

**KENAI AIRPORT COMMISSION
REGULAR MEETING
SEPTEMBER 12, 2019 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
<http://www.kenai.city>**

1. CALL TO ORDER

- a. Pledge of Allegiance
- b. Roll Call
- c. Agenda Approval

2. SCHEDULED PUBLIC COMMENT *(Public comment limited to ten (10) minutes per speaker)*

3. UNSCHEDULED PUBLIC COMMENT *(Public comment limited to three (3) minutes per speaker; thirty (30) minutes aggregated)*

4. APPROVAL OF MEETING SUMMARY

- a. August 8, 2019.....Pg. 2

5. UNFINISHED BUSINESS – None.

6. NEW BUSINESS

- a. **Discussion/Recommendation** – SOAR International Ministries Request to Assign Leases to Schillings Rentals, LLCPg. 5

7. REPORTS

- a. Airport Manager
- b. City Council Liaison

8. NEXT MEETING ATTENDANCE NOTIFICATION – October 10, 2019

9. COMMISSIONER COMMENTS AND QUESTIONS

10. ADDITIONAL PUBLIC COMMENT

11. INFORMATION ITEMS

- a. August 2019 Midmonth ReportPg. 12
- b. August 2019 Float Plane Basin Activity.....Pg. 14
- c. Resolution No. 2019-54 – Designating Management Authority for Tract 2, Baron Park SubdivisionPg. 15
- d. Resolution No. 2019-54 – Designating Management Authority for Tract 3, Baron Park SubdivisionPg. 21

12. ADJOURNMENT

****PLEASE CONTACT US IF YOU WILL NOT BE ABLE TO ATTEND THE MEETING**
JAMIE -- 283-8231 OR, MARY -- 283-8281**

**KENAI AIRPORT COMMISSION
REGULAR MEETING
AUGUST 8, 2019 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
CHAIR GLENDA FEEKEN, PRESIDING**

MEETING SUMMARY

1. CALL TO ORDER

Chair Feeken called the meeting to order at 6:00 p.m.

a. Pledge of Allegiance

Chair Feeken led those assembled in the Pledge of Allegiance.

b. Roll was confirmed as follows:

Commissioners Present: G. Feeken, P. Minelga, J. Bielefeld, J. Zirul, D. Pitts

Commissioners Absent: K. Dodge

Staff/Council Liaison Present: Airport Manager M. Bondurant, Airport Assistant E. Brincefield, City Attorney S. Bloom, Council Liaison G. Pettey

A quorum was present.

c. Agenda Approval

MOTION:

Commissioner Bielefeld **MOVED** to approve the agenda and Commissioner Zirul **SECONDED** the motion. There were no objections; **SO ORDERED.**

2. SCHEDULED PUBLIC COMMENT – None.

3. UNSCHEDULED PUBLIC COMMENT

Richard Page encouraged the Commission to look at improving marketing for the airport suggesting leasing was not an easy process with the City.

4. APPROVAL OF MEETING SUMMARY

a. July 11, 2019

MOTION:

Commissioner Minelga **MOVED** to approve the meeting summary of July 11, 2019 and Commissioner Pitts **SECONDED** the motion. There were no objections; **SO ORDERED.**

5. **UNFINISHED BUSINESS** – None.

6. **NEW BUSINESS**

a. **Discussion/Recommendation** – Ordinance No. 3072-2019.

The differences in lease, sale, and assignment were discussed and clarification was provided on how lease rates would increase with the removal of the regular land appraisals.

Ensuring the application process was uniform and encouraged business was expressed.

MOTION:

Commissioner Bielefeld **MOVED** to recommend Council enact Ordinance No. 3072-2019 of the and Commissioner Zirul **SECONDED** the motion. There were no objections; **SO ORDERED**.

b. **Discussion/Recommendation** – SOAR Lease Application.

MOTION:

Commissioner Bielefeld **MOVED** to recommend approval of the SOAR Lease Application and Commissioner Zirul **SECONDED** the motion. There were no objections; **SO ORDERED**.

7. **REPORTS**

a. Airport Manager

Airport Manager Bondurant reported on the following:

- Provided an update on the Terminal Rehabilitation Project;
- Provided an update on the Airfield Marking Project;
- Noted the Alaska Fire Training Facility Rehabilitation Project would be out to bid soon; and
- Staff preparing for a mass casualty drill in October.

b. City Council Liaison

Council Member Pettey provided a report of the actions taken at the August 7 City Council Meeting.

