Homestead Service Area

1900 First Avenue, Room #219
Thursday, November 19, 2026, at 5:30 P.M.

AGENDA

1. **Call to Order** _____ (time)
2. **Roll Call**
3. **Citizen Comments**
4. **Approval of Minutes**
    a. August 27, 2026
    Motion _____/ Second_____
    passed __ failed __
    Amended as follows:

5. **Reports of Officers, Staff or Committees**
    a. FY 2026 Finals Final Report
    b. Snow Removal Update-Contract awarded for snow removal
6. **Unfinished Business**
    a. Pothole Patching Quote- memo to be laid-out during the meeting
7. **New Business**
    a. Traffic Counters- memo to be laid-out during the meeting
8. **Items For Future Agendas**
    a. Spring Roadworks- road sweeping, Culvert, and Catch Basin Cleaning, Spring Road repairs
    b. Spring Road Grading
9. **Adjournment** _____(time)

Date of next meeting is _____.

TELECONFERENCING PROCEDURES

- The caller will join by dialing 907-228-6615
- The caller will be prompted to enter the code…564162
- At this point, the caller will have joined the call

Board of Directors	Present	Absent
Chris Arntzen		
Kristel Mitchel		
Andrew Paulson		
Gail Rochell		
Scott Smith		
Ex-Officio Members		
STAC		
KGBSD		
Staff Present		

MINUTES OF HOMESTEAD SERVICE AREA BOARD OF DIRECTORS

MEETING DATE 8/27/2026

1. CALL TO ORDER

The Homestead Service Area Board meeting was called to order by Board Chair Sever Paulson at 5:31pm on Thursday, August 27, 2026 at KGB offices.

2. ROLL CALL

Members in attendance were Sever Paulson, Chris Arntzen, Kristel Mitchel, and Gail Rochell. KGB staff in attendance was Morgan Barry. Member Scott Smith was absent.

3. CITIZEN COMMENTS

No citizen comments.

4. APPROVAL OF MINUTES

M/S Rochell/Paulson moved to approve the meeting minutes of April 9, 2026. Motion passed unanimously.

5. REPORTS OF OFFICERS, STAFF OR COMMITTEES

a. Detailed FY27 Budget: Staff provided FY27 budget which shows zero expenditures to date. Comments from staff indicate that there are still anomalies with the new system and will work toward providing more accurate figures as well as FY26 final numbers at next meeting.

6. UNFINISHED BUSINESS

a. Quote for road grading: One quote was received for crowning/grading/compacting D1 on all roads. Provided by Number One and Done, the quote lacked any detail, so Board ultimately decided to hold off till spring 2027 when winter road maintenance is complete. Staff will request new bids based on current conditions and will walk the neighborhood to note areas of higher need in order to attract multiple quotes with clearer scope of work. Board Chair Paulson speculated that a local company is rumored to be investing in chip seal equipment and this may be a good option. Of note, KGB has amended Service Area maps to reflect Anchor Ridge Road and new lots under development.

7. NEW BUSINESS

a**.** Condition Assessment for Old Homestead Road: Staff advised that assessment has not been completed, however Magnum provided a verbal quote for repair work as the road currently stands: $3.25/lin. ft. for crack sealing (fills individual cracks) and $1.25/sq. ft. for seal coating (covers entire surface). Staff advised that the city is using tack oil and sand for repairs and will inquire. Current conditions indicate that with continued monitoring, the road will sustain a couple more years before any significant repairs are needed.

b. Spring Roadworks: Road Sweeping, Culverts and Catch Basin cleaning: will get pricing to conduct in Spring 2027.

c. Pothole Patching: Member Arntzen will continue to patch as needed.

d. Snow Removal Contract Review: Member Arntzen will be Magnum's Service Area contact with new contract. Board maintained ½" threshold on Old Homestead Road and 3" on residential roads. Staff noted that there is the possibility of cost increase, given that the KGB bus stop may move from the school property, which is unoccupied and will not need the same level of service.

8. ITEMS FOR FUTURE AGENDAS

a. Condition Assessment for Old Homestead Rd: Bottom of Old Homestead Rd is deteriorating quickly after recent patching. Staff advised that if utility (manholes) access area is problematic, there may be a cost sharing option with KPU for repairs and will inquire.
b. Spring Projects
c. Fee Re-evaluation: Board was informed that KGB maintained residential pricing for FY27 and is absorbing the school district's portion of Service Area costs. Traffic counters will be set in September when Parks & Rec, STAC, and school sports are active. Analyzed information will be available by the next Service Area meeting in late October.

