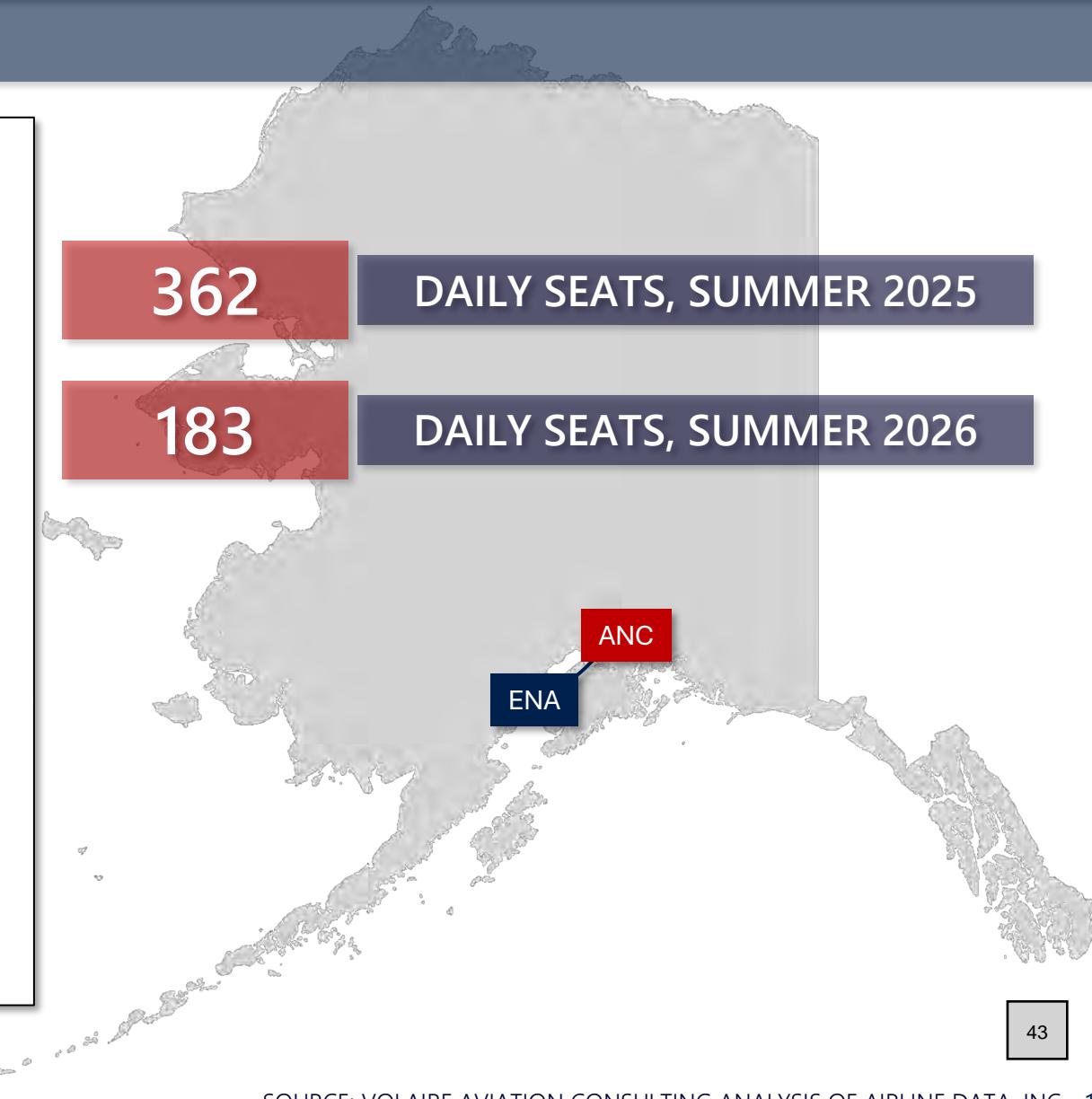
- > **Kenai Aviation**
 - > ENDED OPERATIONS
 - > LOSS OF SEVEN DEPARTURES/DAY
- > **ALEUTIAN AIRWAYS**
 - > LAUNCHED SERVICE
 - > BUT DOWN TO ONE FLIGHT PER DAY
- > **GRANT AVIATION**
 - > OPERATED 34 DEPARTURES PER DAY
 - > SCHEDULES JUST 17 FOR SUMMER 2026