8. **NEXT MEETING ATTENDANCE NOTIFICATION** – September 12, 2019

Commissioner Bielefeld noted he would be absent. Commissioner Pitts noted there was a possibility he would be absent.

9. **COMMISSIONER COMMENTS AND QUESTIONS**

Commissioner Bielefeld inquired about old Aircraft Rescue and Firefighting trucks.

Commissioner Pitts offered kudos to airport staff for handling struggles with the Airport Terminal Rehabilitation Project.

Commissioner Minelga noted he observed the roof on the new entrance slopes back and expressed concern with water leaking.

10. ADDITIONAL PUBLIC COMMENT – None.

11. INFORMATION ITEMS

- a. June 2019 Midmonth Report
- b. July 2019 Midmonth Report
- c. June 2019 Enplanements

12. ADJOURNMENT

MOTION:

Commissioner Zirul **MOVED** to adjourn and Commissioner Bielefeld **SECONDED** the motion. There were no objections; **SO ORDERED.**

Meeting summary prepared and submitted by:

Jamie Heinz
City Clerk



"Serving the Greater Kenai Peninsula"

305 N. WILLOW ST. SUITE 200 KENAI, ALASKA 99611
TELEPHONE 907-283-7951
FAX 907-283-3737

Memo

To: Airport Commission

From: Mary Bondurant - Airport Manager 

Date: September 5, 2019

Subject: ***SOAR International Ministries - Assignment of Leases***

SOAR International Ministries is requesting the City of Kenai assign three leases to Shilling Rentals, LLC.

The lots are as follows:

Lot 3, Block 1, GAA No 1 – use: *charter operations and operation and maintenance of aircraft used in commuter service;*

Lot 2, lock 3, GAA – use: *aircraft storage and maintenance; and*

Lot 1A, Block 2, GAA No. 3 – use: *passenger waiting room and lounge, pilot lounge and offices*

Included for your review and consideration is the lease assignment form, map, and August 28, 2019 memo from the City Planner.

Does Airport Commission recommend Council approve the Assignment of Leases from SOAR International Ministries to Schilling Rentals, LLC under the same terms and conditions of the original leases?

Attachments



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www.kenai.city

MEMORANDUM

TO: Airport Commission and Mary Bondurant, Airport Manager
THROUGH: Paul Ostrander, City Manager
FROM: Elizabeth Appleby, City Planner
DATE: August 28, 2019
SUBJECT: **Kenai Municipal Airport Reserve Leases Assignment – Lot 3, Block 1 and Lot 2, Block 3, General Aviation Apron Subdivision No. 1 Amended and Lot 1A, Block 2, General Aviation Apron Subdivision No. 3**

SOAR International Ministries, Incorporated (SOAR) has requested an assignment of three of its existing leases within the Airport Reserve to Schilling Rentals, LLC. The location of the parcels are shown on the attached map. City Administration has no objection to the lease assignments. SOAR and Schilling Rentals, LLC do not have outstanding obligations to the City for their existing leases. Schilling Rentals, LLC would not change the use of the parcels. A description of each parcel and a brief history of the existing lease follows:

04324003

1.43 acres, 125 FBO Road, Lot 3, Block 1, General Aviation Apron Subd. No. 1

The lease for this parcel was assigned to SOAR in 2000 and subleases the parcels to North Air, Inc. SOAR was assigned the 55-year lease initially entered into with the City by South Central Air, Inc. in 1985. The lease expires in 2040. The most recent amendment to the lease was made in 2011 and the City consented to the sublease to North Air, Inc. in 2016.

04324004

1.35 acres, 135 Granite Court, Lot 1A, Block 2, General Aviation Apron Subd. No. 3

The lease for this parcel was assigned to SOAR in 2000. SOAR was assigned the 55-year lease initially entered into with the City by Andy's Flying Service, Inc. in 1977, and subsequently assigned to Southcentral Air, Inc. in 1982. The lease expires in 2032. The most recent amendment to the lease was made in 2012.



04324024

0.72 acres, 110 FBO Road, Lot 2, Block 3, General Aviation Apron Subd. No. 1 Amended SOAR entered into a lease with the City for this parcel in 2004. The lease expires in 2022. The most recent amendment to the lease was made in 2018.

