

**JANUARY 11, 2024  
AIRPORT COMMISSION MEETING  
ADDITIONAL MATERIAL/REVISIONS**

**REQUESTED ADDITIONS TO THE PACKET**

<b><u>ACTION</u></b>	<b><u>ITEM</u></b>	<b><u>REQUESTED BY</u></b>
Add Item F.4	<b>Discussion/Recommendation</b> – Recommending City Council Enactment of Ordinance No. 3390-2024 - Increasing Estimated Revenues and Appropriations in the Airport Fund to Purchase Air Service Development Professional Services at the Kenai Municipal Airport for Costs in Excess of Budgeted Amounts.	Airport Manager



*"Serving the Greater Kenai Peninsula"*

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# Memo

**To:** Airport Commission

**Thru:** Derek Ables – Airport Manager

**Date:** January 11, 2024

**Subject:** Ordinance No. 3390-2024 Appropriation of Funds for Professional Air Service Development Services at the Kenai Municipal Airport.

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This memo recommends support of appropriating funds for professional air service development services at the Kenai Municipal Airport.

The approved FY2024 annual budget did not include funding for air service development services. However, with the departure of New Pacific Airlines d/b/a Ravn Alaska in November, the Airport Manager has worked with the Administration to explore opportunities for new air service, outside of the traditional routes offered between Kenai and Anchorage, for the Kenai Municipal Airport. Additional funds are necessary to procure specialized air service development services to include a Catchment Leakage Study (a study to estimate the travel market of the local area), develop presentation materials for airport service development meetings with prospective carriers, and to complete a Small Community Air Service Development Grant (SCASD) application for the Kenai Municipal Airport.

Consulting services are estimated to cost \$34,000, and enactment of this Ordinance will allow the Airport to proceed to develop opportunities to meet the current and future needs of passengers at the Kenai Municipal Airport.

**Does Commission recommend Council approve Ordinance No. 3390-2024?**

Attachments



**CITY OF KENAI  
ORDINANCE NO. 3390-2024**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE AIRPORT FUND TO PURCHASE AIR SERVICE DEVELOPMENT PROFESSIONAL SERVICES AT THE KENAI MUNICIPAL AIRPORT FOR COSTS IN EXCESS OF BUDGETED AMOUNTS.

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WHEREAS, the FY2024 Annual Budget for the City of Kenai did not include funding for air service development professional services at the Kenai Municipal Airport; and,

WHEREAS, on November 2, 2023 New Pacific Airlines d/b/a Ravn Alaska gave a 60-day notice of the termination of their Airline Operating Agreement ending on January 1, 2024, creating a space for a new airline to operate at the airport; and,

WHEREAS, with the departure of Ravn, the Airport Manager and Administration are working together to explore opportunities for developing air service, outside the traditional routes between Kenai and Anchorage, for the Kenai Municipal Airport and the traveling public; and,

WHEREAS, consulting services are needed for specialized air service development services, including performance of a Catchment Leakage Study (a study to estimate the travel market of the local area), preparation of presentation materials for and air service development meetings with prospective air carriers, and preparation of a Small Community Air Service Development (SCASD) grant application for the Kenai Municipal Airport; and,

WHEREAS, additional appropriated funds in the amount of \$34,000 are needed for the purchase of these air service development professional services; and,

WHEREAS, expansion of air travel opportunities for residents and visitors to the area is in the best interest of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, AS FOLLOWS:

**Section 1.** That estimated revenues and appropriations be increased as follows:

Airport Fund:

Increase Estimated Revenues –	
Appropriation of Fund Balance	<u>\$34,000</u>
Increase Expenditures –	
Administration - Professional Services	<u>\$34,000</u>

**Section 2.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.

**Section 3.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 7<sup>TH</sup> DAY OF FEBRUARY, 2024.

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Brian Gabriel Sr., Mayor

ATTEST:

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Michelle M. Saner, MMC, City Clerk

Approved by Finance: \_\_\_\_\_

Introduced:	January 17, 2024
Enacted:	February 7, 2024
Effective:	February 7, 2024