362

DAILY SEATS, SUMMER 2025

183

DAILY SEATS, SUMMER 2026



GRANT FILLS 70% OF ITS KENAI SEATS

PASSENGERS PER DAY, EMPTY SEATS PER DAY, AND LOAD FACTOR AT KENAI BY AIRLINE

YEAR ENDED SECOND QUARTER 2025



162

70

70%



24

21

53%

0

50

100

150

200

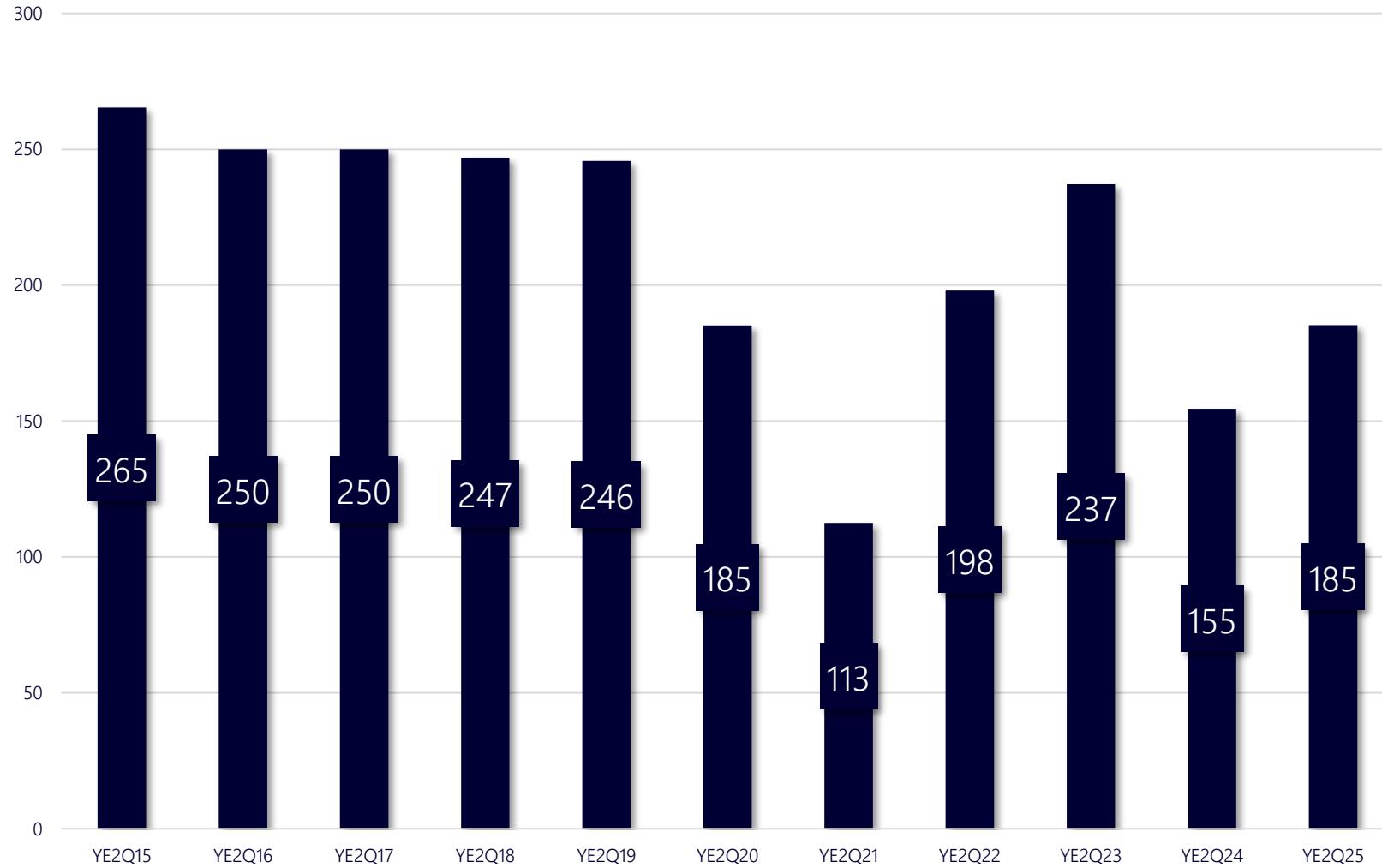
250

ALEUTIAN DOES NOT REPORT

KENAI PASSENGERS ARE SUPPRESSED BY HIGH FARES

KENAI MUNICIPAL AIRPORT PASSENGERS PER DAY EACH WAY (PDEW) AND AVERAGE ONE WAY FARE

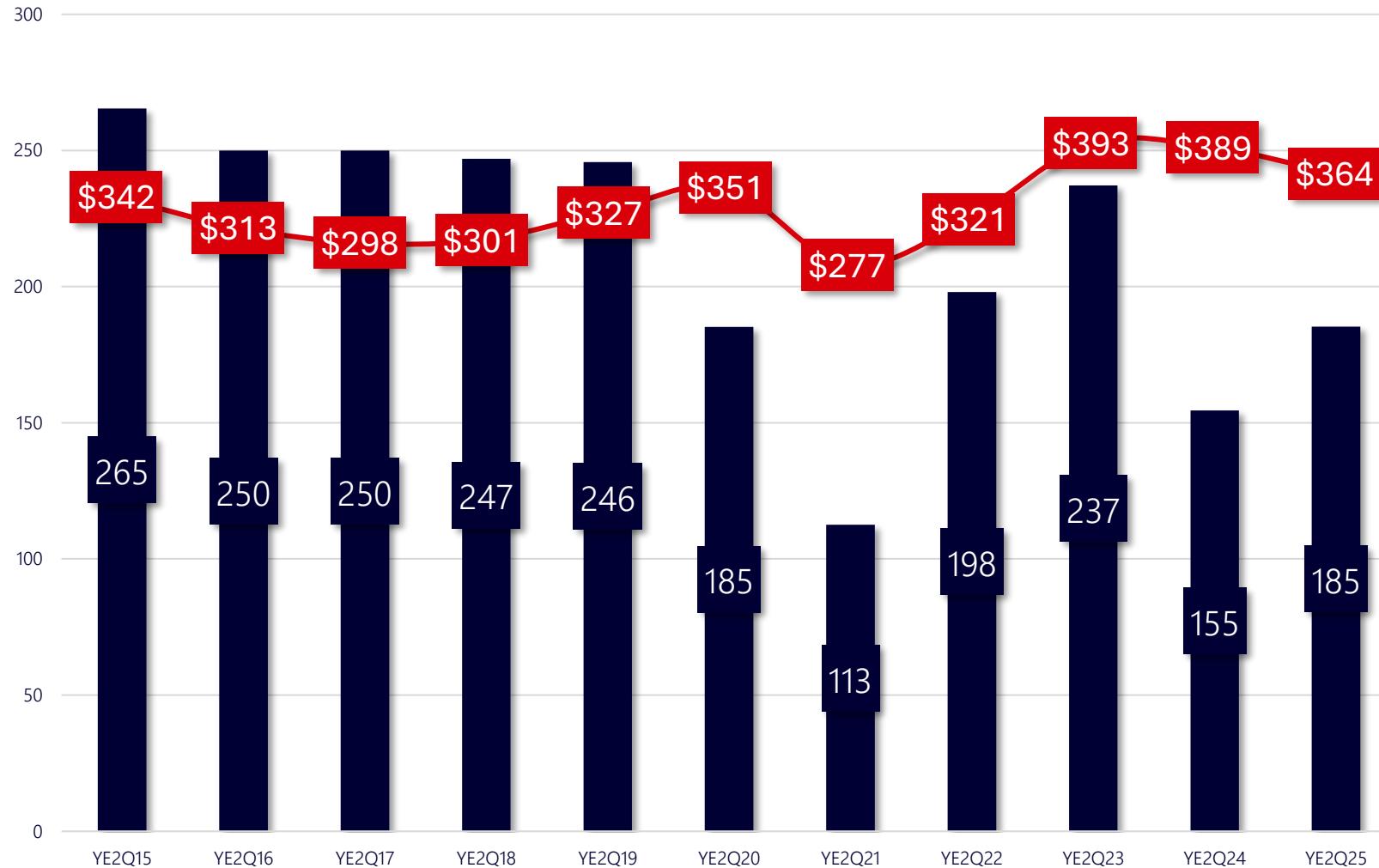
YEAR ENDED FIRST QUARTER 2014 – YEAR ENDED FIRST QUARTER 2025



KENAI PASSENGERS ARE SUPPRESSED BY HIGH FARES

KENAI MUNICIPAL AIRPORT PASSENGERS PER DAY EACH WAY (PDEW) AND AVERAGE ONE WAY FARE

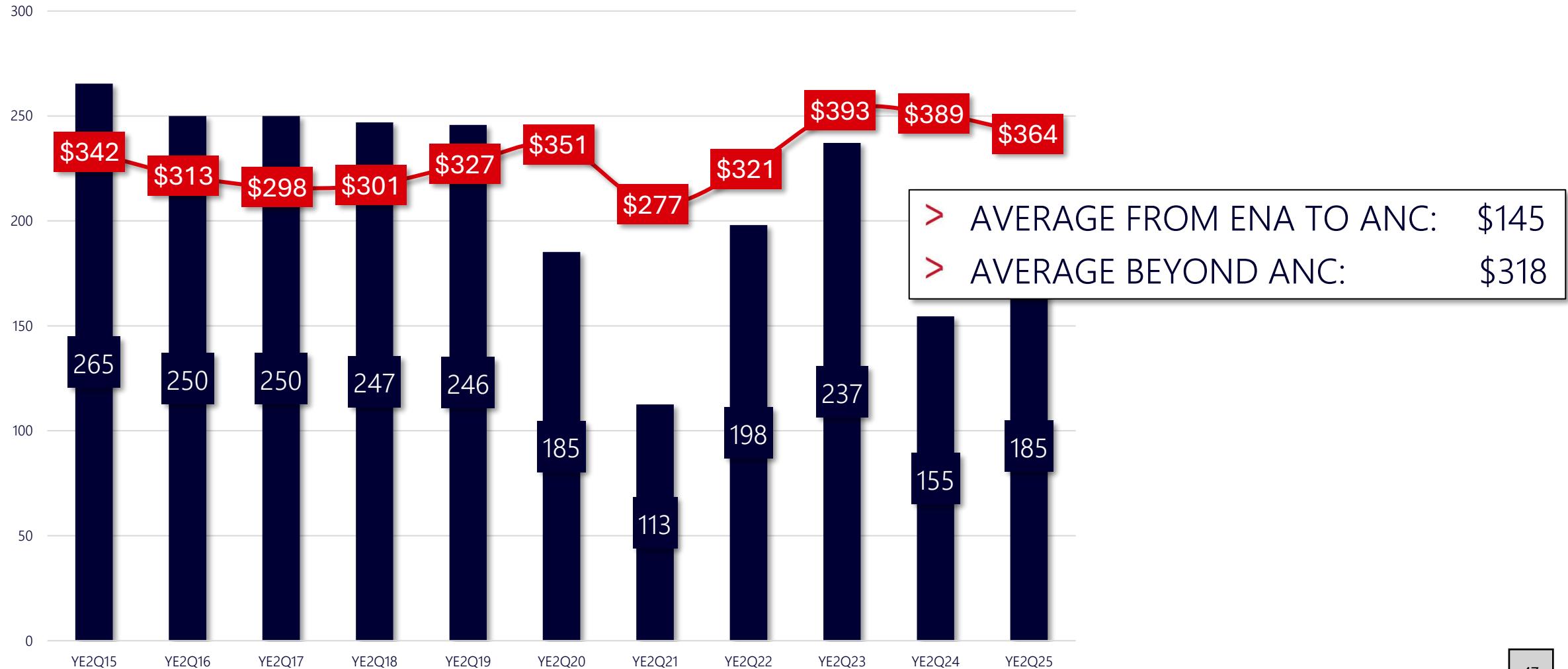
YEAR ENDED FIRST QUARTER 2014 – YEAR ENDED FIRST QUARTER 2025



KENAI PASSENGERS ARE SUPPRESSED BY HIGH FARES

KENAI MUNICIPAL AIRPORT PASSENGERS PER DAY EACH WAY (PDEW) AND AVERAGE ONE WAY FARE

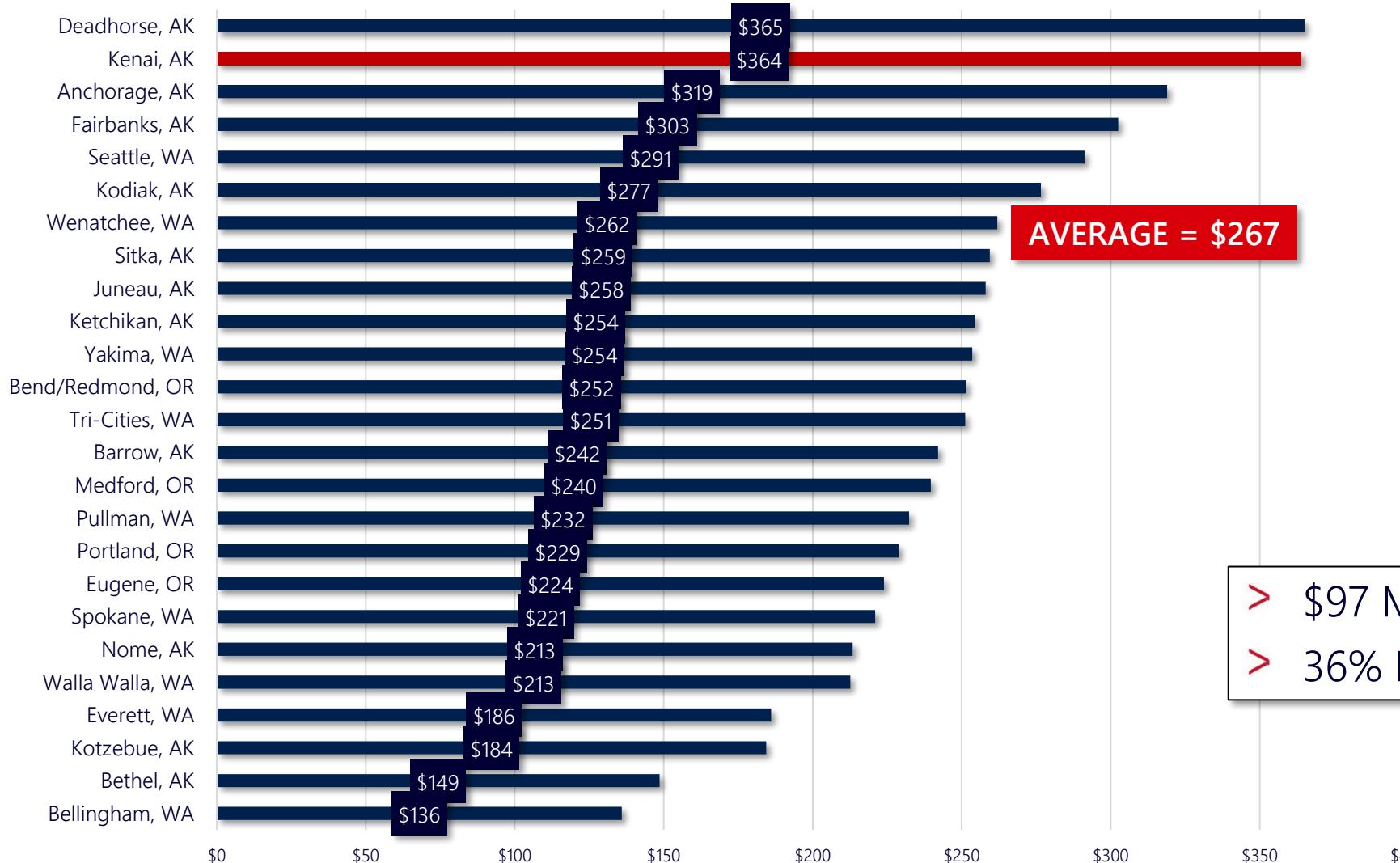
YEAR ENDED FIRST QUARTER 2014 – YEAR ENDED FIRST QUARTER 2025



