

KENAI PENINSULA BOROUGH

Office of the Borough Clerk

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Johni Blankenship, CMC
Borough Clerk

MEMORANDUM

To: Kelly Cooper, Assembly President
Kenai Peninsula Borough Assembly Members

Thru: Johni Blankenship, Borough Clerk (JB)

From: Michele Turner, Deputy Borough Clerk (MT)

Date: November 22, 2016

Re: Ordinance 2016-19-15: Approving Construction and Accepting and Appropriating \$5,142,231.38 from the U.S. Department of Transportation, Western Federal Lands Highway Division to Extend a Portion of the Kenai Spur Highway within the Borough Right-of-Way (Mayor, Ogle)

The Road Service Area (RSA) Board addressed the referenced matter at its meeting of October 18, 2016.

Amend the second to last Whereas clause to read,

“WHEREAS, at its meeting of October 18, 2016 the Road Service Area board recommended approval by the passage of RSA Resolution 2016-09;”

RSA Resolution 2016-09 is attached for your ready reference.

Thank you.

**KENAI PENINSULA BOROUGH ROAD SERVICE AREA
RESOLUTION 2016-09**

**A RESOLUTION RECOMMENDING ASSEMBLY APPROVAL OF CONSTRUCTION
AND ACCEPTANCE AND APPROPRIATION OF \$5,142,231.38 FROM THE
U.S. DEPARTMENT OF TRANSPORTATION, WESTERN FEDERAL LANDS
HIGHWAY DIVISION TO EXTEND A PORTION OF THE NORTH SPUR HIGHWAY
WITHIN THE BOROUGH RIGHT-OF-WAY AND ACCEPTING THE
COMPLETED PROJECT FOR OPERATION AND MAINTENANCE**

- WHEREAS,** pursuant to KPB 16.41.190, annually the Road Service Area Board shall make a report and recommendation to the Assembly regarding whether any road construction projects should be undertaken; and
- WHEREAS,** KPB 16.40.190 B states "specific road construction projects shall be approved by the assembly upon consideration of the Road Service Area Board's recommendation;" and
- WHEREAS,** since 2014 Apache Alaska Corporation ("Apache") accumulated a significant amount of engineering and environmental data and permits for a project to build a road and a drill pad site in the area of Nikiski, Alaska approximately seven miles north of the Kenai Spur Highway terminus, and began preliminary steps towards constructing road access from the highway terminus to its proposed site; and
- WHEREAS,** at the meeting of November 18, 2014, the Road Service Area Board reviewed and approved the application by Apache to utilize an Engineered Design (instead of KPB 14.06 standards) to construct the extension of Kenai Spur Highway with an 18' wide driving surface and 10' wide pull-outs every 2,000', or as required by sight distance; and
- WHEREAS,** Apache decided against proceeding with this project; and
- WHEREAS,** Resolution 2016-017 authorized the borough to accept the engineering designs, work, data and permits from Apache Alaska Corporation for this project which was completed by the engineering firm of McLane Consulting, Inc., which through a memorandum of understanding with Apache are now available as an in-kind match for this project; and
- WHEREAS,** the borough approved and appropriated portions of the SAFETEA-LU funds in the amount of \$1,000,000 by way of Ordinance 2002-19-27 and in the amount of \$1,464,000 by way of Ordinance 2005-19-16; and
- WHEREAS,** the balance of funds in the amount of \$5,142,231.38 remained available for a modified project scope of work to be completed on the Spur Highway extension; and
- WHEREAS,** the modified scope of work is an approved mitigation project to reduce the impacts to wetlands and sensitive habitat currently created by off-road vehicles

that access recreational properties and private residences adjacent to the project right-of-way; and

WHEREAS, on September 16, 2016 the borough received notification from the U.S. Department of Transportation, Western Federal Lands Highway Division that the borough may use the balance of funds to construct approximately 7.5 miles of gravel road in the borough right-of-way beginning at the current terminus of the Kenai Spur Highway at Captain Cook State Recreation Area, ending near Otter Creek; and

WHEREAS, the borough will enter into an Memorandum of Understanding with Western Federal Lands Highway Division to construct the project in the amount of \$6,486,634.38, which includes \$5,142,231.38 SAFETEA-LU funds as well as the required 20 percent match approved through in-kind contributions in the amount of \$1,344,403.00; and

WHEREAS, the Western Federal Lands Highway Division anticipates a construct design essentially identical to the one previously approved by the Road Service Area Board at the meeting of November 18, 2014; and

WHEREAS, the grant program does not allow for indirect costs, and the grant is for the Road Service Area funded by general funds, no borough administrative service fee will be charged for this grant; and

WHEREAS, the Memorandum of Understanding with Western Federal Lands Highway Division establishes that the borough Road Service Area will administer all design, local permitting and construction of the North Road Extension; and

WHEREAS, the Memorandum of Understanding with Western Federal Lands Highway Division requires that the borough Road Service Area operate and maintain the completed project.

NOW THEREFORE, BE IT RESOLVED BY THE KENAI PENINSULA BOROUGH ROAD SERVICE AREA BOARD:

SECTION 1. Based on the standards set forth in the KPB 16.41.190, the RSA Board makes the following findings in recommending construction of the North Road Extension Project to the Assembly:

STANDARD: Whether there is available road service area funding.

FINDING: Not applicable. The project will be funded with SAFETEA-LU funds.

STANDARD: Whether the road accesses public lands or facilities.

FINDING: Yes. This project will provide vehicular access to numerous publically owned lands.

STANDARD: Whether the road is a collector road.
FINDING: No. At present, with a Road Service Area Board approved Engineered Design (instead of KPB 14.06 standards), the North Road Extension will not be constructed to Category IV standards necessary for a collector road. The code does not require that all five criteria be met before recommending a construction project to the assembly.

STANDARD: Whether there are funding sources in addition to RSA funds available for the project.

FINDING: Yes. Construction will be completed using SAFETEA-LU funds.

STANDARD: Whether the construction will provide an improved alternate route to a road currently certified for maintenance.

FINDING: No. The code does not require that all five criteria be met before recommending a construction project to the assembly.

SECTION 2. Based on the Memorandum of Understanding with Western Federal Lands Highway Division, the Road Service Area Board approves and accepts operation and maintenance of the completed project.

SECTION 3. The Road Service Area Board recommends the Assembly accept and appropriate \$5,142,231.38 from the Western Federal Lands Highway Division in furtherance of the North Road Extension Project.

SECTION 4. This resolution shall be forwarded to the mayor and the assembly.

RESOLVED BY THE KENAI PENINSULA ROAD SERVICE AREA BOARD THIS 18th
DAY OF October, 2016.



Stan A. McLane, Road Service Area Board Chair

ATTEST:


Pat Malone, Road Service Area Director