## Kenai Peninsula Borough Planning Department – Land Management Division

## MEMORANDUM

TO:	Brent Johnson, Assembly President Kenai Peninsula Borough Assembly Members
THRU:	Charlie Pierce, Mayor Lee Frey, Solid Waste Director Robert Ruffner, Planning Director
FROM:	Marcus Mueller, Land Management Officer
DATE:	May 26, 2022
RE:	Ordinance 2022- <u>21</u> , Providing for an Exception to KPB 17.10.210 and Authorizing the Mayor to Execute a No-Charge Agreement with the City Of Kenai for Hard Rock Resource Extraction from Borough-Owned Land in Support of the Kenai Bluff Stabilization Project (Mayor)

The City of Kenai ("City") is working to implement the Kenai Bluff Stabilization project in cooperation with the U.S. Army Corps of Engineers ("the project"). The project requires a substantial amount of hard rock to be placed along the bluff according to the engineer's design. The Kenai Peninsula Borough ("Borough") owns hard rock resources.

Resolution 2009-074 provided for the Mayor to negotiate with the City to manufacture and remove rock Borough's Rock Quarries. The Borough's Rocky Ridge Quarry adjacent to the Seldovia landfill presents an opportunity for the City to access hard rock resources and for KPB to benefit from the work. Three major benefits to KPB are 1) room for both near-term and long-term landfill expansion, 2) production of "cover material" essential to landfill operations, and, 3) generation of by-product material that can be processed into aggregate for local use.

The administration has negotiated a no-borough-charge material sale contract with the City, allowing the City to leverage in-kind value towards the project, recognizing the substantial value of the benefits to the Borough and the costs incurred by the City to access and remove the rock resources.

This ordinance provides for an exception to KPB 17.10.210 and authorizes the mayor to enter into a no-charge agreement wherein no fees, charges, or royalties will be required by the Borough as part of the agreement between the parties.

Your review and consideration of this resolution is appreciated.