

KENAI PENINSULA BOROUGH

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

DALE BAGLEY MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President

Kenai Peninsula Borough Assembly Members

THRU: \mathcal{M} Dale L. Bagley, Borough Mayor

FROM: Paul Ostrander, Land Management Officer

DATE: June 16, 2004

SUBJECT: Ordinance 2004-18: Authorizing the Lease of Government Lot 1, ASLS No. 2002-

46, According to Plat No. 2003-6 Seward Recording District at Other than Fair

Market Value to the Hope/Sunrise Volunteer Fire Department

The Planning Commission held a public hearing for the subject ordinance during their regularly scheduled June 14, 2004 meeting. No one testified during the hearing.

A motion to recommend enactment of the ordinance passed by unanimous consent.

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

AGENDA ITEM F. PUBLIC HEARINGS

8. Ordinance 2004-18: Authorizing the Lease of Government Lot 1, ASLS No. 2002-46, According to Plat No. 2003-6 Seward Recording District at Other than Fair Market Value to the Hope/Sunrise Volunteer Fire Department

Memorandum as reviewed by Paul Ostrander. PC Meeting: 6-14-04

The Kenai Peninsula Borough (KPB) owns Lot 1 of Alaska State Land Survey No. 2002- 46, containing 5.86 acres, more or less, according to the survey plat recorded in the Seward Recording District as Plat 2003-6 by virtue of State of Alaska Patent No. 19249. The September 1987 Community Land Use Plan for Borough Lands in Hope recommends that subject Lot 1 be used for a public safety and emergency service area site. The Hope/Sunrise Volunteer Fire Department (HSVFD) has submitted an application for the lease of subject Lot 1 at other than fair market value.

The KPB and HSVFD have entered into a grant agreement, KPB Project No. 03BTG, in the amount of \$50,000. The KPB Project No. 03BTG grant funds are designated for wildland fire response, including purchase of wildland fire fighting equipment, or for construction or renovation of facilities to protect equipment used for wildland fire response. The lease will authorize construction of a heated garage facility to house fire department vehicles and equipment. A long-term lease is recommended to support the long-term use of this site for public safety and emergency service purposes.

The subject ordinance asks for exceptions to KPB 17.10.090 requiring classification prior to transfer and KPB 17.10.110 requiring notice of disposition. Classification takes 90 days and once accomplished will not contribute to the decision to lease Lot 1 to HSVFD. The HSVFD needs to commence construction as soon as possible to have the facility ready before winter. Lot 1 is being leased to HSVFD on a non-competitive basis and KPB 17.10.110 notice requirements are for the purpose of advertising competitive disposals.

END OF MEMORANDUM

While reviewing the memorandum, Mr. Ostrander advised the commission that patent for the property was received about two months ago. The lease is for 50 years at \$1 per year. Findings to support granting an exception to the classification process are included in the ordinance.

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

MOTION: Commissioner Gross moved, seconded by Commissioner Tauriainen, to recommend enactment of Ordinance 2004-18.

Commissioner Hohl asked if Hope had an advisory planning commission. Mr. Ostrander replied the Hope/Sunrise Advisory Planning Commission was inactive. Commissioner Hohl inquired about the date of the advisory commission's last meeting. Mr. Ostrander did not know.

VOTE: The motion passed by unanimous consent.

BRYSON	CLARK	FOSTER	GROSS	HOHL	HUTCHINSON	ISHAM
YES	YES	YES	YES	YES	YES	YES
JOHNSON	MARTIN	MASSION	PETERSEN	TAURIAINEN	TROEGER	13 YES
YES	YES	YES	YES	YES	YES	

KENAI PENINSULA BOROUGH PLANNING COMMISSION JUNE 14, 2004 MEETING

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TO:

