

**The Alaska Mental Health Trust Authority**  
**Trust Land Office**  
**BEST INTEREST DECISION**  
**Kenai Peninsula Borough Non-Exclusive Term Easement**

MHT: 9201071  
MH Parcel: S20006

In accordance with AS 38.05.801 et seq. and the implementing regulations governing Alaska Mental Health Trust (“Trust”) land management (11 AAC 99), Trust land shall be managed consistently with the responsibilities accepted by the State under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)). This means that management shall be conducted solely in the best interest of the Trust and its beneficiaries.

In determining the best interest of the Trust and its beneficiaries, and in determining consistency between state law and the Alaska Mental Health Enabling Act, the Executive Director of the Alaska Mental Health Trust Land Office (“TLO”) shall, at a minimum, consider the following interactive Trust management principles in accordance with 11 AAC 99.020:

- Maximization of long-term revenue from Trust land;
- Protection of the corpus;
- Protection and enhancement of the long-term productivity of Trust land;
- Encouragement of a diversity of revenue-producing uses of Trust land; and
- Management of Trust land prudently, efficiently, and with accountability to the Trust and its beneficiaries.

**I. Proposed Use of Trust Land.** Term Non-Exclusive Easement issued to the Kenai Peninsula Borough (KPB) for access to borough land adjacent to the Trust parcel. The exact location and alignment of the easement will be determined in the future based on site evaluation and may not be one of the exact three options outlined below. This access will provide the ability for further study and planning of the area. A reciprocal easement will also be granted by the KPB to the Trust to ensure access through KPB land to MH Parcel S20006 to meet the Trust’s future development needs.

**II. Applicant/File #.** Kenai Peninsula Borough / MHT 9201071.

**III. Subject Property.**

**A. Legal Description.** Located in Section 24 in Township 1 North, Range 1 West, Seward Meridian and more particularly described as:

A portion of S1/2NW1/4NW1/4, SW1/4NW1/4, S1/2SE1/4NW1/4, N1/2SW1/4, E1/2NW1/4SW1/4SW1/4, NE1/4SW1/4SW1/4, N1/2SE1/4SW1/4, according to the plat approved by the U.S. Surveyor General’s Office in Juneau, Alaska on June 16, 1914, as depicted in Exhibit 1, Figure 4 (Options 1–3).

**B. Settlement Parcel Number.** S20006

**C. Site Characteristics/Primary Resource Values.** The subject parcel is located in the Blueberry Hill area near Seward, within a landscape dominated by steep ridges, narrow benches, and shallow bedrock typical of the Chugach flysch formation. Bedrock lies close to the surface across much of the area, with exposed outcrops present throughout the parcel. The terrain consists of forested slopes and patches of surficial organics. These characteristics do not materially impede the proposed easement corridor.

Primary resource values associated with the parcel include its physical position within a broader, multi-acre landscape identified by the Kenai Peninsula Borough (KPB) as important for long-term community expansion and future access planning. The parcel's location provides potential linkage between KPB-owned lands to the east and Melanie Lane/Knotwood Street to the west, making it strategically situated for future access development under borough road standards.

**D. Historical and Existing Uses of the Property.** The subject parcel is largely undeveloped and remains in a natural condition characterized by steep ridges, narrow benches, and shallow bedrock. No constructed infrastructure or active Trust authorized uses currently occur on the parcel. Historical use of the Trust parcel itself has been limited to informal, undeveloped open-space use. Given the presence of cut stumps on the parcel, it was logged at some point in the past 50-100 years.

**E. Adjacent Land Use Trends.** Adjacent lands include KPB holdings—positioned for long-term access and development planning as part of the Blueberry Hill area near Seward. The Borough Assembly has identified the area as a future community expansion zone and has initiated acquisition and feasibility planning to enable eventual road-served development.

**F. Previous State Plans/Classifications.** The 2001 Kenai Area Plan does not include Trust land and therefore does not apply to the subject parcel. Since conveyance into Trust ownership, the parcel is managed solely under the Alaska Mental Health Trust authorities and regulations. No active state land use classifications affect the parcel, and no state planning documents conflict with or limit the proposed easement authorization.

**G. Existing Plans Affecting the Subject Parcel.** The subject parcel falls within the KPB but does not have zoning regulations.

**H. Apparent Highest and Best Use.** Given the parcel's terrain, topographic constraints, shallow bedrock, and its location within a strategic access corridor for broader area development, the highest and best use of the parcel is long-term land planning and potential future development facilitated by improved access in collaboration with the Kenai Peninsula Borough. Because such planning cannot occur without establishing reciprocal access, this easement directly supports and enables the parcel's highest and best use.

**IV. Proposal Background.** In April 2025, the TLO and KPB entered into a Memorandum of Agreement to jointly obtain a development feasibility study for the Blueberry Hill area. Through summer and fall 2025, both parties coordinated site inspections and worked with RESPEC, which prepared the feasibility study. The feasibility study concluded that

constructing access across the combined Trust and KPB lands is feasible and that three viable conceptual road options exist. The study also determined that reciprocal access across each party's land is needed for either entity to continue coordinated planning and advance toward road layout and subdivision design. The proposed easement provides the KPB with access to its land while securing reciprocal access necessary for continued Trust land planning and development.

If affirmed following public notice, this decision authorizes the Trust Land Office to issue a non-exclusive term easement to the KPB along one of the three conceptual access corridors, or similar alignment, identified in the feasibility study and shown in Exhibit 1, Figure 4 (Options 1–3). No single corridor is selected at this stage, and the exact location and alignment of the easement will be determined in the future based on site evaluation. The selection among these corridors and any subsequent alignment work will occur through later planning and review processes (e.g., engineering, platting, approvals, and permitting, as applicable).