KENAI SUPPORTS THE 2ND HIGHEST AVERAGE FARE

AVERAGE ONE WAY FARE IN PACIFIC NORTHWEST MARKETS WITH AT LEAST 75,000 ANNUAL PASSENGERS

YEAR ENDED SECOND QUARTER 2025



AVERAGE = \$267

- > \$97 MORE THAN AVERAGE
- > 36% PREMIUM TO FLY LOCAL

KENAI RETAINS JUST 7% OF LOCAL TRAVELERS

AIRPORTS USED BY KENAI CATCHMENT AREA PASSENGERS PER DAY EACH WAY

YEAR ENDED THIRD QUARTER 2023



ANC: 93%

ENA: 7%

TOPIC TWO

THE INDUSTRY AT A GLANCE



PERIOD OF SLOWER GROWTH FORECAST

US BUSINESS CYCLE INDICATOR INDEX

FIRST QUARTER 2001 – THIRD QUARTER 2025



KEY RISKS

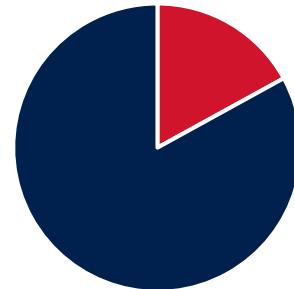
- > TARIFF UNCERTAINTY
- > RECORD HIGH CORPORATE DEBT
- > LABOR MARKET WEAKNESS
- > INCREASING WEALTH GAP

TOP 10% NOW HAVE 50% OF WEALTH

INCREASED RELIANCE ON PREMIUM CABIN

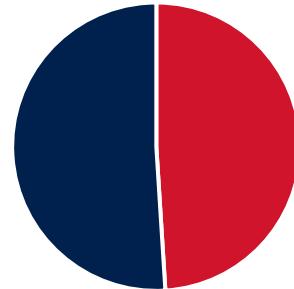
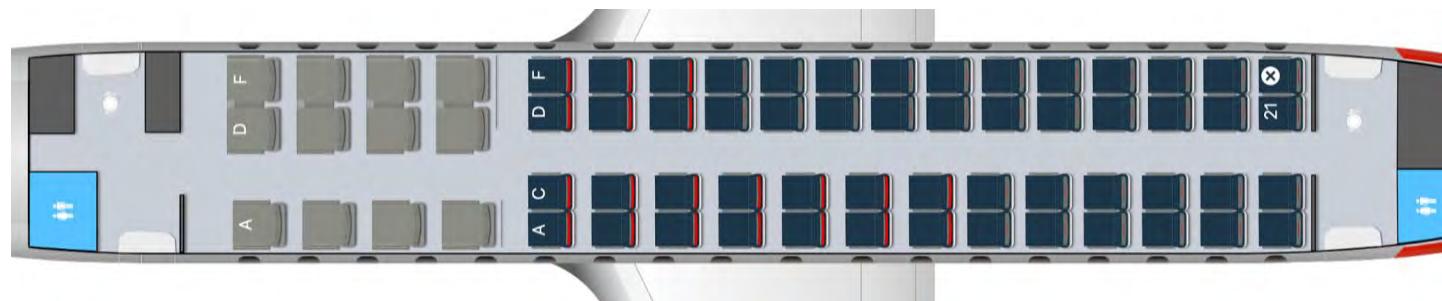
SHARE OF SEATS IN FIRST CLASS VS. SHARE OF REVENUE FROM FIRST CLASS