KENAI PENINSULA BOROUGH

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

> DALE BAGLEY MAYOR

MEMORANDUM

Pete Sprague, Assembly President

Kenai Peninsula Borough Assembly Members

THRU: DLB Dale Bagley, Mayor

THRU: WY Max Best, Planning Director

Po. Paul Ostrander, Land Management Officer

FROM: Roy E. Dudley, Land Management Agent

DATE: May 20, 2004

SUBJECT: An ordinance authorizing the lease of Government Lot 1, ASLS No. 2002-

46, according to Plat No. 2003-6 Seward Recording District at other than

fair market value to the Hope/Sunrise Volunteer Fire Department

The Kenai Peninsula Borough (KPB) owns Lot 1 of Alaska State Land Survey No. 2002-46, containing 5.86 acres, more or less, according to the survey plat recorded in the Seward Recording District as Plat 2003-6 by virtue of State of Alaska Patent No. 19249. The September 1987 Community Land Use Plan for Borough Lands in Hope recommends that subject Lot 1 be used for a public safety and emergency service area site. The Hope/Sunrise Volunteer Fire Department (HSVFD) has submitted an application for the lease of subject Lot 1 at other than fair market value.

The KPB and HSVFD have entered into a grant agreement, KPB Project No. 03BTG, in the amount of \$50,000. The KPB Project No. 03BTG grant funds are designated for wildland fire response, including purchase of wildland fire fighting equipment, or for construction or renovation of facilities to protect equipment used for wildland fire response. The lease will authorize construction of a heated garage facility to house fire department vehicles and equipment. A long-term lease is recommended to support the long-term use of this site for public safety and emergency service purposes.

The subject ordinance asks for exceptions to KPB 17.10.090 requiring classification prior to transfer and KPB 17.10.110 requiring notice of disposition. Classification takes 90 days and once accomplished will not contribute to the decision to lease Lot 1 to HSVFD. The HSVFD needs to commence construction as soon as possible to have the facility ready before winter. Lot 1 is being leased to HSVFD on a non-competitive basis and KPB 17.10.110 notice requirements are for the purpose of advertising competitive disposals. The KPB Planning Commission will consider this ordinance at its regularly scheduled meeting of _______, and the action taken will be reported to the assembly.

KENAI PENINSULA BOROUGH RESOURCE PLANNING DEPARTMENT LAND MANAGEMENT DIVISION

144 North Binkley Street Soldotna, Alaska 99669 (907) 262-4441

APPLICATION TO REQUEST THE NEGOTIATED PURCHASE, LEASE, OR EXCHANGE OF BOROUGH OWNED LAND

A \$200 FEE MUST BE SUBMITTED WITH THIS APPLICATION. THE \$200 IS NOT APPLIED TO THE PURCHASE PRICE AND IS REFUNDED ONLY IF THE APPLICATION IS NOT FOUND TO BE IN THE PUBLIC'S BEST INTEREST. IF APPROVED BY THE BOROUGH ASSEMBLY, A \$1,000 EARNEST MONEY PAYMENT MUST BE SUBMITTED WITHIN SEVEN DAYS OF AFFIRMATIVE ASSEMBLY ACTION.

THIS FORM IS TO BE COMPLETED BY INDIVIDUAL(S) OR ORGANIZATION'S WISHING TO PURCHASE, LEASE OR EXCHANGE BOROUGH LAND PURSUANT TO KPB 17.10.100(C) or (I). IT IS TO BE COMPLETED, IN FULL, TO THE BEST OF KNOWLEDGE OF THE INDIVIDUAL OR AUTHORIZED REPRESENTATIVE. IF REQUESTED, PROPRIETARY AND FINANCIAL INFORMATION OF APPLICANTS THAT IS SO MARKED, WILL BE KEPT CONFIDENTIAL. THE ASSEMBLY MUST APPROVE, BY ORDINANCE, ANY DISPOSITION OF BOROUGH LAND.

ATTACH SEPARATE SHEETS IF MORE SPACE IS NEEDED FOR EXPLANATION. IF A SECTION (or, portion thereof) IS NOT APPLICABLE, MARK WITH THE ABBREVIATION "N/A". ASK KPB LAND MANAGEMENT STAFF IF YOU HAVE ANY QUESTIONS ABOUT THE INFORMATION REQUESTED. PLEASE TYPE OR PRINT.