**V. Terms and Conditions.** The proposed action includes authorizing surface use of the described portions of Trust land under a non-exclusive term easement, with options for extension as appropriate. A Construction License will be issued to allow entry, permitting, construction, and initial operation. Upon completion of construction and submission of an as-built survey acceptable to the TLO, a corresponding easement will be issued, and the Construction License will terminate automatically.

**VI. Resource Management Considerations.** The proposal is consistent with the “Resource Management Strategy for Trust Land” (RMS), which was adopted October 2021 in consultation with the Trust and provides for the TLO to maximize return at prudent levels of risk, prevent liabilities, and convert nonperforming assets into performing assets.

Construction access is expected to occur via KPB designated routes and will be subject to KPB permitting, engineering review, and applicable road standards. The construction of any road to facilitate access is recognized as a potential cumulative impact; however, this Best Interest Decision does not approve or authorize full subdivision development or road construction within a future subdivision, and those impacts will be addressed through subsequent borough and state processes (including, as applicable, KPB platting, right-of-way approvals, grading permits, and engineering review). This authorization does not, by itself, authorize residential development; any future use and associated traffic will be evaluated under separate approvals and applicable permitting by the appropriate regulatory body.

**VII. Alternatives.**

- A.** Deny KPB's proposed easement, which would inhibit KPB from accessing their land. It is also reasonable to believe that KPB would not grant the Trust an access easement through their land to reach what is otherwise inaccessible Trust land.
- B.** Issue a short-term authorization instead of a term easement. A short-term land use authorization could be issued for preliminary planning and access activities. This

alternative was not selected because it would not provide the long-term reciprocal access necessary for coordinated development planning under the existing MOA with the Kenai Peninsula Borough.

- C. Grant borough access without reciprocal Trust access. This alternative was not selected because the Trust would not have viable access to its land for future development; this would reduce the long-term value and potential development of the Trust land.
- D. Delay the easement until final road alignment and subdivision designs are completed. This alternative would postpone access authorization until engineering and platting are finalized. It was not selected because delaying access would impede ongoing joint planning, engineering, and study efforts under the existing MOA and could increase overall project costs and timelines.

#### **VIII. Risk Management Considerations.**

- A. **Performance Risks.** Performance risks will be mitigated through the TLO's standard Easement Agreement document.
- B. **Environmental Risks.** No environmental risks specific to the proposed easement corridors have been identified based on site conditions and past inspections.
- C. **Public Concerns.** Comments were received in opposition to the development of the parcel during the public notice period for the statewide land sales program's best interest decision for the general disposal of the parcel. Given this easement will contribute to the development of the parcel, public concern may be expressed during the public notice.

#### **IX. Due Diligence.**

- A. **Site Inspection.** TLO Staff have inspected the parcels in the past and are generally familiar with the Trust parcels affected by this decision. TLO Staff would inspect the activity periodically throughout the life of this authorization.
- B. **Valuation.** There will be no cash revenue received for this authorization. However, the KPB is also granting the Trust access through its parcel at no cost, which is necessary for the further development of the Trust's parcel.
- C. **Terms and Conditions Review.** The standard TLO Easement Agreement documents have been reviewed by the Department of Law.

#### **X. Authorities.**

- A. **Applicable Authority.** AS 37.14.009(a), AS 38.05.801, and 11 AAC 99 (key statutes and regulations applicable to Trust land management and disposal).
- B. **Inconsistency Determination.** As the proposed non-exclusive term easement is specifically authorized under 11 AAC 99, any relevant provision of law applicable to other state lands is inapplicable to this action if it is inconsistent with Trust responsibilities accepted by the State under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)) as clarified by AS 38.05.801 and Alaska Mental Health Trust land regulations (11 AAC 99). 11 AAC 99 includes determinations that certain State statutes applicable to other State land do not apply to Trust land

unless determined by the Executive Director, on a case-by-case basis, to be consistent with 11 AAC 99.020.

- XI. Trust Authority Consultation.** The Alaska Mental Health Trust Resource Management Committee was consulted on April 23, 2026. The Committee recommended that the proposed transaction be forwarded to the Alaska Mental Health Trust board of trustees. On May 20, 2026, the board of trustees adopted the motion stating

*“The Alaska Mental Health Trust Authority board of trustees concur with the decision to dispose of a portion of Trust parcel S20006 through a non-exclusive term easement to the Kenai Peninsula Borough.”*

- XII. Best Interest Decision.** Given the information above and the information contained in the complete record, the Executive Director finds that the proposed transaction is in the best interest of the Trust, subject to the terms and conditions addressed in this decision. The decision is based upon the consideration of the five Trust management principles set out in 11 AAC 99.020 and is in full compliance with 11 AAC 99. This decision does not preclude the TLO from determining that an alternative proposal will serve the best interest of the Trust. A future determination of that nature will require a best interest decision specific to the proposal.

- A. Non-competitive Disposal Determination.** 11 AAC 99.020 (d) allows for the disposal of Trust land through a competitive basis, unless the Executive Director in consultation with the Trust Authority, determines in a written decision required by 11 AAC 99.040 that a non-competitive disposal is in the best interest of the Trust and its beneficiaries. Given the following, there is a low likelihood that another party could submit a qualified offer for this easement: (1) the easement is to access KPB land; and (2) KPB will be providing the Trust with an access easement across KPB land. For these reasons, authorizing a non-competitive disposal is warranted.