THIRD QUARTER 2025



FIRST CLASS

> 17% OF SEATS



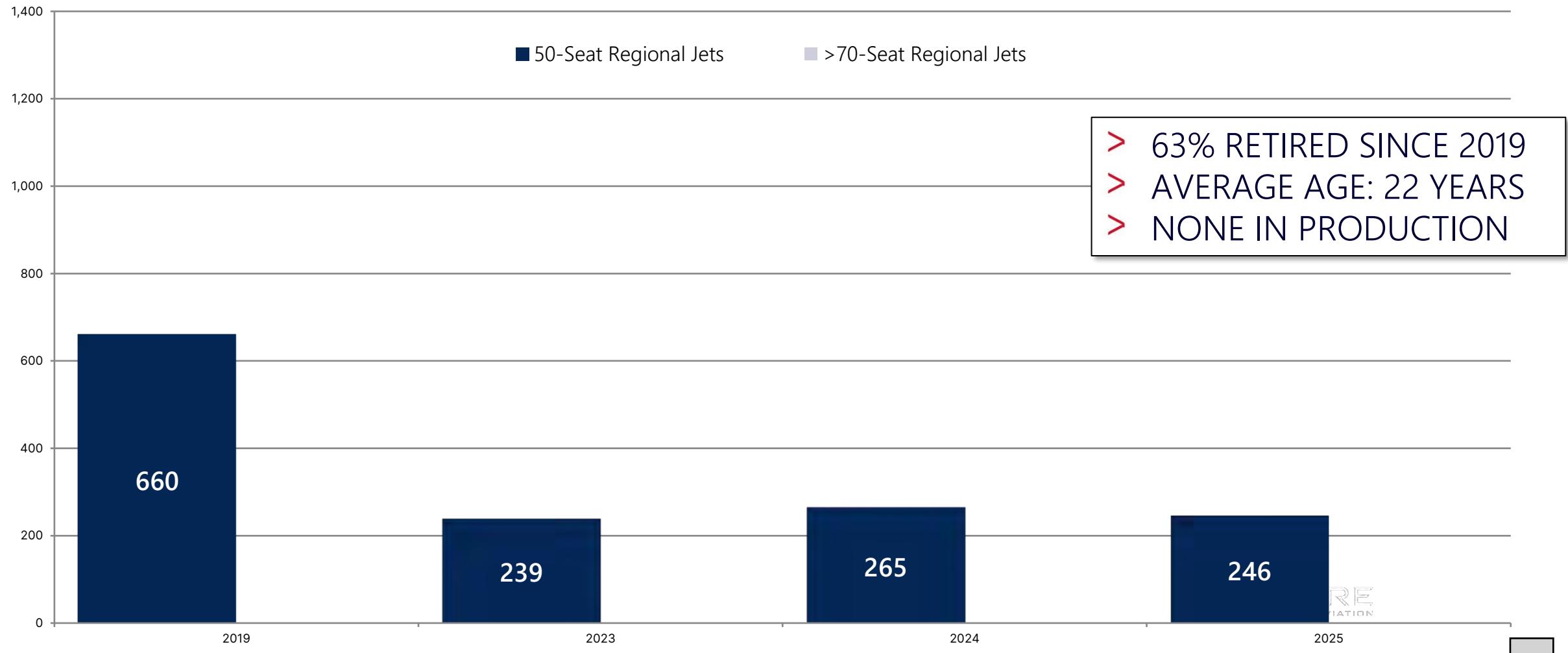
FIRST CLASS

> 49% OF REVENUE

AIRLINES QUICKLY RETIRING SMALL RJs

US FLEET OF 50 SEAT REGIONAL JETS VS. LARGER REGIONAL JETS

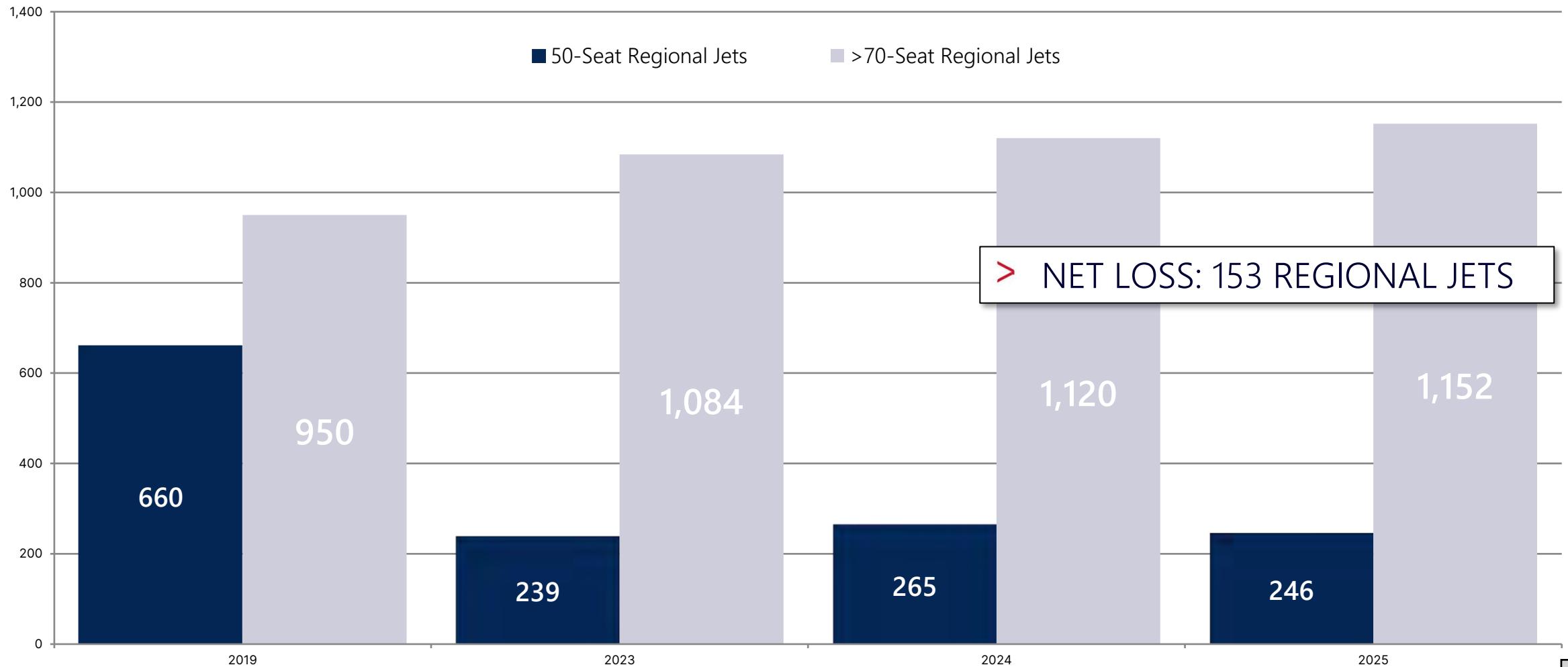
CALENDAR YEAR 2019 – CALENDAR YEAR 2025



NOT ENOUGH LARGE RJs TO REPLACE SMALL

US FLEET OF 50 SEAT REGIONAL JETS VS. LARGER REGIONAL JETS

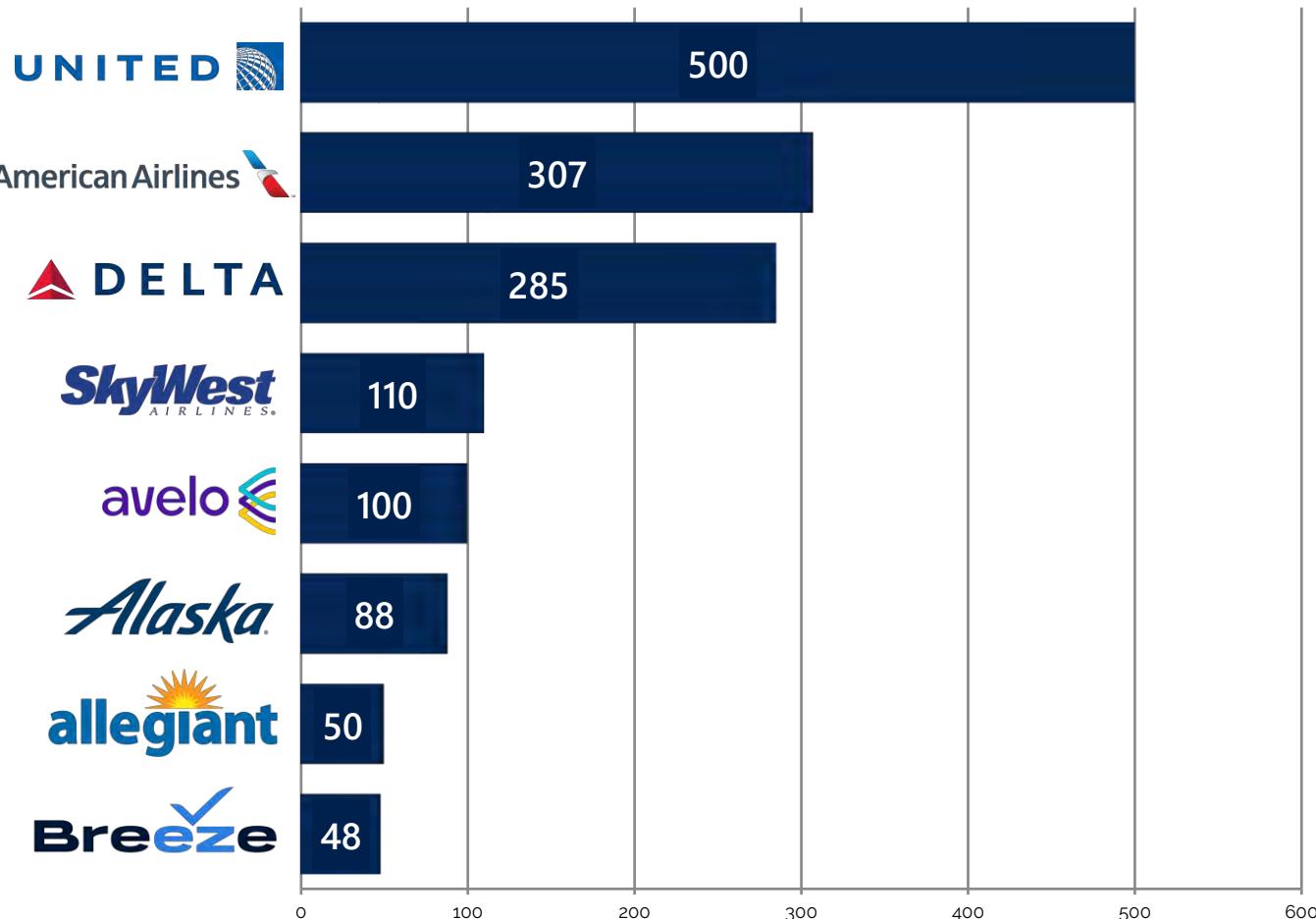
CALENDAR YEAR 2019 – CALENDAR YEAR 2025



MORE THAN 1,000 NEW PLANES ON ORDER

AIRCRAFT ORDERS AND OPTIONS BY US CARRIER

