

Kenai Peninsula Borough Planning Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: Charlie Pierce, Borough Mayor *CPB*

FROM: Melanie Aeschliman, Planning Director *MA*

DATE: April 13, 2021

RE: ORDINANCE 2021-13: AN ORDINANCE AUTHORIZING A NEGOTIATED LEASE OF TRACT C QUARTZ CREEK SUBDIVISION WITH KIEWIT INFRASTRUCTURE WEST COMPANY FOR STAGING IN SUPPORT OF THE STERLING HIGHWAY MP 45-60 CONSTRUCTION PROJECT NEAR COOPER LANDING

The Kenai Peninsula Borough Planning Commission reviewed the subject ordinance during their regularly scheduled March 15, 2020 meeting.

A motion passed by unanimous vote (9-Yes, 0-No, 2-Absent) to recommend approval of Ordinance 2021-13.

In the ordinance, please amend the last WHEREAS statement:

WHEREAS, the Kenai Peninsula Borough Planning Commission at its regularly scheduled meeting April 12, 2021 recommended approval by unanimous vote.

Attached are the unapproved minutes of the subject portion of the meeting.

April 12, 2021 Planning Commission Draft Meeting Minutes

AGENDA ITEM E NEGOTIATED LEASE

- 6. Ordinance 2021-14: Authorizing a Negotiated Lease with Alaska Department of Transportation and Public Facilities for Staging and Material Extraction and Disposal Activities in Support of the Sterling Highway MP 45-60 Construction Project near Cooper Landing.

Staff report given by Marcus Mueller

Alaska Department of Transportation and Public Facilities (DOT&PF) is actively working on the Sterling Highway MP 45-60 Construction Project, which follows the Juneau Creek Alternative near Cooper Landing. The Kenai Peninsula Borough is a landowner in the project area and the borough is the managing authority to certain lands under its municipal entitlement land grant.

KPB Land Management has been working with the project team as it seeks to implement the major project. DOT&PF has proposed three project staging and disposal sites on borough owned or managed land. A fourth site related to the project has been proposed directly by DOT&PF Construction Management/General Contractor.

The proposed master lease agreement provides terms for both project staging activities and material extraction and disposal. The staging activities are handled through a surface use rental structure and the material disposal is addressed in resource management terms with a fee structure based on the volume and types of materials from the project that are left on site. Environmental protections and practices are enumerated in the agreement and all materials deposited would be uncontaminated natural materials. The proposed commencement date is May 1, 2021 to work with the project schedule.

The Cooper Landing APC at the April 7, 2021 meeting voted to support the lease with the State of Alaska Dept. of Transportation & Public Facilities.

END OF STAFF REORT

Vice Chair Ruffner opened the item for public comment. Hearing no one wishing to comment, Vice Chair Ruffner closed public comment and opened discussion among the Commission.

MOTION: Commissioner Morgan moved, seconded by Commissioner Ecklund to forward to the Assembly a recommendation to approve Ordinance 2021-14 authorizing a negotiated lease with the Alaska Dept. of Transportation & Public Facilities staging and material disposal in support of the Sterling Highway MP 45-60 Construction Project near Cooper Landing.

MOTION PASSED: Hearing no further discussion or objection the motion passed by the following vote:

Yes	9	No	0	Absent	2
Yes	Brantley, Carluccio, Chesser, Ecklund, Fikes, Gillham, Morgan, Ruffner, Venuti				
Absent	Bentz, Martin				

AGENDA ITEM E NEGOTIATED LEASE

- 7. Ordinance 2021-13: Authorizing a Negotiated Lease of Tract C Quartz Creek Subdivision with Kiewit Infrastructure West Company for Project Staging Activities in Support of the Sterling Highway MP 45-60 Construction Project near Cooper Landing (Mayor)

Staff report given by Marcus Mueller.

Kiewit Infrastructure West Company (KIWC) is a construction manager/ general contractor for Alaska Department of Transportation's Sterling Highway MP 45-60 project near Cooper Landing. A 16-acre KPB-owned parcel at the east end of the project has been identified by Kiewit for project staging.

Proposed staging uses include building a durable pad, installing utilities, a well and septic system to house and stage project offices, personnel, resources, supplies and equipment and to operate an asphalt batch plant.

KPB Land Management worked with KIWC last fall through a land use permit to conduct clearing activities while leaving a vegetated buffer around the property, in anticipation of the lease proposal. The cleared area would be available for the development and use proposed by Kiewit under the lease.

The lease would have a 5-year term, which corresponds to DOT’s construction schedule, and would provide for a one-year renewal option at a rent of \$35,640 per year with a 3% annual increase. The lease is proposed to start on May 1st to meet the 2021 construction schedule.

The Cooper Landing APC at the April 7, 2021 meeting voted to support the Lease with the Kiewit Infrastructure West Company.

END OF STAFF REORT

Vice Chair Ruffner opened the item for public comment. Hearing no one wishing to comment, Vice Chair Ruffner closed public comment and opened discussion among the Commission.

MOTION: Commissioner Morgan moved, seconded by Commissioner Ecklund to forward to the Assembly a recommendation to approve Ordinance 2021-13 authorizing a negotiated lease with the Kiewit Infrastructure West Company for staging in support of the Sterling Highway MP 45-60 Construction Project near Cooper Landing.

MOTION PASSED: Hearing no further discussion or objection the motion passed by the following vote:

Yes	9	No	0	Absent	2
Yes	Brantley, Carluccio, Chesser, Ecklund, Fikes, Gillham, Morgan, Ruffner, Venuti				
Absent	Bentz, Martin				

AGENDA ITEM E CONDITIONAL LAND USE PERMIT MODIFICATION

8. Conditional Land Use Permit Modification for an Existing Material Site Operation

Applicant: River Resources, LLC
 Landowner: River Resources, LLC
 Parcel Numbers: 135-243-13 & 29
 Legal Description:

- T05N, R10W, SEC 34, Seward Meridian, KN NW1/4 SE1/4, Excluding Patson Properties Part 1
- T05N, R10W, SEC 34 Seward Meridian, KN 2019-068, Patson Properties 2019 Replat Tract 1C

Location: 34386 Patson Road

Staff report given by Bryan Taylor

GENERAL OVERVIEW: The applicant wishes to modify the existing conditional land use permit for material extraction on the above property, approved by the planning commission on December 16, 2019, to allow for gravel extraction below the groundwater elevation. A copy of the application, including the required water monitoring information, is included as **Attachment A**. The applicant is also requesting an exemption for dewatering as part of the extraction activities. Dewatering will only be conducted within the permitted material site and water will not leave the property.

KPB 21.29.050(A)(5) provides that the planning commission may approve excavation in the water table provided the applicant completes certain water monitoring requirements carried out by an independent civil engineer or professional hydrogeologist, submits the monitoring data, and has certification by the engineer or hydrogeologist that the excavation plan will not negatively impact the quantity of an aquifer serving existing water sources.