- XIII. Opportunity for Comment.** Notice of this Best Interest Decision will take place as provided under 11 AAC 99.050. Persons who believe that the decision should be altered because it is not in the best interest of the Trust or its beneficiaries, or because the decision is inconsistent with Trust management principles set out in 11 AAC 99.020 or any other provision of 11 AAC 99, must provide written comments to the TLO during the notice period. Following the comment deadline, the Executive Director will consider timely written comments that question the decision on the basis of the best interest of the Trust and its beneficiaries or inconsistency with 11 AAC 99. The Executive Director may then, in his or her discretion, modify the decision in whole or in part in response to such comments or other pertinent information, or affirm the Best Interest Decision without changes. The Best Interest Decision as modified or affirmed will become the final agency action, subject to reconsideration procedures under 11 AAC 99.060. Additional notice will be provided for a substantially modified decision. If no comments are received by the end of the notice period, this Best Interest Decision will be affirmed, and the proposed action taken. (See notice for specific dates.)

**XIV. Reconsideration.** To be eligible to file for reconsideration of this Best Interest Decision, or to file a subsequent appeal to the Superior Court, a person must submit written comments during the notice period.

Persons who submit timely written comments will be provided with a copy of the final written decision and will be eligible to request reconsideration within 20 calendar days after publication of the notice or receipt of the decision, whichever is earlier under 11 AAC 99.060(b). This request must be accompanied by the fee established by the Executive Director under 11 AAC 99.130, which has been set at \$500, to be eligible for reconsideration. The Executive Director shall order or deny reconsideration within 20 calendar days after receiving the request for reconsideration. If the Executive Director takes no action during the 20-day period following the request for reconsideration, the request is considered denied. Denial of a request for reconsideration is the final administrative decision for purposes of appeal to the superior court under AS 44.62.560.

**XV. Available Documents.** Background documents and information cited herein are on file and available for review at the TLO, located at 2600 Cordova Street, Suite 201, Anchorage, Alaska 99503. Phone: (907) 269-8658. Email: [mhtlo@alaska.gov](mailto:mhtlo@alaska.gov).

The disposal action proposed by this decision will occur no less than 30 days after the first publication date of this decision, and after the conclusion of the TLO administrative process. For specific dates or further information about the disposal, interested parties should contact the TLO at the above address, or visit the website at: <https://alaskamentalhealthtrust.org/trust-land-office/>.

**XVI. APPROVED:**

Signed by:  
**Jusdi Warner**  
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Jusdi Warner  
Executive Director  
Alaska Mental Health Trust Land Office

6/29/2026  
\_\_\_\_\_  
Date

**Exhibits:**

- Exhibit 1 – Feasibility Study
- Exhibit 2 – Memorandum of Agreement Between TLO and KPB

## Exhibit 1 – Feasibility Study



### EXTERNAL MEMORANDUM

**To:** Aaron Hughes  
Land Management Officer  
Kenai Peninsula Borough  
144 N. Binkley St.  
Soldotna, AK 99669

**cc:** Project Central File I0813.25004

**From:** Patrick Cotter, AICP  
Principal Planner  
RESPEC  
1028 Aurora Drive  
Fairbanks, AK 99709

**Date:** June 10, 2025

**Subject:** Blueberry Hill Residential Public Road Access Feasibility

#### EXECUTIVE SUMMARY

Constructing a road to Kenai Peninsula Borough (KPB) Category 3 standards is feasible but challenging due to the topography of the area. After analyzing three options, we have identified at least one route that balances access with constructability and meets the KPB's goals of access to KPB-owned land. Stormwater management will be critical during the design phase. The geology of the area is conducive to road construction.

#### BACKGROUND

The objective of this analysis is to assess whether a road can be constructed according to Kenai Peninsula Borough (KPB) standards from the corner of Melanie Lane and Knotwood Street to KPB-owned land to the east. This project will determine the approximate centerline for one feasible alignment that meets established Road Service Area (RSA) Standards for a category 3 road.

The KPB owns significant acreage near Seward, Alaska that currently lacks road access. However, an adjacent privately owned parcel (Subject) could potentially provide access if a road were constructed across it. This report evaluates the feasibility of building a road through the Subject parcel to KPB standards, with the primary access point from the corner of Melanie Lane and Knotwood Street. Refer to Figure 2.

Access in this area is challenging due to the topography, which features a series of steep ridges running north-south. There is also a steep pioneer road on the Subject parcel that supports a ziplining operation. Refer to Figure 3.

To identify potential road corridors, KPB LiDAR data was imported into Autodesk InRoads, and potential routes were drawn on the map. Each route's profile was reviewed to determine if they could meet RSA standards. Initial evaluations indicated that the steep terrain posed difficulties in meeting the 10% grade requirements without significant cuts. The 200' turn radius requirement also presented challenges for the pioneer road alignment. However, we identified routes and options to meet RSA standards that are feasible.

KPB Category 3 Road Standards include:

- / Maximum profile grade – 10% (grades shall not exceed at any point). Max of 4% for within 100' of an intersection.
- / Minimum horizontal curve radius – 200' (minimum of 100: tangent between curves)
- / Minimum width of 24 feet