9. ADJOURNMENT

The meeting adjourned at 6:44pm

DATE OF NEXT MEETING

The date of the next meeting was set for Thursday, October 29, 2026 at 5:30pm.

-Submitted by Kristel Mitchel

Report Criteria:
Includes all accounts
Includes grand totals
[Report].Fund = "885"

Account Number	Title	2025-26 Prior year Actual	2025-26 Prior year Encumbrance	2025-26 Prior year Budget	2025-26 Prior year Remaining	2025-26 Prior year Percentage
Homestead Service Area						
Department: 00						
Source: 40						
885-00-000-4080	PENALTY & INTEREST	15.24	.00	32.04	16.80	47.57
Total Source: 40:		15.24	.00	32.04	16.80	47.57
Source: 43						
885-00-000-4305	INTEREST INCOME	3,853.95	.00	1,305.96	2,547.99-	295.10
885-00-000-4369	ROAD FEES	7,620.32	.00	9,567.96	1,947.64	79.64
Total Source: 43:		11,474.27	.00	10,873.92	600.35-	105.52
Source: 44						
885-00-000-4435	TRANSFERS IN - GENERAL FU	9,993.00	.00	9,993.00	.00	100.00
885-00-000-4450	TRANSFERS IN - DEBT SERVIC	.00	.00	.00	.00	.00
885-00-000-4458	TRANSFERS IN - LOCAL EDUCA	13,359.00	.00	13,359.00	.00	100.00
Total Source: 44:		23,352.00	.00	23,352.00	.00	100.00
Total Department: 00:		34,841.51	.00	34,257.96	583.55-	101.70
Department: 90						
885-90-000-5100	EMPLOYEE WAGES	.00	.00	.00	.00	.00
885-90-000-5200	TAXES/BENEFITS	.00	.00	.00	.00	.00
885-90-000-6030	PUBLISHING EXPENSE	.00	.00	.00	.00	.00
885-90-000-6070	POSTAGE EXPENSE	.00	.00	.00	.00	.00
885-90-000-6090	CONTRACTUAL SERVICES	21,581.25	.00	15,000.00	6,581.25-	143.88
885-90-000-6130	ADMINISTRATIVE FEES	1,572.90	.00	1,572.96	.06	100.00
885-90-000-6310	ELECTRICITY	.00	.00	.00	.00	.00
885-90-000-6312	ELECTRICITY - STREET LIGHTS	1,626.00	.00	1,209.96	416.04-	134.38
885-90-000-6441	ROAD MAINTENANCE	36,854.50	.00	9,999.96	26,854.50-	368.55
885-90-000-6540	CAPITAL IMPROVEMENTS	.00		.00	.00	.00
Total Department: 90:		61,634.65	.00	27,782.88	33,851.85-	221.84
Total Homestead Service Area:		26,793.14-	.00	6,475.08	33,851.85-	413.79-
Grand Totals:		26,793.14-	.00	6,475.08	33,851.85-	413.79-

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AGREEMENT
for
SNOW REMOVAL FOR HOMESTEAD SERVICE AREA

This Agreement made and entered into this 16 day of October, 2026, by and between the Ketchikan Gateway Borough, hereinafter "Borough", a general law municipality and a Borough of the second class, whose address is: 1900 First Avenue, Ketchikan, Alaska 99901, and Magnum Enterprises, whose address is: 1010 Pond Reef Road, Ketchikan, Alaska 99901, and licensed and qualified to do business within the State of Alaska, hereinafter called "Contractor."

1. Agreement to Perform. The Borough hereby agrees to engage the Contractor and the Contractor hereby agrees to perform and complete, in accordance with all the terms and conditions of this agreement, the work herein described.

    a. Commencement. Contractor shall commence the work called for in this agreement on the date of the agreement listed above.

    b. Completion. Upon giving of Notice to Proceed, the work called for in this agreement shall be performed through June 30, 2027, with the option for four additional, one-year extensions, at the discretion of the Borough and subject to appropriation.

2. Services. The Contractor warrants that it is qualified and properly licensed and agrees to perform certain services necessary for completion of the project, as set forth and described on Exhibit A attached hereto and incorporated herein by this reference.

3. Relationship. The Contractor is an independent contractor and is not to be considered an agent or employee of the Borough. The Contractor has no authority to bind the Borough.

4. Compensation. As and for full payment, and in consideration of the timely and proper performance of all work called for by the Contract, as defined herein, and performance of all the terms and conditions thereof, the Borough shall pay Contractor in currency of the United States as follows:

    The Contract amount is based on a documented rate of pay to the Contractor in the amount not to exceed $25,000, and defined as follows:

$	90.00	per hour for snow removal services
$	60.00	per yard of sand
$	0.54	per pound of ice-melt

5. Termination. This agreement may be terminated: (a) by either party at any time for

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failure of the other party to comply with the terms and conditions of this agreement; (b) by either party upon 10 days prior written notice to the other party; or (c) upon mutual written agreement of both parties. In the event of termination, the Contractor shall stop work immediately and shall be entitled to compensation for snow removal services to the date of termination.