Name OCO 21 O/	CCKI //	Phone # (907	782-	3436	-
Mailing Address P. 1	o, BOX 36	HOPE, 1	9LASKA	99605	
hysical Address	64932 2	UD ST.	HUPE,	ALASKA 9	79605
THER INDIVIDUA	L(S) OR ORGANIZAT	TION(S) PARTY T	O THIS APPLIC	ATION:	
) Name		Phone # ()		
Mailing Addres	SS				
	ssss				
Physical Addre	ss				
Physical Addre					

Application form for negotiated disposals Kenai Peninsula Borough, Alaska negotiat.apl - rev 2/97 Page 1 of 6

	Mailing Address P.O. BOX 131 HOPE, Alaska 99605
	Physical Address Koman Road
	Primary Contact: Scott SHERRITT Title: FIRE CHIER
	Phone # 907) 782-3436
3.	TYPE OF ORGANIZATION: (CHECK ONE)
٥.	Individual Sole Proprietorship
	Limited Partnership Non-Profit Association
	Other Corporation
4.	Note: Please submit, as appropriate, the following items with this application: 1) current Alaska business license; 2) designation of signatory authority to act for organization or individuals. If non-profit, has IRS Tax Exempt Status been obtained? Yes No If yes, attach letter of determination. If no, please attach certificate, articles of incorporation, by-laws, or other appropriate documentation. SEE ATTACHMENT 546 LEGAL DESCRIPTION: Township 1010, Range 2101, Section 27, Section 27, Meridian
	Lot/Block/Subdivision
	Plat Number Recording District
	Assessors Parcel Number(s) 035-290-19 Size/Acreage 5.86
	Other description LOT 1 OF Alaska STATE LAND SURVEY NO. 2002 -46 (SRD 2003-6)
5.	THIS APPLICATION IS BEING MADE FOR THE FOLLOWING: (CIRCLE ONE)
	Curchase Lease Exchange
	Other (specify):

a) Purchase	Price: \$1.00 *	
•		
	syment Amount (Minimum 10% of Purchase Price):	
c) Payment	Terms (Maximum 10 years; except for agricultural land where maximum is 20 years):	
d) Interest I	Rate (Minimum: prime plus 2%):	
OTHER TE	ERMS AND CONDITIONS: * or a \$1.00 a year lease	
ARE THER	LE ANY CONTINGENCIES TO THIS TRANSACTION: YES NO $\underline{\mathbf{X}}$ IF YES,	LIS
	ESCRIBE ALL SPECIAL CIRCUMSTANCES AND ANY OTHER REASONS YOU B DUGH SHOULD SELL THIS LAND TO YOU ON YOUR PROPOSED TERMS. BE SP	
	SEE ATTACHMENT 1	
THE "BES"	SAL IS OTHER THAN FAIR MARKET VALUE, PLEASE STATE WHY IT WOULD I PUBLIC INTEREST" TO APPROVE THIS PROPOSAL. INCLUDE ALL SUPPORT ID DOCUMENTS.	
	SEE ATTACHMENT 1	
	negotiated disposals Page 3 of	

AVAILABLE.	IBE ANY EXISTING IMPROVEMEN	
5	EE ATTACHMENTS	2, 3, 4
ATTACH SITE PLAN D	EPICTING THE PROPOSED USE OF	THE PROPERTY.
-5	EE ATTACHMEN	TS 2, 3, 4
	REFERENCES. IN ADDITION, AND EQUESTED IF BALANCE TO BE FI	
NAME	ADDRESS	PHONE #
N/A		()
N/A		()
OWNED LAND OR RES	FFILIATED ENTITY PREVIOUSLY OURCES ? YES X NO IF YES SE; AND CURRENT STATUS:	
OWNED LAND OR RES	OURCES ? YES 🗶 NO IF YES	
OWNED LAND OR RES	OURCES ? YES X NO IF YES SE; AND CURRENT STATUS:	S, PROVIDE LEGAL DESCRIPTION
OWNED LAND OR RES OF PURCHASE OR LEA HAS APPLICANT, OR A	OURCES ? YES 🗶 NO IF YES	S, PROVIDE LEGAL DESCRIPTION A PETITION FOR BANKRUPTCY R THE BENEFIT OF CREDITORS
OWNED LAND OR RES OF PURCHASE OR LEA HAS APPLICANT, OR A ADJUDGED BANKRUP YESNO IF YI	OURCES ? YES X NO IF YES SE; AND CURRENT STATUS: FFILIATED ENTITY, EVER FILED TOR MADE AN ASSIGNMENT FOR	S, PROVIDE LEGAL DESCRIPTION A PETITION FOR BANKRUPTCY THE BENEFIT OF CREDITORS

15. COMPLETE THE FOLLOWING APPLICANT QUALIFICATION STATEMENT FOR EACH INDIVIDUAL APPLICANT OR ORGANIZATION. ATTACH ADDITIONAL STATEMENTS AS NECESSARY.