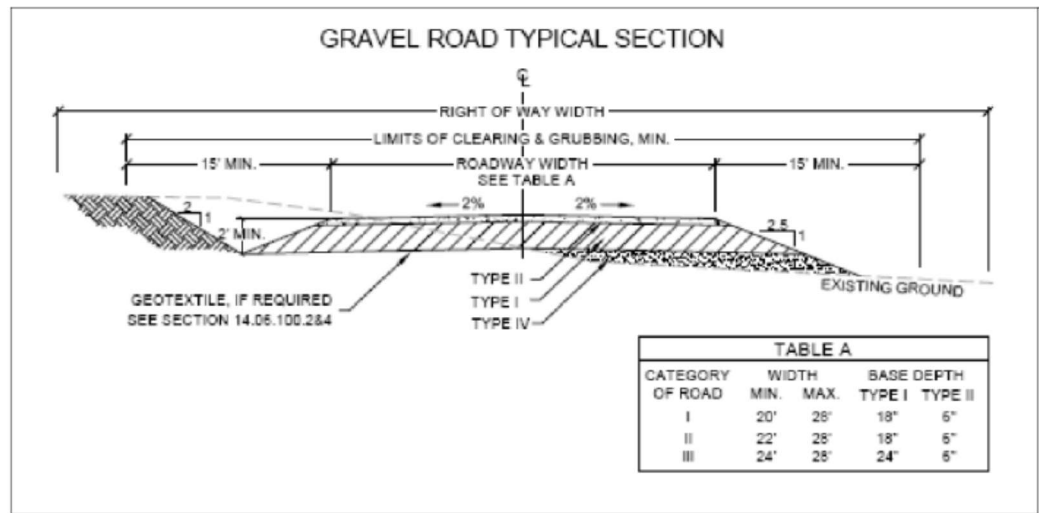


Figure 1 - KPB Category III road typical section

A site visit was conducted on April 30, 2025, to evaluate the sub-surface conditions and review the ground conditions. RESPEC, KPB, and Alaska Mental Health Trust staff participated in the site visit.