AS OF JANUARY 2026



- > EXPECT NETWORK CHANGES
- > CREATES NEW OPPORTUNITIES

VOLAIRE
AVIATION

TOPIC THREE

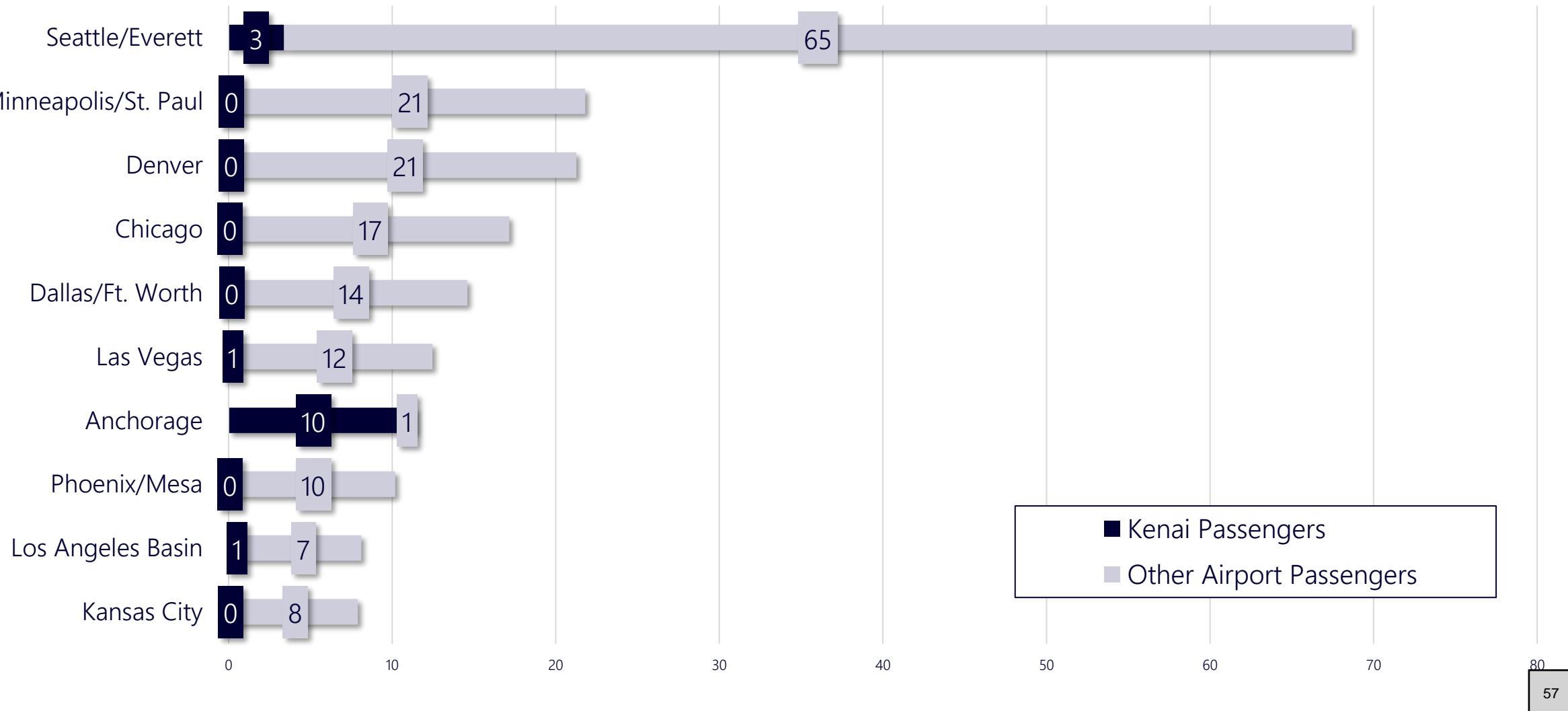
ALASKA AIRLINES EVOLUTION



KENAI'S TOP MARKET IS SEATTLE/TACOMA

TOP 10 O&D MARKETS FOR KENAI CATCHMENT AREA PASSENGERS

YEAR ENDED THIRD QUARTER 2023



THE BATTLE FOR SEATTLE

POTENTIAL NETWORK CARRIERS TO SERVE KENAI – SEATTLE/TACOMA

AS OF JANUARY 2026



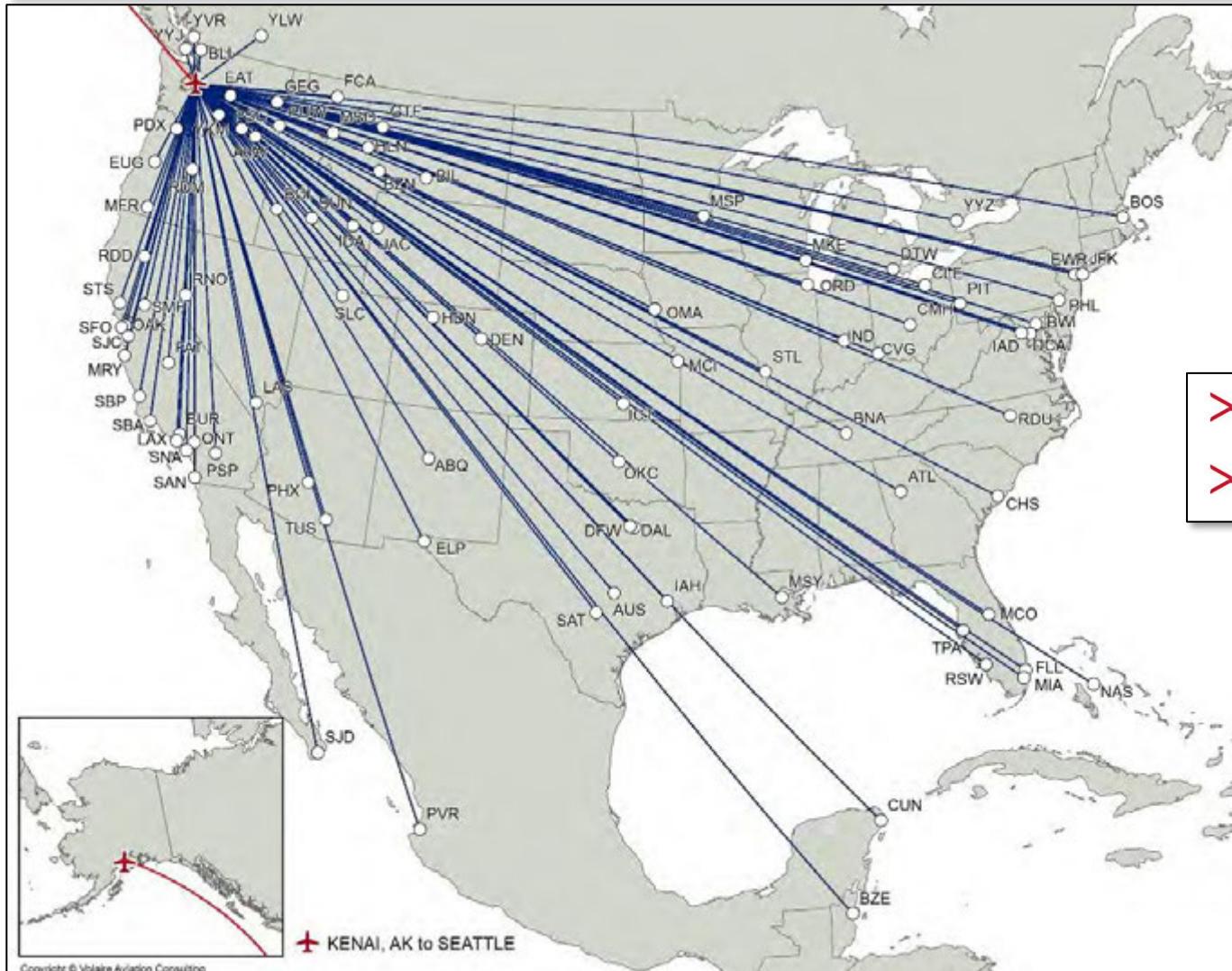
VOLAIRE



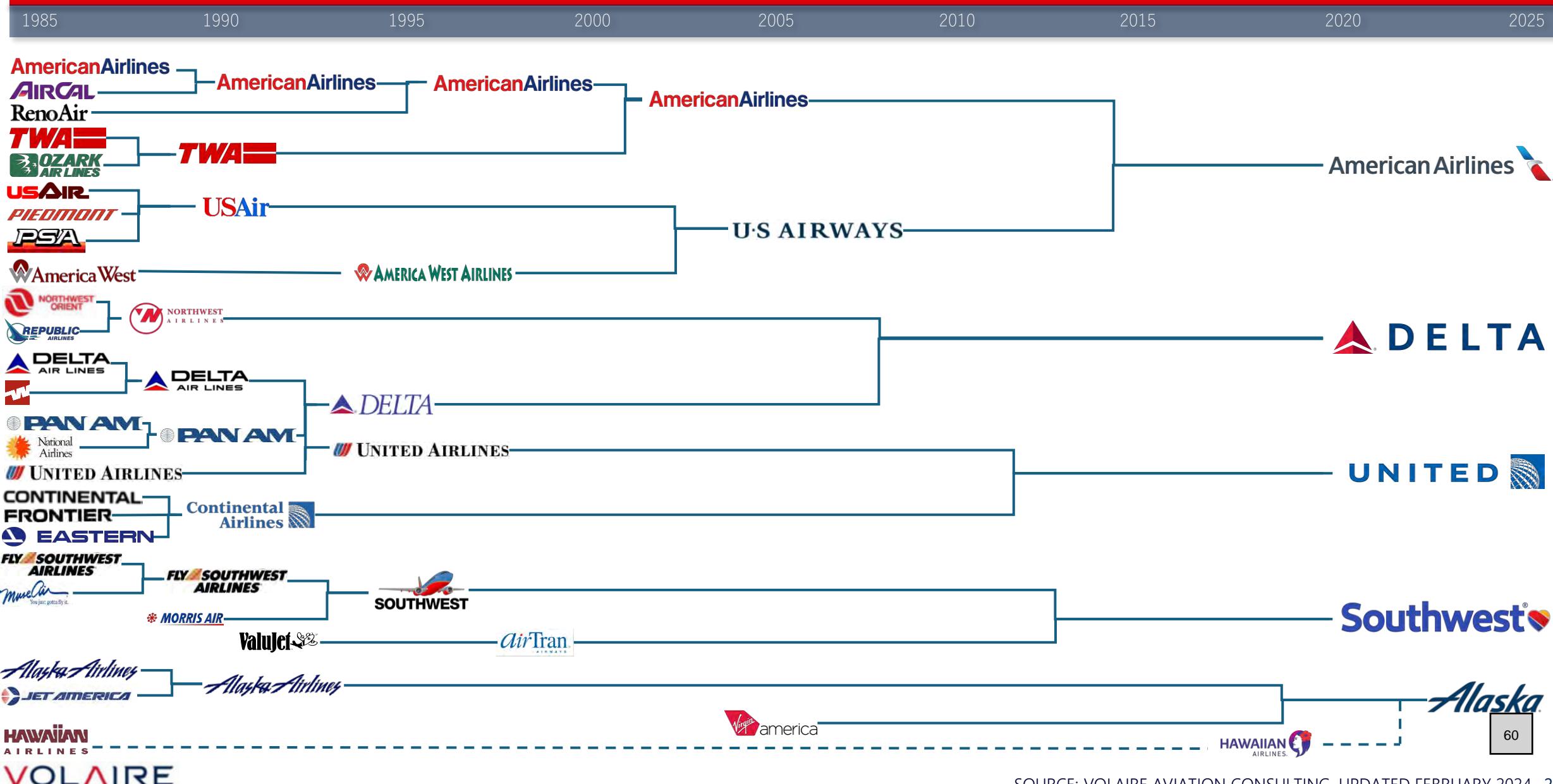
ALASKA HAS SUPERIOR SEATTLE CONNECTIVITY