APPLICANT/BIDDER QUALIFICATION STATEMENT

I	SCOTT SHERRITT
	(printed name)
of	P.O. BOX 36
	(address)
	HOPE, ALASKA 99605
	(city, state)

do hereby swear and affirm

I am eighteen years of age or older; and

I am a citizen of the United States; a permanent resident; or a representative of a group, association or corporation which is authorized to conduct business under the laws of Alaska; and

I am not delinquent on any deposit or payment of any obligation to the Borough; and

I am not in breach or default on any contract or lease involving land in which the Borough has an interest; and

I have not failed to perform under a contract or lease involving Borough land in the previous five years and the Borough has not acted to terminate the contract or lease or to initiate legal action.

Unless agreed otherwise in writing and signed by the Borough Mayor, I agree to pay recording fees, closing fees, escrow setup fees, annual escrow fees, collection fees, surveying fees, and acquisition of title insurance. If my proposal is to lease the land, I agree to provide a performance bond, general liability insurance, provide a damage deposit, and pay for remote site inspection, if applicable.

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED HEREIN IS TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Print Name

Applicant Signature

/Date

Application form for negotiated disposals Kenai Peninsula Borough, Alaska negotiat.apl - rev 2/97 Page 5 of 6

Attachment 1

7. Please describe all special circumstances and any other reasons you believe the Borough should sell this land to you on your proposed terms. Be specific.

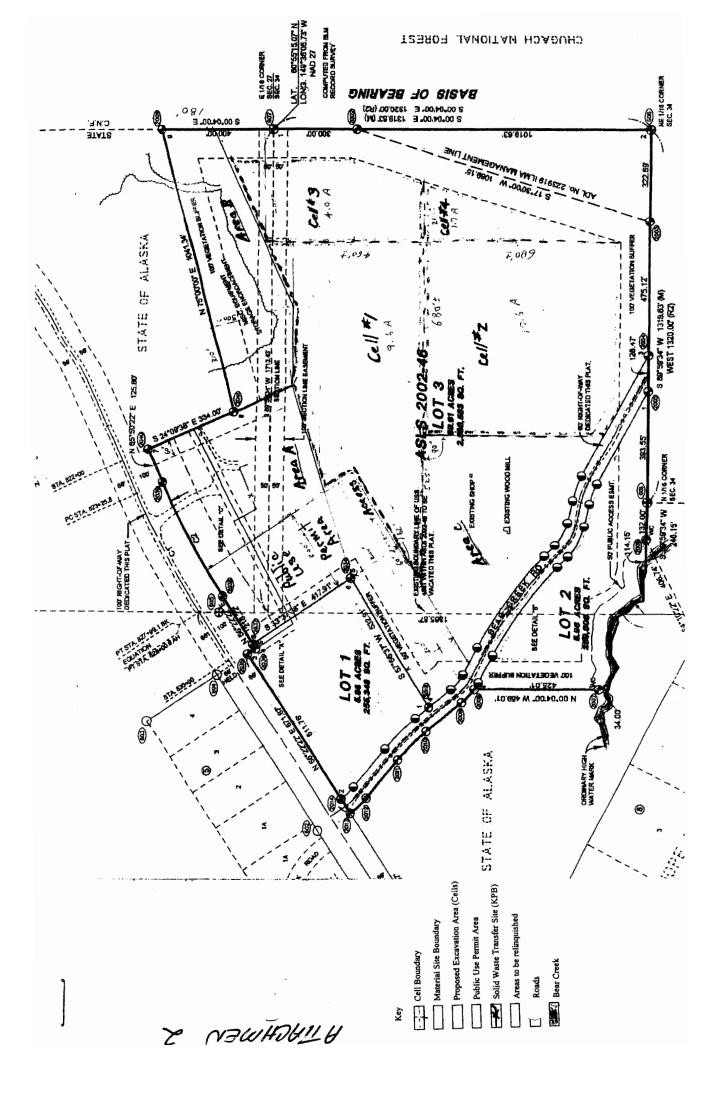
This parcel of land was specifically designated for "Pubic Safety" use in the <u>Hope Land-Use Plan</u> (1981), to accommodate future fire, emergency medical, and law enforcement services. The Hope/Sunrise Volunteer Fire Department is a non-profit corporation funded by voluntary donations from local residents and property owners. We therefore receive limited funds that are used for operational expenses, which include Workman's Compensation insurance, vehicle insurance, fuel, training and supplies.

