

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

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

THRU: Charlie Pierce, Mayor *CP*
Melanie Aeschliman, Planning Director *MA*

FROM: Marcus A Mueller, Land Management Officer *MA*

DATE: March 25, 2021

RE: 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)

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.

Your consideration is appreciated.