CONNECTIONS AVAILABLE AT SEATTLE/TACOMA ON ALASKA AIRLINES

AS OF JANUARY 2026



ALASKA IS ONE OF FEW SURVIVORS





Alaska®  HAWAIIAN®



SINGLE CERTIFICATE



SINGLE CERTIFICATE

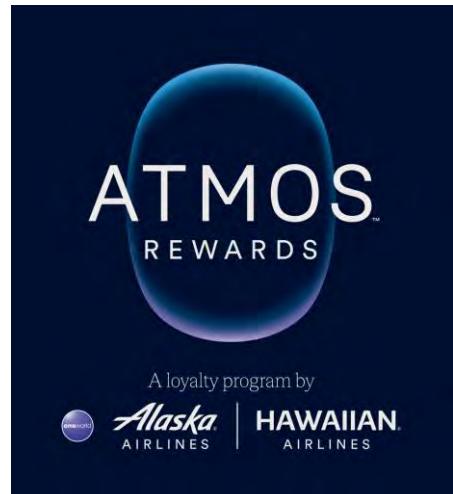
JOINT NETWORK PLANNING





SINGLE CERTIFICATE

JOINT NETWORK PLANNING



NEW LOYALTY PROGRAM





SINGLE CERTIFICATE

JOINT NETWORK PLANNING



NEW LOYALTY PROGRAM



SIGNIFICANT NETWORK GROWTH

ALASKA HAS ADDED 25 DOMESTIC ROUTES

ALASKA AIRLINES' NEW DOMESTIC ROUTES

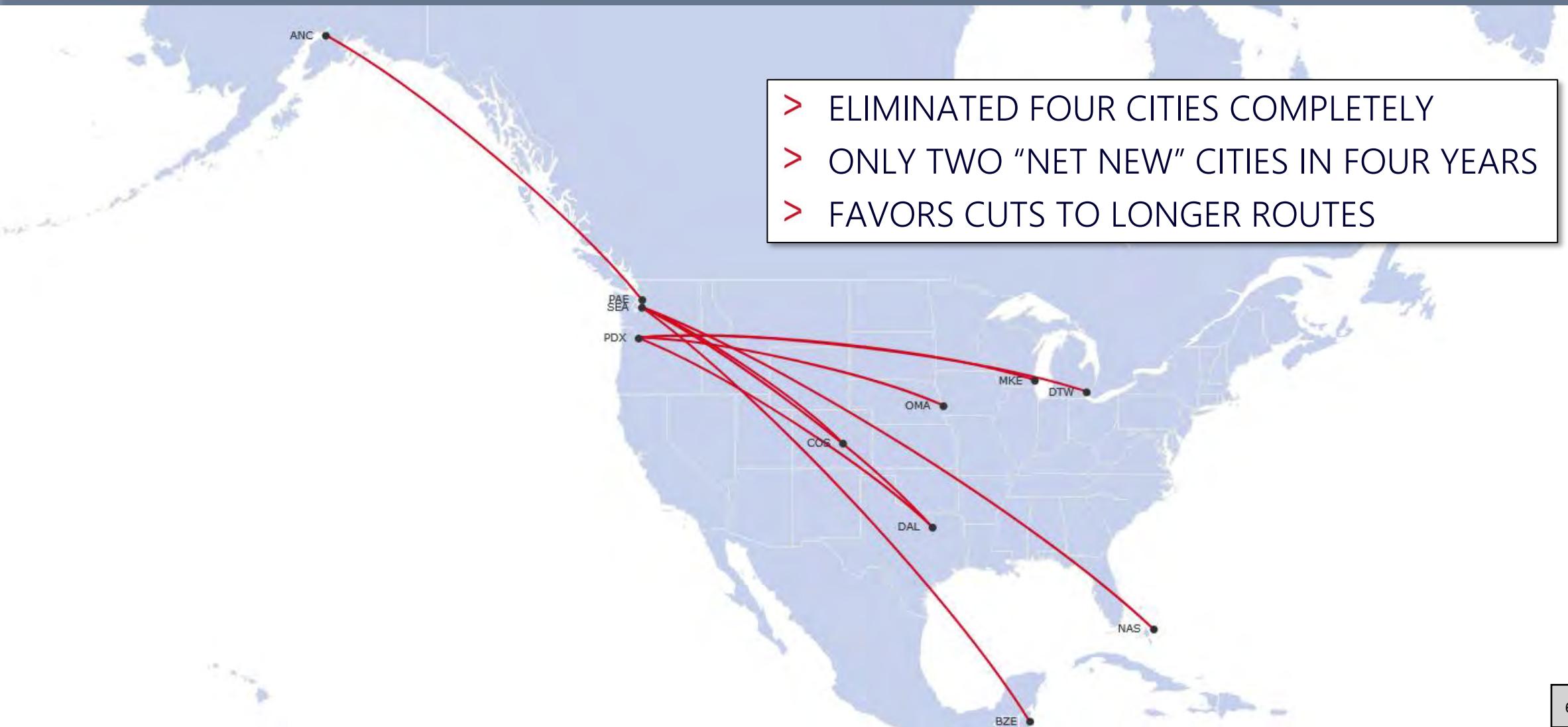
SINCE 2022, AS OF JANUARY 2026



ALASKA HAS CUT NINE ROUTES

ALASKA AIRLINES' ELIMINATED ROUTES

SINCE 2022, AS OF JANUARY 2026



ALASKA'S NEW FOCUS IS ON LONG HAULS

ALASKA AIRLINES' ADDED LONG HAUL INTERNATIONAL ROUTES

SINCE 2022, AS OF JANUARY 2026

- > SOAKS UP CREW TIME
- > CHALLENGES GATE SPACE



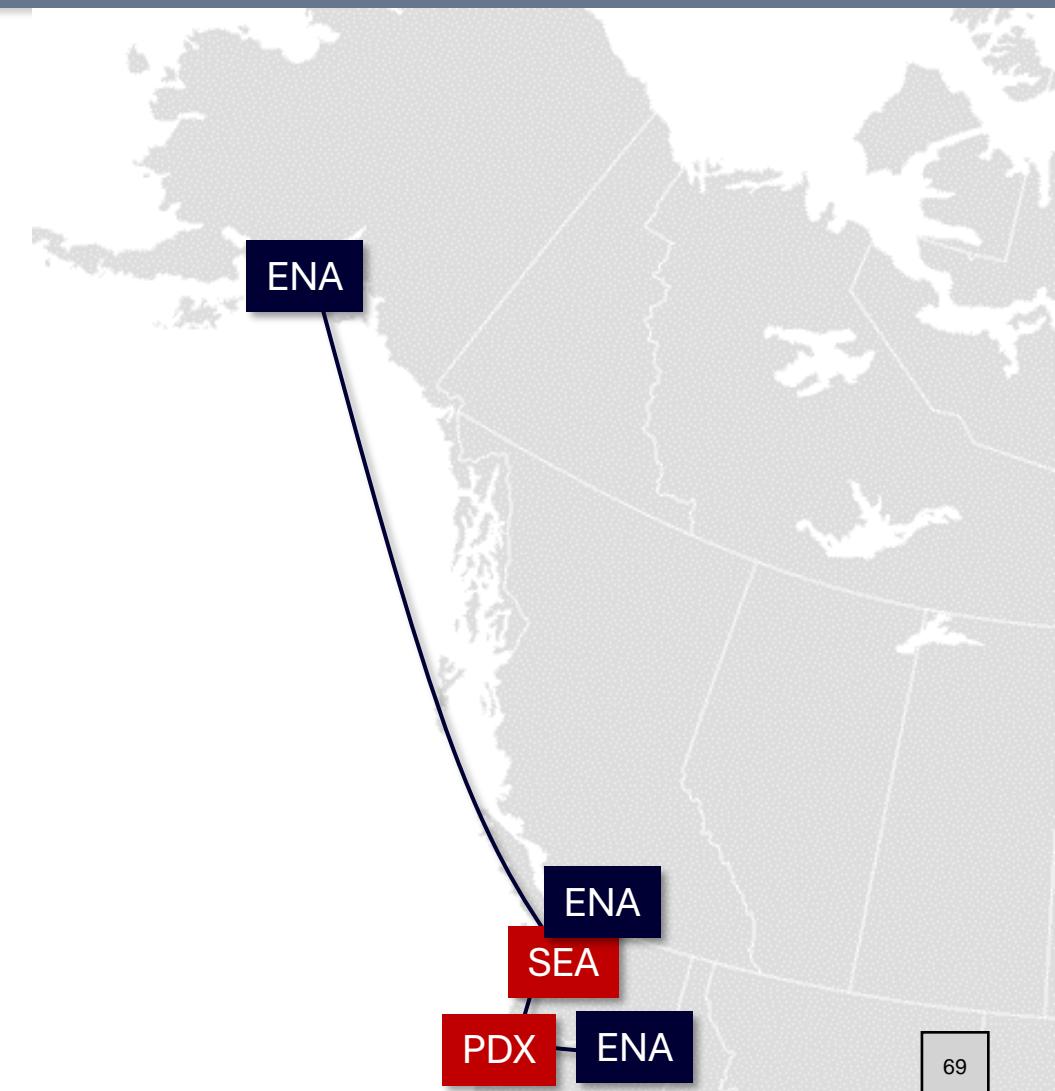
SHORT HAULS CAN MAKE MORE MONEY

REVENUE ANALYSIS: KENAI – SEATTLE VS. PORTLAND (PDX) SHORT HAULS

AS OF JANUARY 2026

ENA-SEA

- > GENERATE \$19,000 PER SEGMENT
- > \$38,000 PER DAY (TWO SEGMENTS)