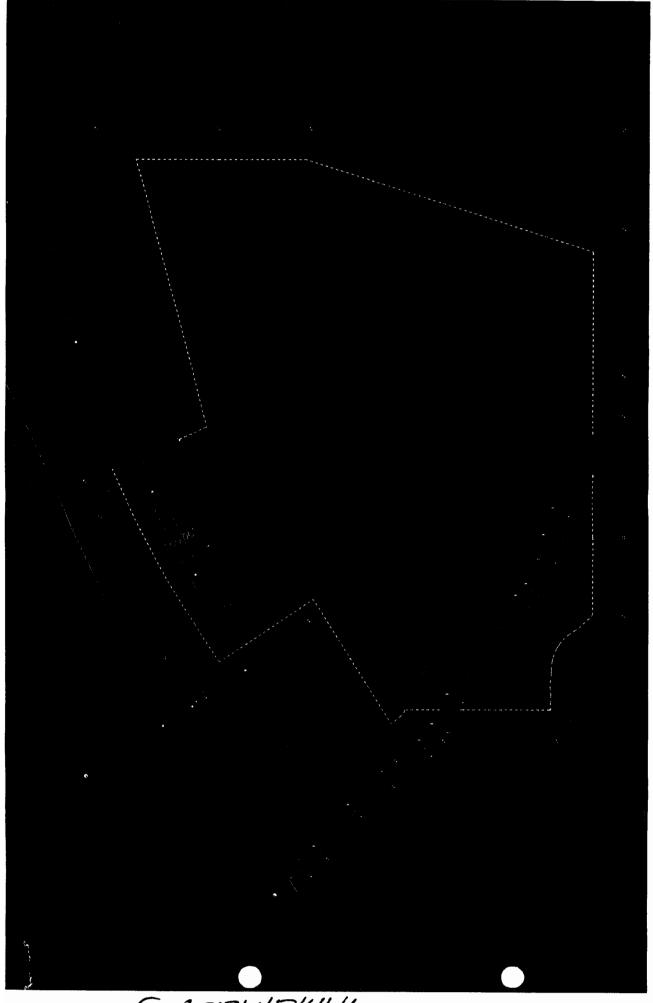
We have received two FEMA grants that have been used to purchase fire fighting equipment, rescue equipment and a new fire brush-truck. The Kenai Peninsula Borough is currently holding a \$45,000 grant (KPB Project No. 03BTG) waiting on the disposition of this parcel. This grant will be used by the H/SVFD to construct a heated garage facility on the property, to house our fire vehicles and equipment. This facility will provide our community with year-round fire protection.

 If proposal is other than fair market value, please state why it would be the "best public interest" to approve this proposal. Include all supporting facts and documents.

