



## KENAI PENINSULA BOROUGH

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MIKE NAVARRE  
BOROUGH MAYOR

### MEMORANDUM

TO: Blaine Gilman, Assembly President  
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*  
Tim Bryner, Risk Manager *TB*  
Max Best, Planning Director *MB*  
Marcus Mueller, Land Management Officer *MM*

FROM: Julie Denison, Land Management Technician *JD*

DATE: June 13, 2016

SUBJECT: Ordinance 2016-29, An Ordinance Authorizing a Ten Year Extension to the General Electric Company Leases (Mayor)

General Electric Company (GE) is Lessee under two certain commercial-industrial leases serialized as KPBL# 82-0128-01 (ADL 17215) and 82-0128-02 (ADL 17216) which affect Lot 11 and 12, Bernice Lake Alaska Industrial Subdivision, as shown on Plat No. 1560, Kenai Recording District. Said leases will expire on September 14, 2016.

GE desires to extend the leases for a period of up to ten years for the sole purpose of completing petroleum contamination remediation. As background, a building formerly known as the TBE Machine Shop was constructed on the site in 1966. It was discovered in 1992 that a 1,000 gallon diesel underground storage tank (UST) was leaking and had released petroleum products. GE worked with the Alaska Department of Environmental Conservation (ADEC) to complete the work necessary to remove the tank and properly dispose the contaminated soil. ADEC granted No Further Action status to the former diesel UST release in 1998.

In a 1999 Release Investigation, ADEC noted impacts to soil and groundwater in excess of regulatory cleanup levels. Ten monitoring wells were installed between 1999 and 2002 to evaluate impacts to soil and groundwater at the site. In 2013, one additional monitoring well and two injection wells were installed. The injection wells were installed for the bioremediation of chlorinated solvents and petroleum products, in a plan approved by ADEC. In 2014 GE razed the former TBE Machine Shop building.

GE is currently in good standing with the terms of their leases and continues to work towards remediating the petroleum contamination noted on site. This ordinance extends the term of GE's leases for ten years for the purpose of completing groundwater clean-up activities. This lease extension is consistent with Goal 7.2, Objective 5(A) of the Kenai Peninsula Borough Comprehensive Plan which encourages responsible parties to fund and implement clean up programs.