The parcels are within the Airport Light Industrial (ALI) Zone. Pursuant to KMC 14.20.065, the purpose of the ALI Zone is to protect the viability of the Kenai Municipal Airport as a significant resource to the community by encouraging compatible land uses and reducing hazards that may endanger the lives and property of the public and aviation users. Schilling Rentals, LLC would continue the same permitted and compatible uses of the parcels in the ALI Zone.

The Imagine Kenai 2030 Comprehensive Plan outlines goals, objectives, and action items for the City, including this one pertaining to the Kenai Municipal Airport:

- Objective T-1: *Support future development near or adjacent to the airport when such development is in alignment with the Kenai Municipal Airport's primary mission, "To be the commercial air transportation gateway to the Kenai Peninsula Borough and Cook Inlet."*

The proposed continued use by Schilling Rentals, LLC complies with the Imagine Kenai 2030 Comprehensive Plan in that it supports development on lease lots and the development is in alignment with the Kenai Municipal Airport's marketing strategy.

The Airport Land Use Plan was developed to identify the highest and best uses of Kenai Municipal Airport land. The Airport Land Use Plan discusses leasing land and enhancing opportunities for local economic development. The proposed continued use by Schilling Rentals, LLC complies with the Airport Land Use Plan. It would continue to enhance local economic development.

Does the Airport Commission recommend the City consent to an assignment of these three leases from SOAR to Schilling Rentals, LLC? The City Council would be notified of the Airport Commission's decision as part of their evaluation of the lease assignment request. The Airport Commission makes their decisions on lease applications based on the proposed development's compliance with the Airport Land Use Plan, Airport Layout Plan, Federal Aviation Administration regulations, Airport Master Plan, Airport Improvement Program grant assurances, and Airport operations.

Thank you for your consideration.



City of Kenai Kenai Municipal Airport Land Lease Application

Application for: ASSIGNMENT
 New Lease
 Amendment
 Extension/Renewal

Application Date: 7/22/2019

Applicant Information

Name of Applicant: SOAR International Ministries - (as assignor)

Mailing Address: PO Box 1714 City: Kenai State: AK Zip Code: 99611

Phone Number(s): Home Phone: () Work/ Message Phone: (907) 252 1841

E-mail: (Optional) richardpage@soarinternational.org

Name to Appear on Lease: Schilling Rentals, LLC - (as assignee)

Mailing Address: 420 N Willow Street City: Kenai State: AK Zip Code: 99611

Phone Number(s): Home Phone: () Work/ Message Phone: () 283 3660

E-mail: (Optional) duane@uptownmotel.com

Type of Applicant: Individual (at least 18 years of age) Partnership Corporation
 Limited Liability Company (LLC) Government Other _____

Description of Property and Term Requested

Legal Description of Property: GENERAL AVIATION APRON SUB NO 3 LOT 1A BLK 2 - 04324 004
 GENERAL AVIATION APRON SUB NO 1 AMENDED LOT 3 BLK 1 - 04324 003
 GENERAL AVIATION APRON SUB NO 1 AMENDED LOT 2 BLK 3 - 04324 024

Does the Property Require Subdivision? (if Yes, answer next two questions) YES NO

Are you prepared to be responsible for all costs associated with subdivision? YES NO

Do you believe the proposed subdivision would serve other Airport purposes? YES NO

Do you have or have you ever had a lease with the City of Kenai? YES NO

If Yes, please provide description of property leased (e.g. legal or physical description):
 Schilling Rentals, LLC has multiple leases with the City of Kenai. Descriptions will be included in forthcoming renewal application

s this application for renewal or term extension of an existing lease? YES NO

If Yes, please provide a description of the property leased:

ease Term Requested: Starting Date:

Proposed Use and Activities

roposed Use (check one): Aeronautical Non-Aeronautical

o you plan to construct new or additional improvements? YES NO

Will the proposed improvement change or alter the use under an existing lease? YES NO

If yes, what is the new proposed use?

What is the type (e.g. building, land) and nature (e.g. maintenance, new construction) of the proposed improvement?

What is the estimated amount of investment in the construction of new permanent improvements on the premises?

