

KENAI PENINSULA BOROUGH

Planning Department • Land Management Division 144 North Binkley Street • Soldotna, Alaska 99669-7520 PHONE: (907) 714-2200 • FAX: (907) 714-2378 Toll-free within the Borough: 1-800-478-4441, Ext. 2200 www.borough.kenai.ak.us

> MIKE NAVARRE BOROUGH MAYOR

August 1, 2014

Mrs. Paula Keohane PO Box 1411 Coupeville, WA 28239 VIA Email: pkeohane@frontier.com

RE: Drainage Easement Exchange Proposal

Dear Mrs. Keohane:

Thank you for engaging in discussions with the Kenai Peninsula Borough administration concerning the use of a portion your property for drainage purposes. An outcome of these discussions is a proposal that the borough administration would like to bring to the Borough Assembly for their consideration and approval. This letter describes the proposal and expresses the borough administration's intent to initiate its required public processes to seek assembly approval.

The proposal involves two parcels of land: 1) the ~ 4.3 acre north half of Tract 1 Kingswood Estates Sub owned by Paula and Tim Keohane, and 2) the ~1.8 acre north half of Government Lot 13 Sec 30, T5N, R11W, S.M. owned by the Kenai Peninsula Borough.

The proposal involves the exchange of a ~4.3 acre easement to the borough for drainage purposes in trade for ownership interests of the 1.8 acre bluff lot. The 4.3 acre easement would provide for immediate use as an outlet and retention area and would allow for future improvements to be made that would maximize drainage function including re-contouring, installation of drainage galleries and installation of pipes or pump stations to move water out of retention. The easement would also preserve values important to you, including the ability to continue to pasture the area with livestock, the retention of a treed perimeter, and preserving certain aesthetic characteristics for general enjoyment. The easement intent is illustrated on the attached map that you provided to the borough in July. We also discussed the assumption of general liability on behalf of the borough for its improvements and its activities under the drainage easement to be expressed in the easement.

The 1.8 acre bluff lot is a parcel of land that the borough holds with a management intent as a drainage outlet to the cook inlet. The proposal to offer the ownership of 1.8 acre bluff lot in exchange for the 4.3 acre drainage easement is predicated on the borough reserving sufficient interests to allow for drainage improvements to be made on

the property, preserving and enhancing the drainage function. A portion of the parcel has been identified that would provide sufficient space for an open ditch outlet or the burial of drainage outlet improvements to serve the area. The offer to convey the 1.8 acre bluff parcel would be contingent on the reservation of a drainage easement in an area similar to that shown on the attached map. In the drainage easement area the borough would retain the right to use, maintain, and construct drainage improvements or allow for another public entity such as DOT to use the easement for the same purpose. As the drainage easement would occupy approximately half of the parcel, we also discussed providing some basic definition of compatible private uses that would allowable on the easement area, such as uses that do not interfere with drainage functions and are removable upon a reasonable notice timeframe. Examples might include landscaping, gardens, sheds on skids, and interim driving surfaces that are outside of the drainageway and can give right-of-way to the drainage uses as those uses develop and function over time.

The borough will work on drafting an exchange agreement along with an easement instrument and a draft deed containing the reservation of an area for drainage purposes for your review and approval by the borough Assembly in September/October of this year. We also discussed the need to survey the easement areas so that the areas are accurately described and readily located. We recognize that prior to implementing the proposed exchange, conditions could necessitate the out letting of water from Karluk Ave onto your property based on the way that drainage systems are currently configured and the experience of 2013. We understand and appreciate that you would be permitting that to occur in good faith during the processing of the proposed exchange. Conversely, in the event that the proposed exchange does not receive approvals, the borough will replant the forage grasses on your property that have been impacted by the borough's activities during 2013 and 2014.

Please feel free to contact me in the mean time with any questions or concerns. Again, we appreciate your willingness to work with the borough, and look forward to presenting this proposal that we have discussed.

Sincerely,

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Marcus A. Mueller Land Management Officer