6. Insurance. During the entire period of the project of work, the Contractor will provide the following types of insurance. The Borough will be insured as additional insured on all Insurance policies except professional liability contracts. All policies will have a thirty (30) day cancellation clause.

    a. Workers' compensation as required by law and employer's liability coverage at a minimum of $1,000,000.

    b. Commercial general liability insurance, not excluding explosion, contractual liability or product/completed operation liability insurance -$1,000,000 per occurrence and $2,000,000 aggregate.

    c. Excess liability coverage in the amount of $2,000,000.

    d. Comprehensive automobile liability, bodily Injury and property damage, including all owned, hired and non-owned, automobile — $1,000,000 per each accident.

7. Equal Employment Opportunity. Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, age, or sex, and shall comply with any investigation of allegations of discrimination.

8. Hold Harmless. Contractor shall indemnify, save, and hold harmless Borough from any and all claims, lawsuits, penalties, or attorney's fees allegedly arising out of any loss, damage, or injury to person or property occurring during the fulfillment of the terms and conditions of this agreement

9. Nonwaiver. No delay or omission of the right to exercise any power by either party shall impair any such right to exercise that power in the future.

10. Miscellaneous.

    a. The entire agreement between the parties with respect to the subject matter hereunder is contained in this agreement.

    b. Neither this agreement nor any rights or obligations hereunder shall be assigned or delegated by the Contractor without the prior written consent of the Borough.

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c. This agreement shall be modified only by a written agreement duly executed by the Borough and the Contractor.

d. The Contractor shall comply with all applicable local, state, and federal laws, including but not limited to, wage and hour laws and nondiscrimination laws.

e. Should any of the provisions hereunder be found to be invalid, void or void able by a court, the remaining provisions shall remain in full force and effect.

f. This agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

g. All notices required or permitted under this Agreement shall be deemed to have been given if and when deposited in the United States mail, properly stamped and addressed to the party for whom intended at such party's address, or when delivered personally to such party. A party may change its address for notice hereunder by given written notice to the other party.

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Wherefore *the parties have entered into this agreement the date and year first above written at Ketchikan, Alaska.*

Borough:

Date: 10/16/2026

By: DocuSigned by: Ruben Duran E5027AEA19CF41A...
Ruben Duran
Borough Manager

Attest:

By: DocuSigned by: Kacie Paxton 5329DF490B91460...
Kacie Paxton
Borough Clerk

Approved as to Form:

By: DocuSigned by: Glenn Brown 5EF9501A68DA401...
Glenn Brown
Borough Attorney

Certified Funds Available:

By: Signed by: Cynna Smith 9EEA275E5DF346B...
Cynna Smith
Interim Finance Director
Account No.: **885-90-000-6090**

Contractor:
Magnum Enterprises

Date: 10/15/2026

By: DocuSigned by: William Kacenas 32A566C0B62A4A5...
Bill Kacenas
Owner

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EXHIBIT A
OLD HOMESTEAD ROAD SNOW REMOVAL SERVICE

The Contractor agrees to provide snow removal on roads within the Homestead Service Area (HAS), Ketchikan, Alaska, as shown on the road system map, attached hereto. Work to be performed under this contract is to be under the supervision of the Public Works Department of the Ketchikan Gateway Borough. Work under the Base Bid is as follows:

1. Responsibilities of Contractor
    a. The Contractor shall provide sufficient vehicles, equipment and licensed operators to plow the service area's roads in a timely manner.
    b. Old Homestead Road:
        i. The Contractor shall scrape and remove snow and ice under the following conditions:
            a. All occasions where new snow has accumulated to depths exceeding ½-inch.