List of proposed use and business activities:

SOAR International Ministries is requesting Assignment of Lease to Schilling Rentals, LLC for the above referenced three (3) lease lots

It is anticipated that Schilling Rentals, LLC will apply for a Lease Renewal on the three (3) lots subsequent to these assignments

Lease Extension or Renewal*

*This section not required for new lease or amendment applications

Method to determine value of improvements/term for a lease renewal or expiring lease:

- Professional estimate of the remaining useful life of the principle improvement on the property
- Market value appraisal of the principle improvement on the property
- Purchase price of improvements

Submitting an application for a lease does not give the applicant a right to lease or use the land requested in the application. The application shall expire twelve (12) months after the date the application has been made if the City and the applicant have not, by that time, entered into a lease, unless the City Council for good cause grants an extension for a period not to exceed six (6) months. The City has no obligation to amend, renew or extend a lease and may decline to do so upon making specific findings as to why a lease renewal, extension, or amendment is not in the best interest of the City

Signature:	<i>Richard Page</i>	Date:	7/22/2019
Print Name:	Richard Page	Title:	Director

RECEIVED
CITY OF KENAI
DATE 7-29-19
PLANNING DEPARTMENT



July 22 , 2019

City of Kenai
210 Fidalgo Avenue
Kenai, Alaska 99611

SOAR International Ministries would like to request that the City of Kenai assign the following leases to Shilling Rentals, LLC:

Lot 1A, Block 2, General Aviation Apron Subdivision, according to Plat No. 87-93

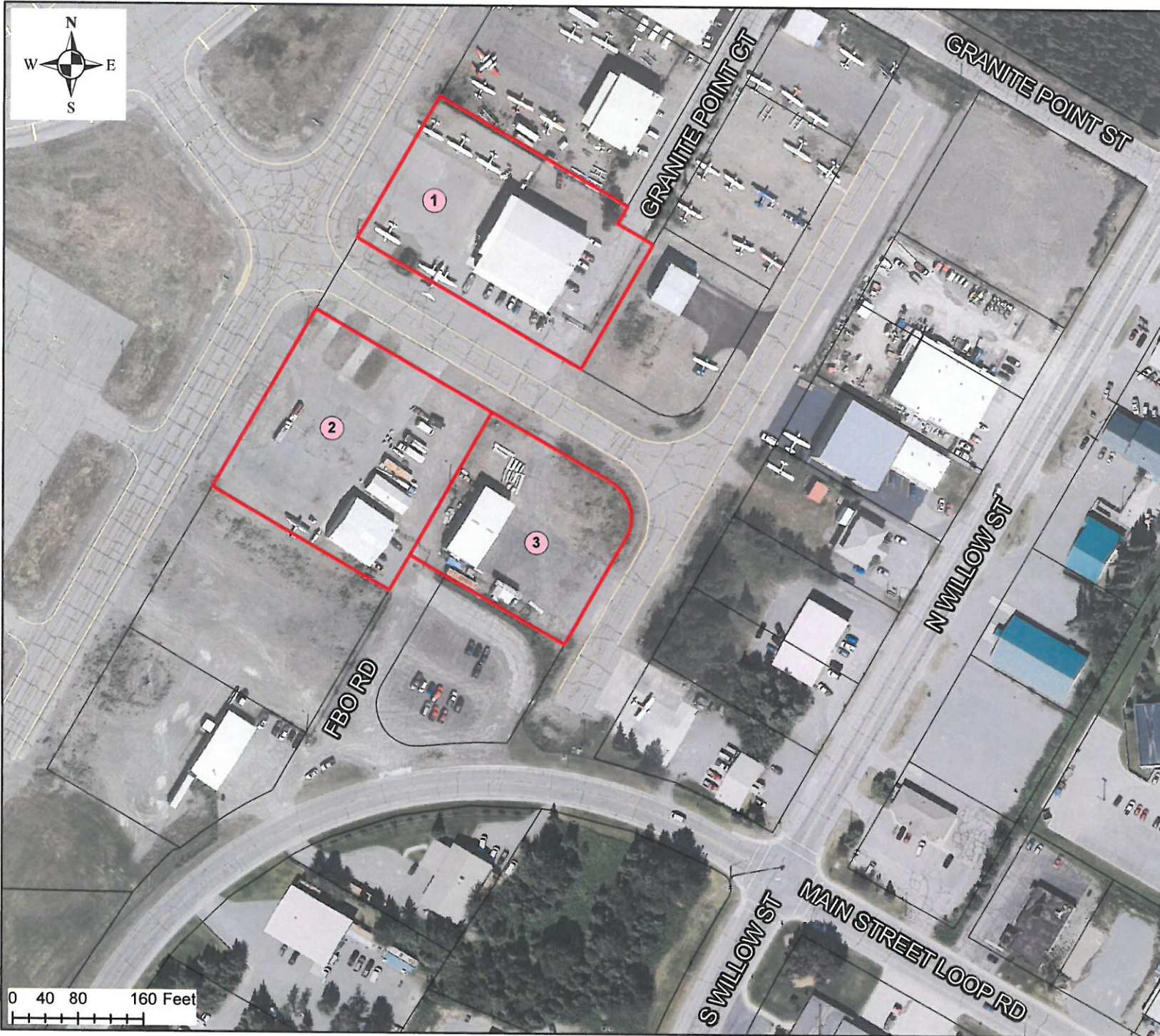
Lot 3, Block 1, General Aviation Apron

Lot 2, Block 3, General Aviation Apron

A handwritten signature in cursive script that reads "Richard Page".

Richard Page
Director, SOAR International Ministries





SOAR Leases Assignment Request

- ① 04324004
Lot 1A Blk 2
GAA Subd No. 3
- ② 04324003
Lot 3 Blk 1
GAA Subd No. 1
- ③ 04324024
Lot 2 Blk 3
GAA Subd No. 1
Amended



The information depicted here on is for graphic representation only of the best available sources. The City of Kenai assumes no responsibility for errors on this map.

Date: 7/31/2019



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MEMORANDUM

TO: Mayor Brian Gabriel and Kenai City Council
THROUGH: Paul Ostrander, City Manager
FROM: Mary Bondurant, Airport Manager
DATE: August 8, 2019
SUBJECT: **August Mid-month Report**

2018 Terminal Rehabilitation Project – Construction: This project is well underway and all areas of the terminal inside and out are experiencing some form of construction.

2019 Airfield Marking, Crack Sealing, & Pavement Repair – The runway crack sealing is complete and the runway painting is scheduled to start the week of August 12, 2019.

2019 Alaska Fire Training Facility Rehabilitation – This project is currently being advertised. Bids will open the end of August and a grant application will be sent to the FAA in September 2019. Construction will start late fall.

2019 Acquire Aircraft Rescue & Firefighting Trucks (ARFF) – Airport Administration is working with FAA on the grant application. The City will tag the State of Alaska Department of Transportation contracts to purchase 3,000 gallon and 1,500 gallon ARFF vehicles for the Alaska Fire Training Facility.

In-house Activities –

Airport Operations continues summer maintenance, wildlife hazing, fence maintenance, brush cutting, mowing, fence repair, and equipment maintenance.

Tri-annual Mass Casualty – A requirement of CFR 139.325 for a holder of a Class 1 Airport Operating Certificate is a full-scale mock airport emergency plan exercise at least once every 36 consecutive calendar months. This drill is scheduled for October 2, 2019. The updated and approved Kenai Municipal Airport Emergency Control Plans (AECPP) have



been delivered to all plan participants. If you would like to volunteer, please call the Airport Administrative office at 283-7951.

Out of Office – Airport Manager will be out of the office from Monday, August 19 through August 23, 2019 to attend the annual AMAC conference. I will be back in the office on Monday, August 26, 2019.



FLOAT PLANE BASIN ACTIVITY 2015-2019

OPERATIONS

Month	2019	2018	2017	2016	2015
MAY	64	39	23	44	57
JUNE	117	139	106	85	124
JULY	166	261	144	151	164
AUGUST	172	164	103	191	148
SEPTEMBER		156	107	115	71
OCTOBER		47	6	CLSD	17
NOVEMBER		CLSD	CLSD	CLSD	CLSD
Total	519	806	489	586	581

0 not reported

FUEL SALES

Month	2019	2018	2017	2016	2015
MAY	\$1,685	\$134	\$784	\$1,175	\$8
JUNE	\$5,870	\$3,203	\$3,423	\$1,656	\$0
JULY	\$9,030	\$3,635	\$3,420	\$3,036	\$1,873
AUGUST	\$7,146	\$5,890	\$4,325	\$3,647	\$1,710
SEPTEMBER		\$5,590	\$4,901	\$3,830	\$1,380
OCTOBER		\$1,060	\$583	CLSD	\$553
Total	\$23,731	\$19,512	\$17,436	\$13,344	\$5,524

Slips Rented

Private	2
Commerical	0

Rev 5/2019



Sponsored by: Administration

CITY OF KENAI

RESOLUTION NO. 2019-54

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, DESIGNATING MANAGEMENT AUTHORITY FOR TRACT 2, BARON PARK SUBDIVISION TO REFLECT THAT REVENUES AND EXPENSES ASSOCIATED WITH THE PROPERTY ARE ALLOCATED TO THE AIRPORT FUND.