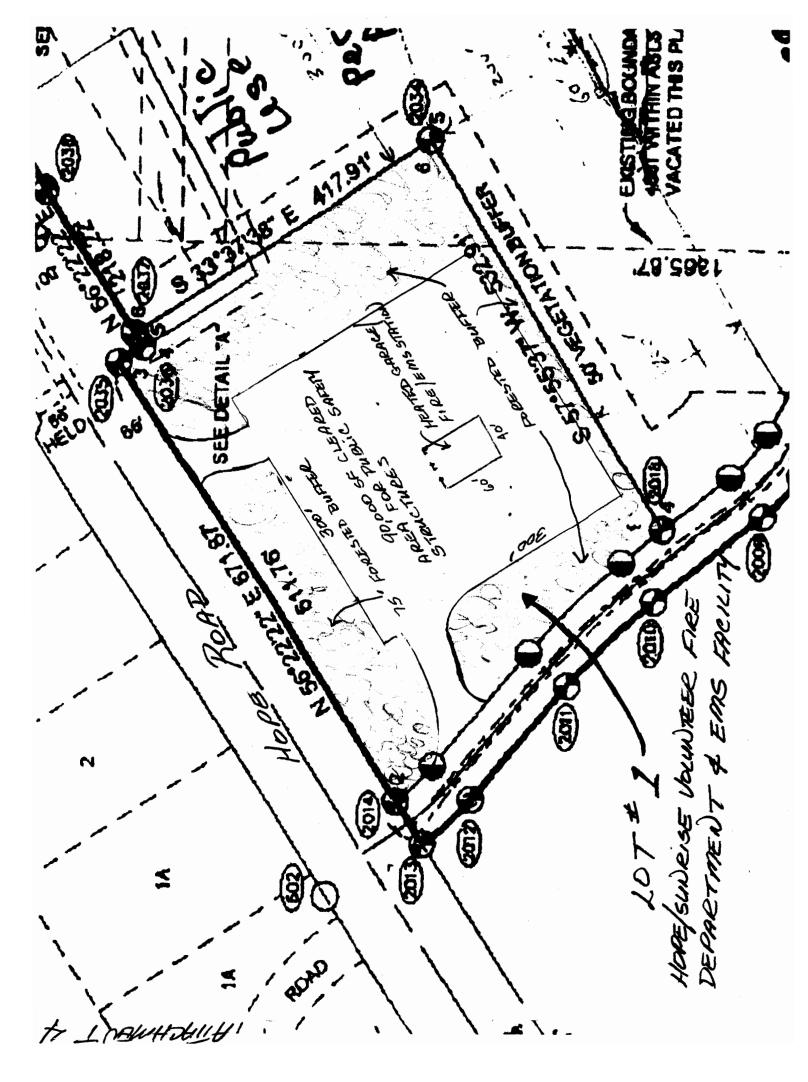
The Hope/Sunrise Volunteer Fire Department is a public service to the communities of Hope and Sunrise, able to provide a significant level of protection in the event of fire. The department also will provide support to the US Forest Service and other communities if needed for wildland fires.

Until we acquire this parcel of land and construct a heated garage facility we are limited to summer operations. This structure can also house the ambulance operated by Hope EMS, currently stored outdoors at a residence in Sunrise. This ambulance can better serve the public interest by being housed in a heated facility on this property.





E 1 WALLHOUTH



ATTACHMENT 5

INTERNAL REVENUE SERVICE P. O. BOX 2508 CINCINNATI, OH 45201

Date: DEC 11 2001

HOPE/SUNRISE VOLUNTEER FIRE DEPARTMENT PO BOX 131 HOPE, AK 99605 DEPARTMENT OF THE TREASURY

Employer Identification Number: 31-1792281 DLN: 17053226040031 Contact Person: CASSANDRA L KNOX ID# 31469 Contact Telephone Number: (877) 829-5500 Accounting Period Ending: December 31 Foundation Status Classification: 509(a)(2) Advance Ruling Period Begins: June 9, 2001 Advance Ruling Period Ends: December 31, 2005 Addendum Applies:

Dear Applicant:

Based on information you supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

No

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably expect to be a publicly supported organization described in section 509(a)(2).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from your beginning date for purposes of section 507(d) and 4940.

Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until we make

Letter 1045 (DO/CG)

State of Alaska Department of Community and Economic Development Division of Banking, Securities and Corporations

CERTIFICATE OF INCORPORATION

Nonprofit Corporation

The undersigned, as Commissioner of Community and Economic Development of the State of Alaska, hereby certifies that Articles of Incorporation of

HOPE/SUNRISE VOLUNTEER FIRE DEPARTMENT

have been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Community and Economic Development, and by virtue of the authority vested in me by law, hereby issues this Certificate of Incorporation and attaches hereto the original copy of the Articles of Incorporation.