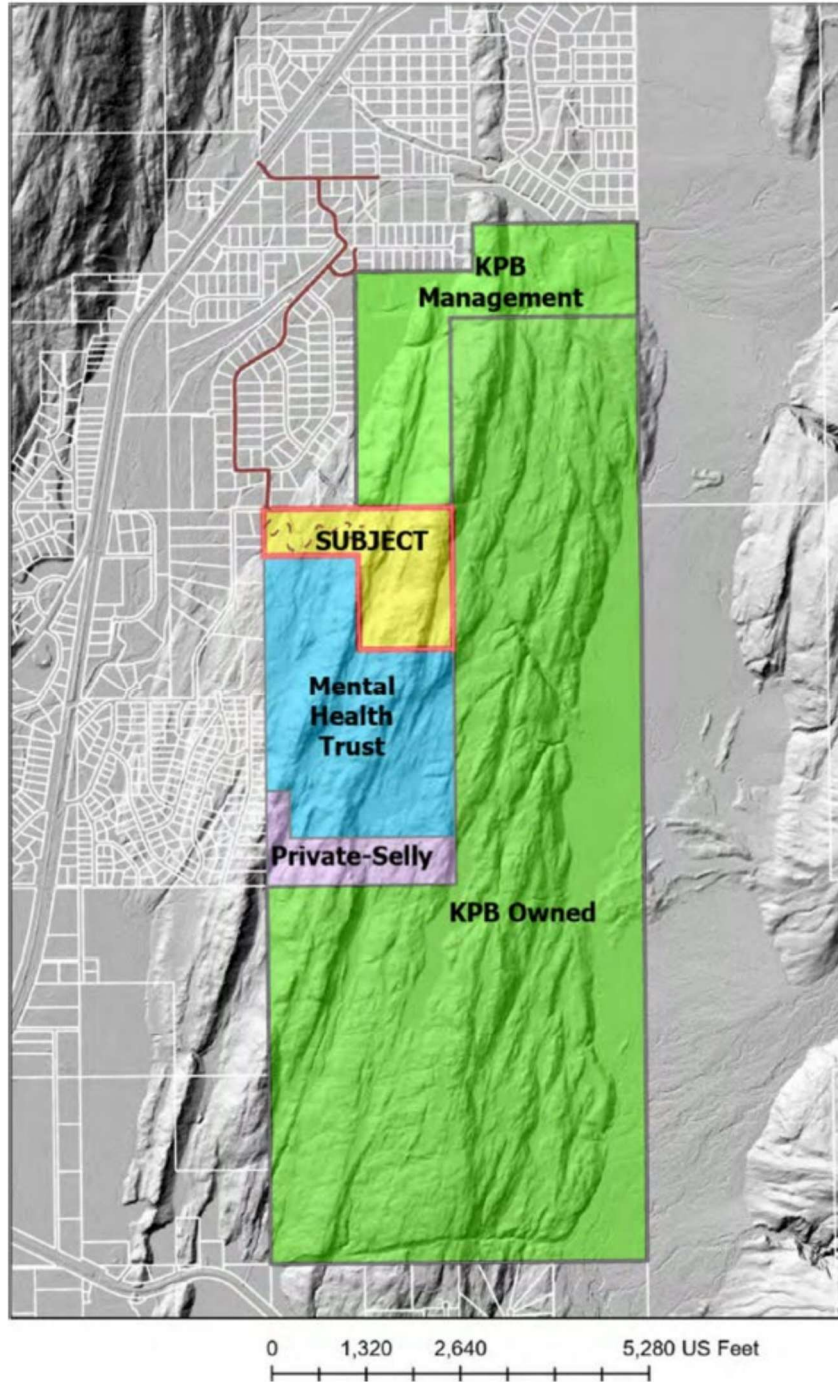


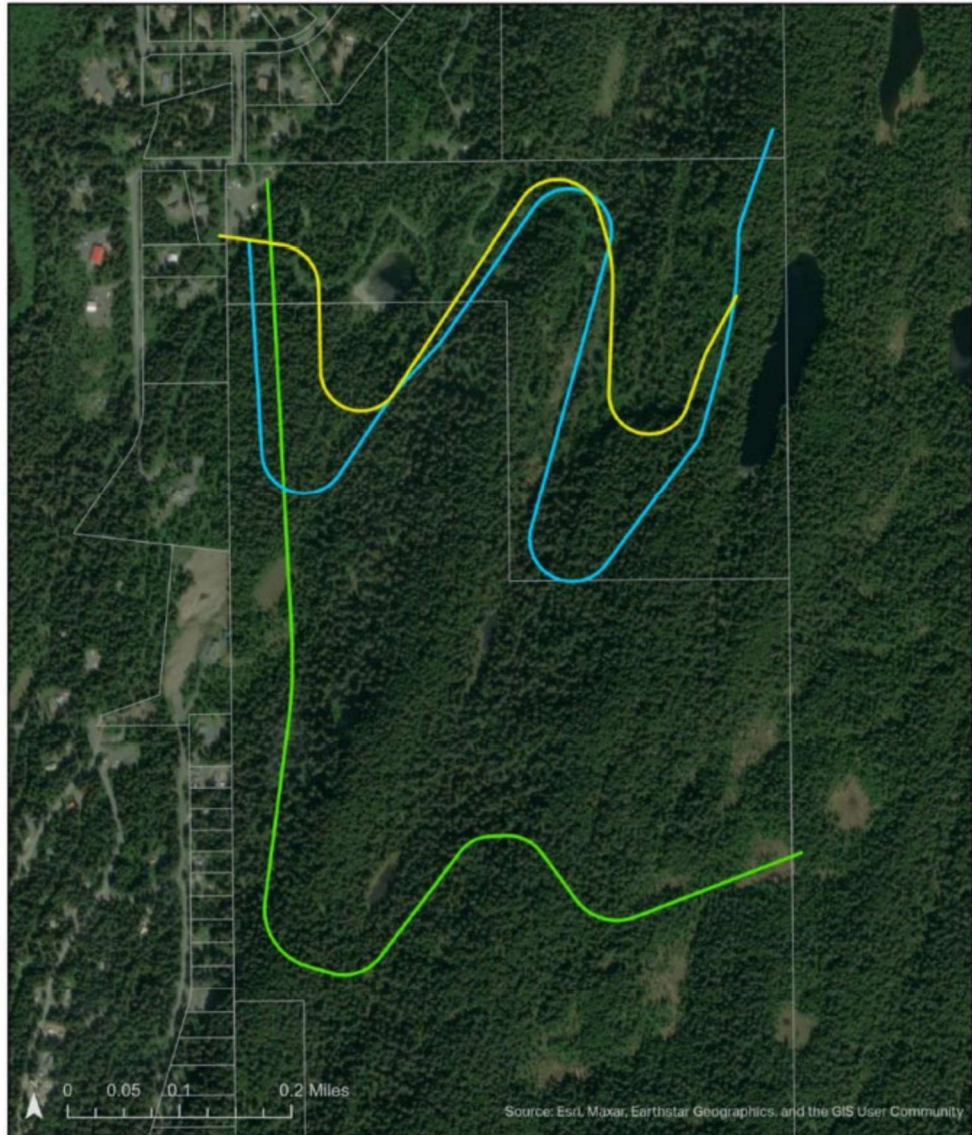
Figure 2 - The KPB owns significant land near Seward, AK





Three potential routes were identified and evaluated. The proposed alignments and profiles follow the Category III Road standards per the KBP Roadway Standards.

1. Pioneer road alignment
2. Pioneer road deviation
3. South loop alignment



**LEGEND**

- Parcels
- Option 1: Pioneer Road Alignment
- Option 2: Pioneer Road Deviation
- Option 3: South Loop Alignment

Figure 4 - Access road options



#### OPTION 1 - PIONEER ROAD ALIGNMENT

Option 1 seeks to follow the existing pioneer road alignment as closely as possible. The current road features curves with a 50' radius and grades exceeding 20%. This alignment consists of minimum radius switchbacks that sidehill along steep climbs, aiming to place horizontal curves on benches.

The profile maintains a maximum grade of 10% from start to finish. While some sections involve fill, the majority are in cut, including cuts exceeding 150' in vertical height and most locations involving at least 30' cuts. Due to the deep cuts and steep ground slopes, properties along the road would be inaccessible. Additionally, spur roads cannot be constructed off this alignment to access benches because the KPB design standards require a maximum grade of 4% within 100' of intersections. Flattening the profile for 100' to construct an intersection would lead to greater cuts.

To adhere to the maximum grade of 10%, most of the road will be situated in deep cuts on both sides. These deep cuts restrict outlet locations for drainage ditches along the road. Special attention must be given to management during the design phase to ensure proper discharge concentration at limited locations where cut slopes can be daylighted to the downslope side of the road.

This option is the shortest of all three and therefore has the least estimated fill quantity. The cut quantity exceeds the fill quantity by approximately 310,000 cubic yards based on rough modeling.

#### OPTION 2 - PIONEER ROAD DEVIATION

Option 2 employs longer switchbacks to create an extended alignment, facilitating a more gradual ascent of the steep slopes with an increased sidehill. This elongated alignment primarily maintains a maximum grade of 10%, interspersed with sections of shallower slopes, less than 5%. Curves within this alignment adhere to a minimum radius of 200 feet. The alignment for Option 2 concludes at the highest point of the ridge, potentially providing access along the ridgeline for further parcel development.

This option involves significant earthworks, including deep cuts that exceed 100 feet vertically at the ridge's summit, with most of the road being in cuts ranging from 30 to 50 feet. Similar to Option 1, access to adjacent property will be restricted due to these substantial cut slopes. A spur road could be constructed at a lower bench to potentially facilitate access to the Mental Health Trust land to the south; however, the alignment of such spur roads was not evaluated in this feasibility study.