WHEREAS, the City of Kenai received a Quitclaim Deed from the Federal Aviation Administration (FAA) on December 1, 1962, to nearly 2,000 acres of land subject to certain restrictions, including that no property shall be used, leased, sold, salvaged, or disposed of for reasons other than for Airport purposes; and,

WHEREAS, in 1991, the FAA executed a Deed of Release for a 40.329-acre tract, including what is now Tract 2, Baron Park Subdivision, releasing the City from all conditions, reservations, and restrictions of the FAA Deed to permit the long-term lease or sale of the property for non-airport purposes; and,

WHEREAS, in February 1991, Council approved Ordinance 1413-91 appropriating \$212,500 from the General Fund to pay the Airport Fund the Fair Market Value of an approximately 40-acre tract, Tract A-1 Baron Park Sub. No. 1, including what is now Tract 2, from the City Airport Fund for Marathon Road street and utility improvements to encourage industrial development in the area; and,

WHEREAS, in May 1991, the City entered into a lease with the University of Alaska for Tract A-1, and the lease was amended in 1996 to remove approximately 10 acres to be used to build the Alaska Regional Fire Training Facility located on what is now Tract 2, Baron Park Subdivision; and,

WHEREAS, Ordinance 1756-97 appropriated Airport Improvement Program Funds for the construction of the 23,460 square foot Alaska Regional Fire Training Facility on Tract 2 to facilitate hands-on training for fire response personnel in scenarios replicating actual emergencies involving aircraft and structural/industrial settings; and,

WHEREAS, Resolution 2008-12 approved a Facility Management Agreement with Beacon Occupational Health and Safety Services, which occupies the first floor of the Fire Training Facility, and the American National Red Cross utilizes approximately 475 square feet of temporary office space; and,

WHEREAS, the Airport Fund has provided for facility management services and facility repairs and maintenance for the Fire Training Facility and property with the exception of a one-time transfer of \$110,000 from the General Fund authorized by Ordinance 2296-2008 to fund repairs and maintenance at the Facility due to deficits in the Airport Fund; and,

WHEREAS, the City and the Kenai Municipal Airport are strongly committed to rehabilitation and infrastructure at the Facility and Ordinance 3059-2019 authorized \$216,000 in FAA grant-eligible Airport Improvement Capital Project funds for engineering, design, and construction services at the Facility; and,

WHEREAS, Tract 2, Baron Park Subdivision is no longer subject to FAA deed restrictions that require the property be used for Airport purposes, however, it is in the best interest of the City that this property be managed for the benefit of the Airport; and,

WHEREAS, due to the number and nature of improvements on and surrounding the property, specifically the investment by the General Fund in street and utility improvements and the Airport Fund in permanent improvements at the Fire Training Facility and former UAA Lease Lot, it is in the best interest of the City to designate the management authority for Tract 2 to the Airport to accurately reflect the Airport's investment in and responsibility for the property.


NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA:

Section 1. That management authority for Tract 2 Baron Park Subdivision is designated to the Airport Fund and revenue, including future sales and associated expenses, are allocated to the Airport Fund and Airport Land Sale Permanent Fund as appropriate.

Section 2. That this resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 7th day of August, 2019.

ATTEST:



BRIAN GABRIEL, SR., MAYOR



Jamie Heinz, CMC, City Clerk





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MEMORANDUM

TO: Mayor Brian Gabriel and Kenai City Council
FROM: Paul Ostrander, City Manager
DATE: July 25, 2019
SUBJECT: **Resolution 2019-54 and 2019-55 – Designating Management Authority for Tracts 2 and 3, Baron Park Subdivision**

At the July 3, 2019 City Council Meeting, the City Council discussed an Action/Approval item to delineate management authority to the Airport Fund for two tracts of land in the Baron Park Subdivision to clarify which City fund is responsible for expenditures associated with said properties and which City Fund will receive revenues from the land and improvements on the properties as well as facilitate a subdivision to preserve public access along the existing constructed road.