            NOTE: *Fawn Mountain Elementary School property, beginning at the fence, as indicated on the attached map, will be served by a separate contract to be paid for by the School District.*

            b. Where drifting snow causes problems for travel.
            c. Where ice conditions do not allow safe passage for vehicles.
    c. Residential Roads:
        i. Scrape and remove snow and ice under the following conditions:
            a. Fawn Mountain Road, Big Rock Road, Anchor Ridge Road, and Misty Mountain Road: on all occasions where: (a) new snow has accumulated to depths exceeding 3-inches,
            (b) drifting snow causes problems for travel; or
            (c) ice conditions do not allow safe passage for vehicles.
            b. It is recognized that work is currently underway to construct new roads. In the event that these roads are constructed to Borough standards and residences served by those new roads are constructed, the contract shall be amended accordingly.
        ii. All truck time, ice melt, and/or sand under this section shall have its costs tracked separately than those for Old Homestead Road.
    d. Scraped snow will be deposited so it does not block driveways or entrances into side service area roads.
    e. The Contractor will apply sand and/or ice melt to areas with ice or snow accumulation as specified above, for the safe passage of all vehicles.
    f. The Contractor shall be responsible for all its own equipment repair and maintenance.
    g. Have the road plowed prior to 6:00 a.m. Failure to have road cleared by the specified time shall be cause for the Borough to have that route maintained

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with other equipment or by another entity. Should the Borough be required to remedy the Contractor's default concerning the 6:00 AM time for clearing, the Contractor understands and agrees that the Contractor shall pay any difference between the costs incurred by the Borough to have that route maintained with other equipment or by another entity and the unit costs agreed to in the contract for maintenance of the Homestead Road Service Area. The Contractor shall notify the Borough immediately if any equipment is out of service. Equipment must be returned to service as soon as possible. The Borough, at the expense of the Contractor, may make alternate plans to have the snow removed from a route until the Contractor notifies the Public Works Director that the equipment is back in service. Should the Borough be required to do so, the Contractor shall be responsible for the difference in cost for the services.

2. Compensation and Payment
    a. Payment for work items listed above will be made on a per hour basis for actual number of hours worked.
    b. Contractor's invoices will include the actual starting and ending times. Copies of time cards or equivalent will be submitted with the invoice for equipment and operators' labor.
    c. The Contractor will purchase ice melt on an as-needed basis, billable at the rates as provided herein. The Contractor will be responsible for transporting and storing ice melt materials. The ice melt is to be used only on roads within Homestead Service Area.
    d. Contractor's invoices will include the bags of ice melt used during each period of work.
    e. The Contractor will purchase sand on an as-needed basis, billable at the rates as provided herein. The Contractor will be responsible for transporting and storing sand. The sand is to be used only on Homestead Service Area roads.
    f. The term "chargeable hour" as used herein will mean and is restricted to actual operating time within the Service Area. Contractor will not be paid for any time that equipment is down for repairs, in transit to and from the Service Area, or is otherwise not actually operating.
    g. The billing period will be from the first day of each month through the last day of each month.
    h. The number of lbs. of ice-melt and yards of sand must be billed separately from the hourly charge for plow service on each invoice. Failure to do so will result in the Borough withholding payment until the invoice is itemized.

3. Ice Melt Specifications

    SODIUM CHLORIDE: TYPE 1

    The Ice Melt product shall meet the requirements of the most current revision of ASTM D62-01, Type 1, Grade 1 and shall be obtained from natural deposits or man produced. Minimum 95% NaCl Chemical composition. Maximum water content at delivery to the F.O.B. point shall not exceed 3% based on dry weight.

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4. Sand Specifications

Sieve Size	Percent Passing (by Weight)
12.5mm (1/2”)	100
9.5mm (3/8”)	95 to 100
4.75mm (No. 4)	20 to 90
2.36mm (No. *)	10 to 60
0.600mm (No. 30)	0 to 15

ADDITIONAL CONTRACT TERMS

1. The Contractor is liable for damages including, but not limited to, damages to curb/gutter/sidewalks, shrubbery, trees, pavement and structures that result from its operations. The Contractor shall repair all damages prior to June 1.

2. In the event that the Contractor's equipment fails during a maintenance operation, the Contractor, or his representative, must notify the Borough for that route immediately and have the route covered with other equipment. If the Contractor does not cover the route with other equipment within sixty (60) minutes, the Borough may take over completion of the route(s) and charge the Contractor the difference between the cost of that alternative service and the unit costs agreed in the contract for maintenance of the Homestead Road Service Area.

3. In the event of a breach of contract, the Borough reserves the right to immediately terminate the contract in whole or in part. The Borough will give written notice of such termination. Termination of the contract may result in substantial penalties, forfeiture of performance bonds, ineligibility to receive future contracts, or default proceedings.

4. The contract term shall be for one year, beginning immediately after Notice to Proceed and shall end on June 30. The Borough shall have the option to extend the contract for an additional four (4) years, at the sole discretion of the Borough and subject to annual appropriation.

HOMESTEAD SERVICE AREA CONTACT PERSON

The contact person is Morgan K. Barry, Public Works Director, at (907) 228-6664.

EXHIBITS

Exhibit A: Homestead Service Area Snow Removal Map

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Exhibit A