Overall, this option is predominantly characterized by extensive cutting, estimated at approximately 700,000 cubic yards based on preliminary modeling.

#### OPTION 3 - SOUTH LOOP ALIGNMENT

This option follows the southern sidehill route, staying closer to the western boundary of the KPB and Mental Health Trust land. The profile ascends at a consistent grade of 9-10%, with a brief section at 6%. After crossing the summit, the terrain becomes more level, allowing the road to continue at approximately a 3% grade.

This option ends in an area that offers access to a relatively flat and central part of the KPB parcel, which could serve as a suitable starting point for developing an access network for the surrounding land.

The option involves sections where cuts exceed 150 feet when passing through ridge lines. Most cut depths range from 30 to 75 feet, with few places where ditch lines would surface. Managing drainage



will be necessary, similar to other options, due to the steep grades of roadside ditches and limited locations for diverting water to nearby ground. The deep cut slopes will restrict accessibility to adjacent properties, as seen with other options.

This is the longest alignment but will generate less cut material than Option 2.

#### **GEOTECHNICAL EVALUATION AND RECOMMENDATIONS**

During the initial site visit, our geotechnical engineer evaluated the local geotechnical conditions based on what could be observed visually at the surface and what could be felt using a hand probe to measure the depth of surficial organics. Throughout the site visit, bedrock was either observed as exposed outcrops or identified with a hand probe near the surface. All the hand probes pushed through the surficial forest floor organics met refusal at less than 2.5 feet below the ground surface. Typically, the refusal was interpreted as bedrock. Occasionally, the refusal felt like weathered bedrock or gravel/sand; given the location and topography, we assume it was weathered bedrock.

The USGS Geologic Map of Alaska (USGS, 2025) identifies the rock in the area as the Chugach flysch formation which is from the Upper Cretaceous period and generally consists of sedimentary rocks such as lithic graywacke and siltstone (see Figure 5).



Figure 5. USGS Geologic Map of Alaska (USGS, 2025)

Based on the observed bedrock outcrops at the project site, and a recently constructed rock cut in the Chugach flysch formation along the Seward Highway approximately 13 miles north of project site (see Figure 5), we assume that the bedrock at the project site can reasonably be cut to a slope angle of 4V:1H. Rock catchment areas below steep rock cuts should be designed following the Rockfall Catchment Area Design Guide (Pierson et al, 2001). Material generated from rock cuts will be suitable for embankment fills. Pending rock quality testing, the material may also be suitable for aggregate materials such as surface course, base course, and hot mix asphalt; required rock quality tests to make this determination include Degradation (ATM 313), L.A. Abrasion (ASTM C131/AASHTO T96), and Sodium Sulfate Soundness (ASTM C88/AASHTO T104). Rock catchment areas below rock cuts should be designed following the Rockfall Catchment Area Design Guide (Pierson et al, 2001).



Assuming proper placement and compaction techniques, fill slopes constructed of the excavated rock materials may be designed for slopes no steeper than 2H:1V. Slopes as steep as 1H:1V may be permissible with a more detailed geotechnical evaluation and the potential use or reinforcing geotextiles such as geogrids or high-tensile strength woven geotextiles. However, at the planning stage, 2H:1V should be considered the maximum.

#### RECOMMENDATION

Option 3 is the most feasible route and provides the best balance of accessibility and constructability. It allows access from the route in several spots and terminates in a central location that can accommodate future expansion.

#### REFERENCES

Pierson, Lawrence A., Gullixson, C. Fred, Chassie, Ronald G., 2001. "Rockfall Catchment Area Design Guide Final Report SPR-3(032)." Oregon Department of Transportation and Federal Highway Administration, Salem, OR.

United State Geological Survey, (2025, June 5). "Geologic Map of Alaska."  
[https://alaska.usgs.gov/science/geology/state\\_map/interactive\\_map/AKgeologic\\_map.html](https://alaska.usgs.gov/science/geology/state_map/interactive_map/AKgeologic_map.html)

## Exhibit 2 –

# Memorandum of Agreement Between TLO and KPB

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### **MEMORANDUM OF AGREEMENT TO EQUALLY DIVIDE THE COST OF A FEASIBILITY STUDY FOR BLUEBERRY HILL ACCESS BETWEEN THE KENAI PENINSULA BOROUGH AND THE TRUST LAND OFFICE**

#### **ARTICLE 1. PARTIES**

This Memorandum of Agreement (MOA) is made between the Kenai Peninsula Borough (KPB) whose address is 144 North Binkley Street, Soldotna, Alaska, 99669, and the Trust Land Office (who pursuant to AS 38.05.801 and AS 37.14.009(a)(2) manages Alaska Mental Health Trust Authority's lands) whose address is 2600 Cordova Street, Suite 201, Anchorage, Alaska 99503 (together, the Parties).

#### **ARTICLE 2. PURPOSE**

KPB has contracted to purchase an eighty-acre parcel in the Blueberry Hill area; more specifically identified in Attachment 1. KPB's purchase of that Property is contingent upon the completion of a feasibility study (the Study) to determine the potential for developed road access that would comply with current KPB road standards.

The Property KPB has contracted to purchase abuts a 195-acre parcel owned by the Alaska Mental Health Trust Authority (AMHTA). This Property under contract provides potential access to AMHTA land as well as to over 1,100 acres of KPB owned land. The Trust Land Office (TLO), as the land manager of AMHTA lands, recognizes the benefit of the Study; as a Study about future road access and land-planning activities in this area will also aid the development of AMHTA lands.