SHORT HAULS CAN MAKE MORE MONEY

REVENUE ANALYSIS: KENAI – SEATTLE VS. PORTLAND (PDX) SHORT HAULS

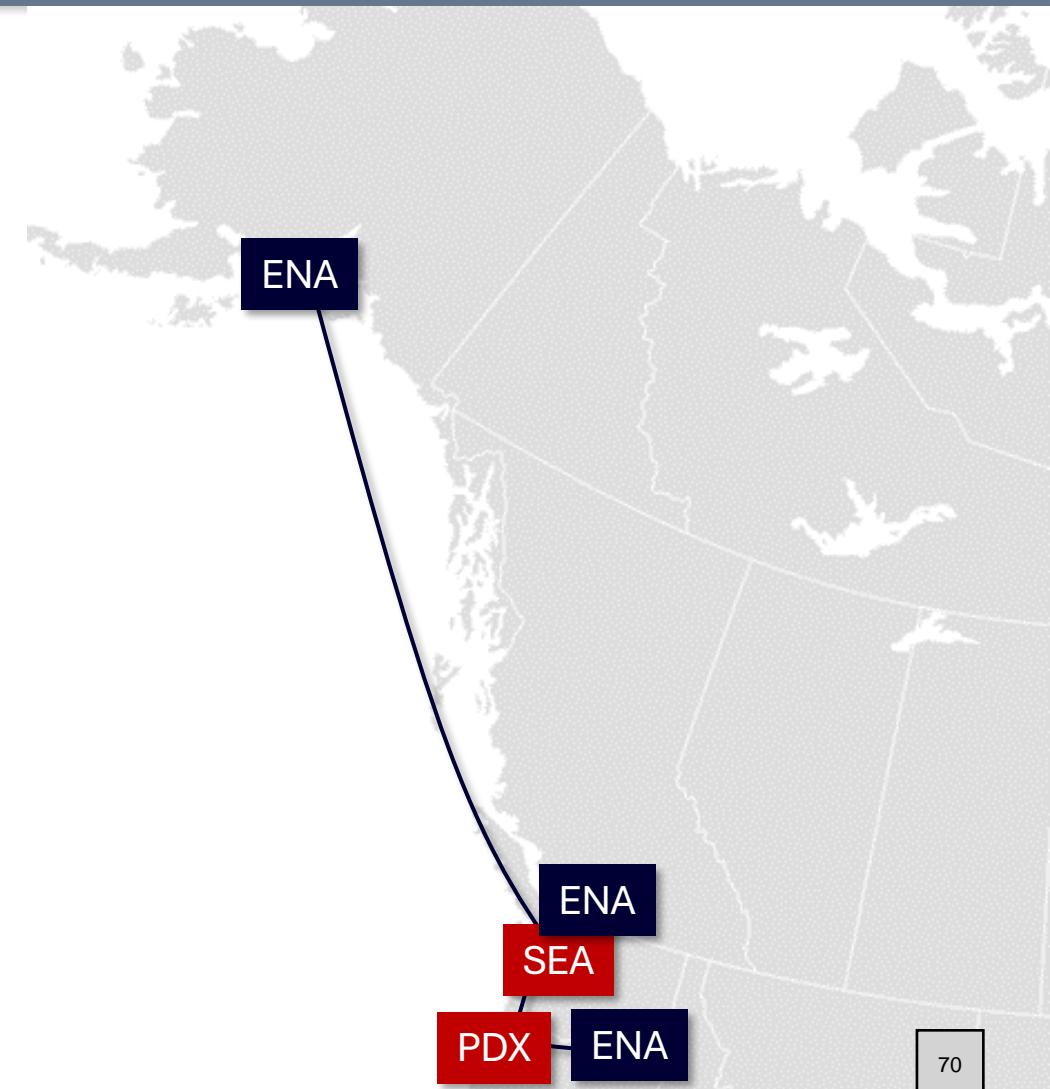
AS OF JANUARY 2026

ENA-SEA

- > GENERATE \$19,000 PER SEGMENT
- > \$38,000 PER DAY (TWO SEGMENTS)

BLI-PDX AND PSC-PDX

- > SAME AIRCRAFT TIME, SIX SEGMENTS
- > \$9,300 PER SEGMENT
- > \$55,800 PER DAY



TOPIC FOUR

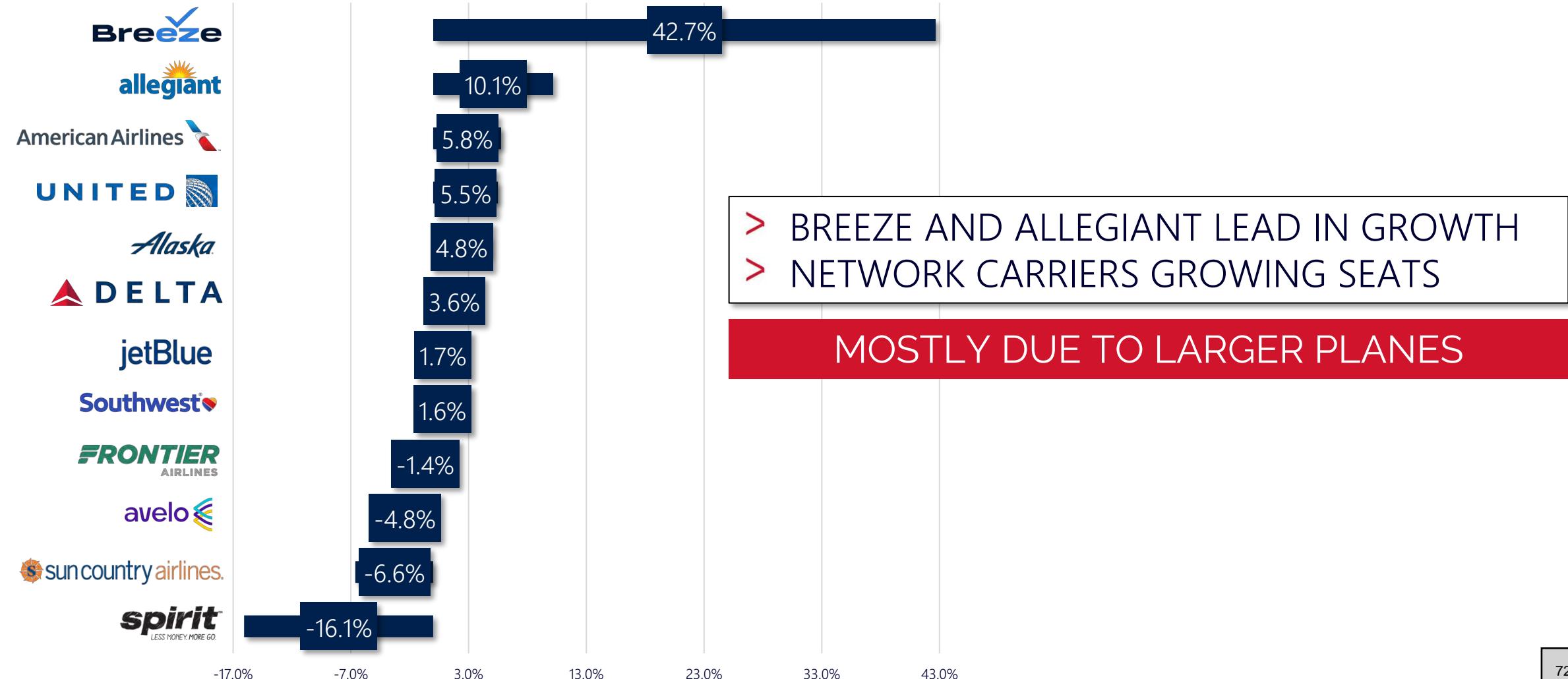
DUAL STRATEGIES



MANY AIRLINES GROWING SEATS

CHANGE IN SYSTEMWIDE CAPACITY (AVAILABLE SEATS)