IN TESTIMONY WHEREOF, I execute this certificate and affix the Great Seal of the State of Alaska on

APRIL 1, 2002

Deborah B. Sedwick

Commissioner of Community and Economic Development





KENAI PENINSULA BOROUGH

144 North Binkley Street
Soldotna, Alaska 99669-8250
BUSINESS: (907) 714-2153
Toll-free within the Borough: 1-800-478-4441
FAX: (907) 262-8616
EMAIL: bgolden@borough.kenai.ak.us

DALE BAGLEY MAYOR

April 2, 2004

Scott Sherritt, Deputy Fire Chief Hope/Sunrise Volunteer Fire Department P.O. Box 131 Hope, Alaska 99605

Re: Agreement Between KPB and Hope/Sunrise Volunteer Fire Department KPB Project No. 03BTG

Dear Chief Sherritt:

Enclosed please find the duplicate original of the Agreement between the Borough and Hope/Sunrise Volunteer Fire Department. This copy is for your files. The original has been filed with the Borough Clerk.

Pursuant to the Agreement, the Fire Department is to receive \$5,000 upon execution of the agreement. A payment request has been submitted to the Borough Finance Department; you should receive a check shortly. The remaining \$45,000 will be paid to you when a certificate of insurance showing the required coverage and naming the Borough as an additional insured is submitted.

Activity and financial reports are due on a quarterly basis. (See Attachment B for details.) Your first reports will be due July 31, 2004. I have included a form that you may use for reporting; however, you may use whatever method or form is most convenient for you as long as the required information is included. If you would like an electronic copy of the reporting form, let me know. The report should be submitted to me at the above address. Your KPB project number is 03BTG. This number should be used on all reports submitted to the Borough.

I look forward to working with you on the successful completion of your project. Please contact me at your convenience if I can be of any assistance.

Very truly yours,

Bonnie L. Golden Grants Manager

Bennie Colden

/bg

Enclosures - Agreement, Report form

Amount of Gra	ıt		KPB Accou	nt Number:	Amoun	t:
	\$ 50,000			2.21320.03BTG.49999 2.21320.3INT2.49999		\$25,000 \$25,000
Project Title Wildla	nd Fire Respon	se	Funds Veri	Tiedby:	Date 3 - 25' - O	y
Name			Name			
Hope/	Sunrise Volunte	er Fire Department	Bo	nnie L. Golden		
Street/P.O. Box			Title			
P.O. E	ox 131		Gı	ants Manager		
City/State/Zip			Street			
Hope,	Alaska 99605	,	14	4 N. Binkley		
Contact Person			City/State/2	Lip		
Scott S	herritt, Deputy	Fire Chief	So	ldotna, AK 99669		
Phone		Email	Phone		Fax	
782-34	36	782-3437	714-215	33	262-861	6

'Grantee') agree as set forth herein.

The Borough shall pay the Grantee for the performance of the project work under the terms outlined in this Section I: agreement. The amount of the payment is based upon project expenses incurred, which are authorized under this agreement. In no event shall the payment exceed \$ 50,000.00.

Section II: The Grantee shall perform all of the work required by this agreement.

Section III: The work to be performed under this agreement begins September 4, 2002, and shall be completed no later than December 31, 2004.

Section IV: The agreement consists of this page and the following attachments:

Scope of Work and Use of Funds Attachment A:

Payment Method and Reporting Requirements Attachment B:

Attachment C: Standard Provisions Certificate(s) of Insurance from Grantee

Appendix 1: Excerpts from OMB Circular A-110

In the event there is any difference between the original of this agreement on file with the Kenai Section V: Peninsula Borough Clerk and a duplicate original of the agreement, including any attachments, the original filed with the Borough Clerk shall control.

Signature of Thereto	Signature Dale LBandy	
Printed Name and Title SCOTI SHERRITI ASST CHIEF Date	Printed Name and Title	
JUDII SHEKKIII 1755, CHIEF	Dale L. Bagley, Borough Mayor	
Date 3/11/04	4/2/04	
	Attest: Borough Clerk	
	Hand Final F	
	7964 MHHHH	

Rev. 9/23/03

DUPLICATE ORIGINAL

Approved as to form and legal sufficiency by: Mounting Attorney

KPB Grant Agreement Attachment A – Scope of Work and Use of Funds

1. Project Description

The purpose of this Borough Grant is to provide funding in the amount of \$50,000 to the **Hope/Sunrise Volunteer Fire Department** for wildland fire response, including purchase of wildland fire fighting equipment, or for construction or renovation of facilities to protect equipment used for wildland fire response.