The adjacent KPB land holdings are identified in Attachment 2. The adjacent AMHTA land holdings are identified in Attachment 3.

The parties intend that the Study will be for 1395 acres of land: thus the 195 acres of land owned by AMHTA and 1200 acres of land owned by KPB.

This MOA defines the terms and the Parties' obligations relating to KPB's Study.

#### **ARTICLE 3. EFFECTIVE DATE AND PERIOD OF AGREEMENT**

The effective date of this MOA is the date of the last signature of the Parties below. This MOA will expire upon TLO receiving a copy of the final Study.

#### **ARTICLE 4. RESPONSIBILITIES OF KPB**

KPB will:

- a. Coordinate with TLO on the scope and context of the Study, including the lands that will be reviewed in the Study;
- b. Provide a proposal quote request for the Study to TLO for review;
- c. Contract directly with the successful proposer upon award by KPB;
- b. Make all existing KPB land holdings in the Blueberry Hill area available for inclusion in the Study;
- c. Act as the project manager through its Land Management Division to oversee completion of the Study;

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- d. Include MHT in calls and meetings concerning the Study with the Study contractor;
- e. Provide a copy of the completed Study to TLO; and
- d. Pay the contractor for the Study.

**ARTICLE 5. RESPONSIBILITIES OF TLO**

TLO will:

- a. Review all Study-related contracting documentation in timely manner;
- b. Provide legal descriptions of all existing AMHTA land holdings in the Blueberry Hill area to be included in the Study;
- c. Grant the Study contractor access to those properties to complete the Study;
- d. Provide any requested information regarding the AMHTA properties as it may relate to the Study;
- e. Participate in the development and completion of the project, including calls and meetings concerning the Study with the Study contractor; and
- f. Pay 50% of the final cost of the study up to \$25,000 for a final copy of the Study.

**ARTICLE 6. APPLICABLE LAW**

This MOA will be governed by and construed in accordance with the laws of the State of Alaska.

**ARTICLE 7. CHANGES AND AMENDMENTS**

Changes to this MOA must be by a written amendment that outlines in detail the exact nature of the change. Any amendment to this MOA must be executed in writing and signed by the authorized representative of each Party. The Parties signing this MOA and any subsequent amendment(s) represent that each has the authority to execute the same on behalf of their respective organizations. No oral statement by any person may be interpreted as amending or otherwise affecting the terms of this MOA. Any Party to this MOA may request that it be amended, whereupon the Parties will consult to consider such amendment.

**ARTICLE 8. PAYMENT FOR SERVICES**

TLO's payment as outlined in Article 5 will be due within thirty (30) days of receipt of the completed and final Study. The TLO will only be responsible for payment as provided herein, if it receives a completed and final Study.

It is understood KPB and MHT are both governmental entities and payments herein provided for may be paid from legislative appropriations, and approval or continuation of any agreement may be contingent upon legislative appropriation by the KPB Assembly or the Alaska State Legislature. KPB reserves the right to terminate this MOA in whole or part if, in its sole judgment, the KPB Assembly fails, neglects, or refuses to appropriate sufficient funds as may be required. Further, in the event of non-appropriation, KPB will not be liable for any penalty, expense, or liability for general, special, incidental, consequential, or other damages resulting therefrom.

MHT reserves the right to terminate this MOA in whole or part if, in its sole judgment, the Alaska State Legislature fails, neglects, or refuses to appropriate

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sufficient funds as may be required. Further, in the event of non-appropriation, MHT will not be liable for any penalty, expense, or liability for general, special, incidental, consequential, or other damages resulting therefrom.

KPB and MHT are not responsible for and will not pay local, state, or federal taxes. All costs associated with the MOA must be stated in U.S. currency.

**ARTICLE 9. NOTICES**

Notices by the Parties pursuant to this MOA must be sent to the following addresses:

Kenai Peninsula Borough  
Attn: Land Management Division  
144 North Binkley Street  
Soldotna, Alaska 99669  
E-mail: [lmweb@kpb.us](mailto:lmweb@kpb.us)

Trust Land Office  
Attn: Jusdi Warner, Executive Director  
2600 Cordova Street, Suite 201  
Anchorage, Alaska 99503  
E-mail: [Jusdi.Warner@alaska.gov](mailto:Jusdi.Warner@alaska.gov)

**ARTICLE 10. INDEMNIFICATION AND HOLD HARMLESS**

Each Party agrees that it will be responsible for its own acts and omissions including those of its officers, agents, and employees and each Party will indemnify, defend, and hold harmless the other, to the maximum extent allowed by law, from any claim of or liability for error, omission, or negligent act of whatever kind, including attorney fees, for damages to property or injury or death to persons occasioned by each Party's own acts or omissions in connection with this MOA. This agreement will continue after termination of this MOA.

**ARTICLE 11. ENTIRE AGREEMENT**

This document is the entire agreement of the Parties, who accept the terms of this MOA as shown by their signatures below. In the event the Parties duly execute any amendment to this MOA, the terms of such amendment will supersede the terms of this MOA to the extent of any inconsistency.

**ARTICLE 12. CONFLICT OF LAWS**

Nothing in this MOA is intended to conflict with federal, state, or local laws or regulations. In the event of any conflict, this MOA will be amended at the first opportunity to obtain consistency with the conflicting laws or regulations.

**ARTICLE 13. COUNTERPARTS**

This MOA may be executed in counterpart and may be executed by way of facsimile or electronic signature in compliance with AS 09.80, and if so, each of which will be considered an original, all of which together will constitute one and the same instrument.

**ARTICLE 14. TERMINATION**

Prior to KPБ awarding the Study contract to a proposer, either Party may terminate this MOA for any reason upon thirty (30) days' notice to the other Party.