FOURTH QUARTER 2025 VS. FOURTH QUARTER 2024



DUAL PATH TO LOWER 48 NONSTOPS

TWO OPTIONS FOR NONSTOP FLIGHTS TO THE LOWER 48

AS OF JANUARY 2026

NETWORK CARRIERS

- > SEATTLE NONSTOPS
- > DAILY OR NEAR-DAILY SERVICE
- > LARGE REGIONAL JET



DUAL PATH TO LOWER 48 NONSTOP

TWO OPTIONS FOR NONSTOP FLIGHTS TO THE LOWER 48

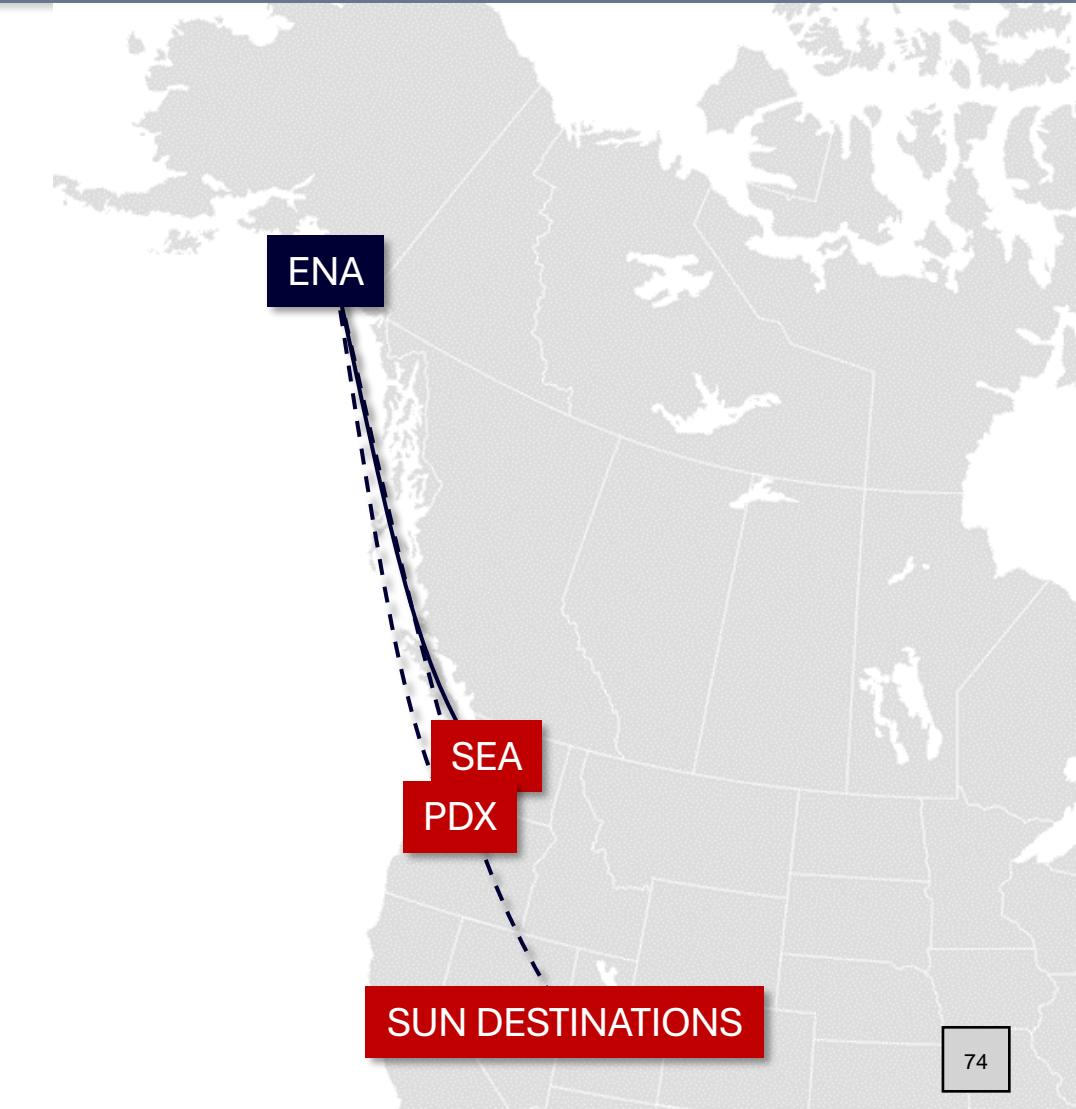
AS OF JANUARY 2026

NETWORK CARRIERS

- > SEATTLE NONSTOPS
- > DAILY OR NEAR-DAILY SERVICE
- > LARGE REGIONAL JET

LOW COST CARRIERS

- > PORTLAND OR OTHER LARGE DESTINATIONS
- > TWICE-WEEKLY FLIGHTS
- > POTENTIALLY SEASONAL



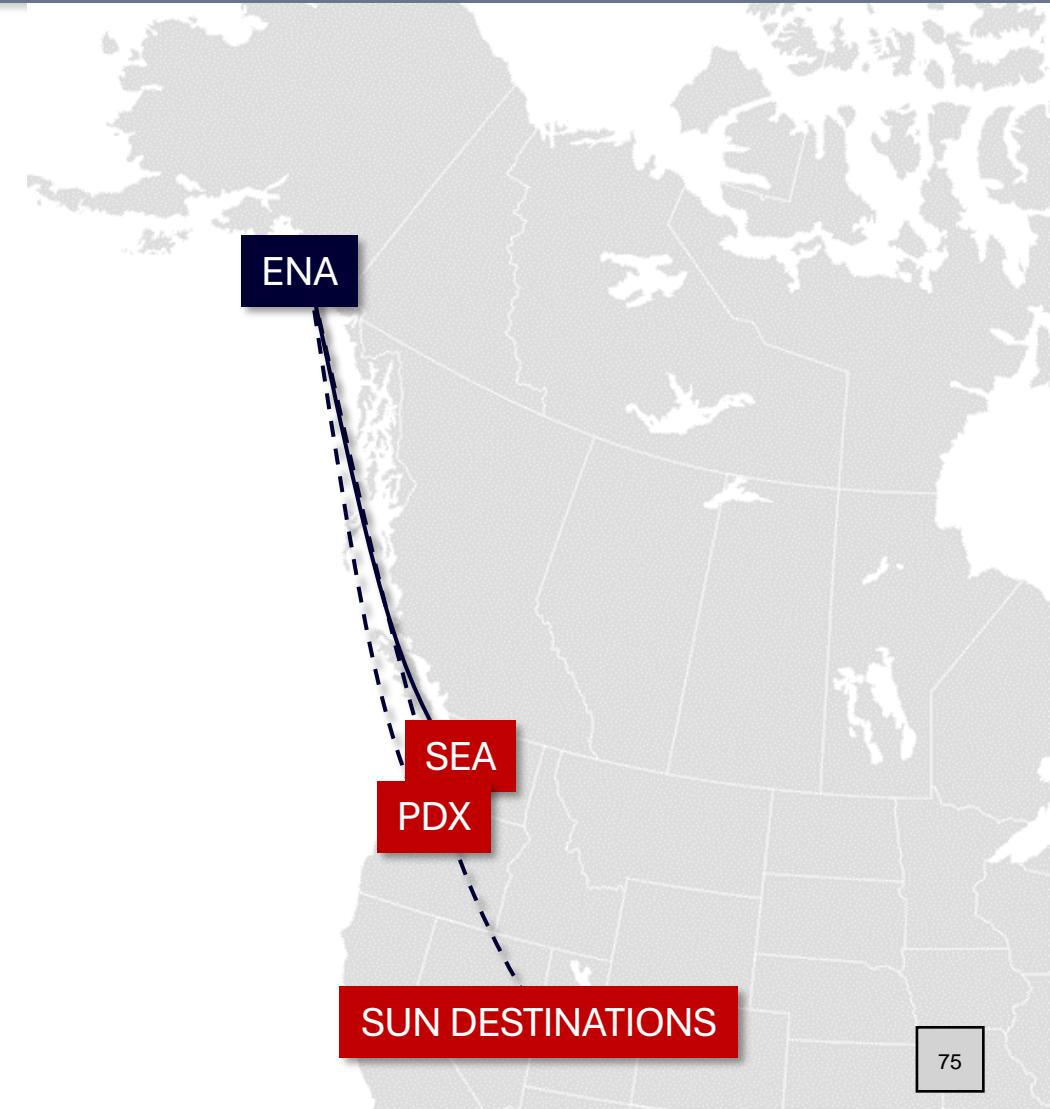
EITHER PATH REQUIRES RISK MITIGATION

RISK MITIGATION PLAN FOR NONSTOPs TO THE LOWER 48

AS OF JANUARY 2026

- > SMALL COMMUNITY AIR SERVICE GRANT
- > AIRPORT FEE WAIVERS (TWO YEARS)
- > LOCAL MARKETING PLAN

OTHER LOCAL/STATE SOURCES?



MOST ROUTES HAVE MAJOR GUARANTEES

ALASKA AIRLINES' NEW DOMESTIC ROUTES

SINCE 2022, AS OF JANUARY 2026

Market	Contributor	Amount
Arcata-Eureka (ACV)	SCASD and Local	\$1,200,000
Redding (RDD)	SCASD and Local	\$1,000,000
San Luis Obispo (SBP)	San Luis Obispo County	\$2,000,000
Idaho Falls (IDA)	City of Idaho Falls	\$1,000,000
Cleveland (CLE)	JobsOhio	\$1,250,000
Cincinnati (CVG)	JobsOhio	\$1,250,000
Vail/Eagle (EGE)	Eagle Air Alliance	\$1,000,000
Tulsa (TUL)	SCASD and Local	\$1,500,000
Total Contribution		\$10,200,000



JACK PENNING

MANAGING PARTNER

JACK.PENNING@VOLAIREAVIATION.COM



Please join the City of Kenai for a **PUBLIC MEETING**



**regarding the Kenai Airport
Master Plan Update**



WHEN:

Thursday, February 19
4:30-7:30 PM

WHERE:

City Council Chambers
210 Fidalgo Avenue, Kenai, AK

About the Project

The City of Kenai is updating the Kenai Airport Master Plan to determine how the airport can best serve the future interests and needs of the flying public, the aviation community, the City, and other stakeholders.

Meeting Purpose

This meeting will share findings from the recently completed first phase of the Airport Master Plan Update, including current airport conditions and future aviation needs. Preliminary development alternatives will also be presented.



Visit the project website
for more information:
kenaiamp.com

Project Contacts

Project Manager

Erik Jordt
Phone: 907-564-2154
Email: EJordt@HDLAlaska.com

Aviation Planner

Marie Schmidt
Phone: 907-564-2160
Email: MSchmidt@HDLAlaska.com

Airport Manager

Mary Bondurant
Phone: 907-283-8282
Email: MBondurant@kenai.city



MEMORANDUM

TO: Mayor Henry Knackstedt and Kenai City Council
THROUGH: Terry Eubank, City Manager
FROM: Mary Bondurant, Interim Airport Manager
DATE: January 8, 2026
SUBJECT: **Airport Mid-month Report December 2025**

FY2025 Airport Capital Improvement Projects

- Runway Rehabilitation Project
Construction to Start Spring of 2026. There will be a pre-construction meeting on Friday, January 16, 2026.
- Apron crack sealing, marking, and sealcoat
Construction to start in the Spring of 2026. A pre-construction meeting will be held on Wednesday, January 14, 2026.
- 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 should be delivered the end of January 2026.
- Airport Master Plan – Phase 1
City Administration is reviewing the draft Conditions and Needs Assessment and preliminary development alternatives. These proposed alternatives will be introduced at the February 12th, Airport Commission meeting and on February 19th at a public meeting.
- ARFF Building Rehabilitation – Boiler Replacement
Project is in the final stages of completion.

In-house Activities

- Different winter than last year for the Operations Crew with plenty of snow and ice to deal with. The crew has been able to keep up with no impact to operations. Mother Nature has been the culprit disrupting service with the high winds.

- Airport administration along with the City Planning Department and the Kenai Fire Marshall are continuing with lease lot inspections inside the Airport Reserve. We have completed 14 of 22 inspections.
- 8th Annual Christmas Tenant Tree Decorating Contest came to an end on December 23, 2025 with Grant Aviation receiving the most votes. Congratulations!