2. Project Budget

Cost Category	Grant Funds
Building construction or equipment purchase	\$50,000.00

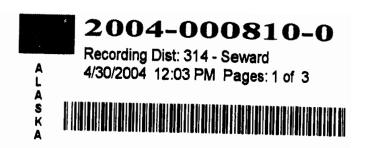
3. Budget Narrative / Use of Funds

- A. Grant funds, or any earnings therefrom, may be spent only for the purposes of the grant project as described above. Any monies used for purposes not authorized by this agreement shall be refunded to the Borough immediately after such expenditures, with or without demand by the Borough.
- B. Funds may be used only for a project that is primarily dedicated for a public purpose.
- C. Funds shall not be expended to provide programs or projects outside the boundaries of the Kenai Peninsula Borough.
- D. Funds, or earnings therefrom, shall not be expended for the purposes of lobbying activities before the Borough Assembly, the Alaska State Legislature or Congress.
- E. Funds shall not be used to pay any salaries, wages or benefits associated with Grantee's personnel.
- F. Funds may be used for purchases made between the dates of September 4, 2002, and December 31, 2004.
- G. The source of these funds is a lump-sum payment to the Borough from the U.S. Forest Service. Use of these funds for matching other federal grants may be restricted. It is the responsibility of the Grantee to receive approval from each respective federal granting agency to allow these funds to be used as a match under its funding program. The Borough makes no representation or warranty of any kind or nature whatsoever regarding the eligibility of these funds as matches for any other grant.

Rev. 2-11-04

KPB Grant Agreement Attachment A

Page 1 of 2



State of Alaska



MATURAL RESOURCES, 550 West 7th Avenue, Suite 1050A, Anchorage, Alaska 99501-3579, pursuant to AS 29.65.010-.140 and the regulations promulgated thereunder, and the Final Finding and Decision dated March 26, 1993, and amended November 15, 1994, for good and valuable consideration, grants and conveys to the Grantee, the KENAI PENINSULA BOROUGH, whose mailing address of record is 144 North Binkley Street, Soldotna, Alaska 99669, Grantee's successors and assigns, all that real property situated in the Seward Recording District, State of Alaska, and described as follows:

LOT 1 OF ALASKA STATE LAND SURVEY NO. 2002-46, CONTAINING 5.86 ACRES, MORE OR LESS, ACCORDING TO THE SURVEY PLAT RECORDED IN THE SEWARD RECORDING DISTRICT ON JULY 23, 2003, AS PLAT 2003-6.

Subject to valid existing rights, including reservations, easements, and exceptions in the U.S. Patent or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.

Net chargeable acreage under AS 29.65.010 is 5.86 acres, more or less.

The Grantor hereby expressly saves, excepts and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable

materials, geothermal resources, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times for the purpose of opening, developing, drilling, and working mines or wells on these or other lands and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

To Hatte And To Hold the said land, together with the tenements, hereditaments, and appurtenances thereunto appertaining, unto the said Grantee and Grantee's successors and assigns forever.

In Testimony Alperent the State of Alaska has caused these presents to be executed by the Director of the Division of Mining, Land and Water, Department of Natural Resources, State of Alaska, pursuant to delegated authority, this 23rd day of March, 2004.

gā:

For Bob Loeffler, Director

Division of Mining, Land and Water

Patent No. 19249

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2 of 3 2004-000810-0 State of Alaska)
) ss.
Third Judicial Bistrict)

This Is To Certify that on the 23rd day of March, 2004, appeared before me SANDRA J. SINGER, who is known to me to be the person who has been lawfully delegated the authority of Bob Loeffler, the Director of the Division of Mining, Land and Water, Department of Natural Resources, State of Alaska, to execute the foregoing document; that Sandra J. Singer executed said document under such legal authority and with knowledge of its contents; and that such act was performed freely and voluntarily upon the premises and for the purposes stated therein.

III itress my hand and official seal the day and year in this certificate first above written.

Notary Public in and for the State of Alaska

My commission expires:

April 4, 2005

OFFICIAL SEAL
STATE OF ALASKA
CELESTE L. KINSER
NOTARY PUBLIC

Return to Grantee

Patent No. 19249 ADL No. 201302 Location Index: T. 10 N., R. 2 W., S.M. Sections 27 and 34



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