**KENAI PENINSULA BOROUGH**

*P. Micciche*  
Peter A. Micciche, Mayor

Date: 4/10/2025

**ATTEST:**  
*Michelle J. ...* 4/10/25  
Borough Clerk Date

**Approved as to form and**

*A. Walker Steinhage* April 9, 2025  
A. Walker Steinhage Date  
Deputy Borough Attorney

**TRUST LAND OFFICE**

Signed by:  
Jusdi Warner  
Jusdi Warner, Executive Director

Date: 4/8/2025



**Attachment 1**

Blueberry Hill lands under sale contract with Kenai Peninsula Borough from Private Seller:

THE N $\frac{1}{2}$ N $\frac{1}{2}$ NW $\frac{1}{4}$ ; THE S $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ , AND THE N $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ , ALL SITUATED IN SECTION 24, TOWNSHIP 1 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, RECORDS OF THE SEWARD REORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (PARCEL NO. 12535007) (the Property).

**Attachment 2**

Kenai Peninsula Borough Owned and Managed Lands:

**Owned:**

THE SE<sup>1</sup>/<sub>4</sub> OF SECTION 13, E<sup>1</sup>/<sub>2</sub> OF SECTION 24, AND ALL OF SECTION 25, LOCATED IN TOWNSHIP 1 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, SEWARD RECORDING DISTRICT, STATE OF ALASKA. (Parcel 12535010)

**Management Authority:**

THE E<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>, AND A PORTION OF THE S<sup>1</sup>/<sub>2</sub>SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub> OF SECTION 13, TOWNSHIP 1 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, SEWARD RECORDING DISTRICT, STATE OF ALASKA. (Portion of Parcel 12535014)

**Attachment 3**

**Alaska Mental Health Trust Authority Parcel S20006:**

**TOWNSHIP 1 NORTH, RANGE 1 W., SEWARD MERIDIAN, ALASKA  
SECTION 24: S1/2NW1/4NW1/4, SW1/4NW1/4, S1/2SE1/4NW1/4, N1/2SW1/4,  
E1/2NW1/4SW1/4SW1/4, NE1/4SW1/4SW1/4, N1/2SE1/4SW1/4; ACCORDING TO  
THE SURVEY MAP EXAMINED AND APPROVED BY THE U.S. SURVEYOR  
GENERAL'S OFFICE IN JUNEAU, ALASKA ON JUNE 16, 1914.**

**Alaska Mental Health Trust Authority**  
**Trust Land Office**  
**Notice under 11 AAC 99.050 of**  
**Decision to Issue the Kenai Peninsula Borough Non-Exclusive Term Easement**  
**Seward, AK**  
**MHT #9201071**

Notice is hereby given that, pursuant to the provisions of AS 38.05.801 and 11 AAC 99, the Executive Director of the Alaska Mental Health Trust Land Office (TLO) has determined that it is in the best interest of the Alaska Mental Health Trust and its beneficiaries to issue a Non-Exclusive Term Easement on certain Trust land to the Kenai Peninsula Borough. The basis for this determination is explained in a written best interest decision prepared by the Executive Director pursuant to 11 AAC 99.040.

The Trust land affected by the decision is north of Seward, and is located in Section 24 in Township 1 North, Range 1 West, Seward Meridian and more particularly described as: A portion of S1/2NW1/4NW1/4, SW1/4NW1/4, S1/2SE1/4NW1/4, N1/2SW1/4, E1/2NW1/4SW1/4SW1/4, NE1/4SW1/4SW1/4, N1/2SE1/4SW1/4, according to the plat approved by the U.S. Surveyor General's Office in Juneau, Alaska on June 16, 1914.

Persons who believe that the written decision should be altered because it is not in the best interest of the Trust or its beneficiaries, or because the decision is inconsistent with Trust management principles set out in 11 AAC 99.020, or any other provision of 11 AAC 99, must provide written comments on or before **4:30 PM, August 3, 2026**. Comments should be submitted to the TLO at **2600 Cordova Street, Suite 201, Anchorage, AK 99503**, or by fax (907) 269-8905 or email [mhtlo@alaska.gov](mailto:mhtlo@alaska.gov). Following the comment deadline, the Executive Director will consider timely comments that question the decision on the basis of the best interest of the Alaska Mental Health Trust and its beneficiaries or inconsistency with 11 AAC 99, and the best interest decision may be changed in response to such written comments or other information. Commenting parties will be provided a copy of the final best interest decision after the end of the notice period.

To be eligible to file for reconsideration of the best interest decision, or to file a subsequent appeal to the Superior Court, a person must have submitted written comments during the notice period. Eligible persons will have twenty (20) calendar days after published notice of or receipt of the final written decision to request that the Executive Director reconsider the decision under 11 AAC 99.060(b).

Copies of the written decision are available at the Trust Land Office, or at <https://alaskamentalhealthtrust.org/trust-land-office/>. If you have any questions concerning this action, please contact the Trust Land Office at (907) 269-8658.

In compliance with the Americans with Disabilities Act, the Alaska Mental Health Trust is prepared to accommodate individuals with disabilities. Please contact the Trust Land Office at (907) 269-8658 for assistance. Requests for assistance must be received at least 96 hours prior to the comment deadline in order to ensure that any necessary accommodations can be provided.

The Executive Director of the TLO reserves the right to waive technical defects in this notice or to amend, postpone, or vacate the best interest decision.

Signed by:  
**Jusdi Warner**  
\_\_\_\_\_  
0BDF9CEC86A485...  
Jusdi Warner  
Executive Director

**6/29/2026**  
\_\_\_\_\_  
Date  
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