Resolution 2019-54 and 2019-55 designate management authority for Tracts 2 and 3, respectively. Attached is the June 20, 2019 memo which provides additional detail in support of the resolutions, which will clarify that the Airport Fund is the appropriate fund to pay all expenditures and receive all revenues associated with the properties and improvements on the properties.

Your consideration is appreciated.

Attachment





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www.kenai.city

MEMORANDUM

TO: Mayor Brian Gabriel and Kenai City Council
FROM: Paul Ostrander, City Manager
DATE: June 20, 2019
SUBJECT: **Action/ Approval - Baron Park Subdivision Properties**

The purpose of this memo is to affirmatively delineate management authority for two properties in the Baron Park Subdivision to clarify which City fund is responsible for and receives the benefit from the property and improvements on the property as well as facilitate a subdivision to preserve public access along the existing constructed road.

The City has discussed properties in the Baron Park Subdivision as it relates to management authority since the property was first proposed to provide land for a future Fire Training Facility site in 1990. The 40-acre tract was undeveloped except for a small observation antennae installed by the National Oceanic and Atmospheric Administration (NOAA) and a small pond. Payment was made from the General Fund to the Airport Fund in the amount of \$212,500 to transfer Management authority for the land from the Airport Fund to the General Fund in 1991 for Marathon Road street and utility improvements to encourage industrial development in the area as well as facilitate a lease to the University of Alaska for the development of the indoor fire training facility. Since that time, the 40-acre tract has been the subject of multiple subdivisions and development as follows:

In 1991, the City entered into a lease with the University of Alaska on what is now Tract 3, but was formerly Tract A-1, an approximately 40-acre parcel. The lease was amended in 1996 to remove approximately 10 acres to be used to build the Alaska Regional Aircraft Rescue & Fire Training Center. The University constructed substantial improvements on the leased property and by mutual agreement the University and the City terminated the Lease with the City Airport Fund purchasing the improvements on the property. Ordinance 2380-2009 authorized the purchase of the improvements, which included a water launch/recovery training apparatus, Fire Training Burn Building, chain link fencing, gravel pad, utility improvements, a 1,000 square foot modular classroom, modular bathrooms and showers, an 800 square foot garage building, and other items for \$325,000. At the time the expenditure was approved by City Council, there was a discussion of repayment to the General Fund of a portion of the



\$212,500 which was paid to the Airport Fund in 1991 for the portion of the property that was returned to Airport management. No repayment was made nor was the property that was returned to Airport management clearly defined.

In 1997, the Alaska Fire Training Facility was built on what is now Tract 2, and Ordinance 1756-97 appropriated Airport Fund and Airport Improvement Program Funds for construction of the facility, which was designed to facilitate hands-on training for fire response personnel in scenarios replicating actual emergencies involving aircraft and structural/industrial settings. The Facility is currently under a Facility Management Agreement with Beacon Occupational Health and Safety Services, which occupies the first floor, and the American National Red Cross utilizes approximately 475 square feet of temporary office space on the second floor. The Airport Fund provides facility repairs and maintenance for the property with the exception of a one-time transfer of \$110,000 from the General Fund authorized by Ordinance 2296-2008 to fund repairs and maintenance at the facility due to deficits in the Airport Fund. The City and the Kenai Municipal Airport are strongly committed to rehabilitation and infrastructure at the Facility and solicited proposals for engineering, design, and construction services in March 2019 to be funded with FAA funds.

The City Council held a work session on January 27, 2010 to discuss the management authority for the Baron Park Subdivision and a return of the University parcel (now Tract 3) to the Airport in recognition of the \$325,000 paid by the Airport Fund. However, no action was taken as a result of the work session, and the City moved forward with plans to construct a City park around a small pond on the parcel. Daubenspeck Family Park was formally 'dedicated' in 2012. Ordinance No 2601-2011 appropriated \$150,000 from a State of Alaska grant for municipal improvements at Daubenspeck Park. Resolution 2018-52 authorized a portion of the park for the construction and presence of an off-leash dog park. The area encompasses approximately 22,500 square feet within Daubenspeck Family Park along the northeast side of the pond.

In 2015, the City maintenance shop facility was built on what is now Tract 1. Some of the development on this lot is in common with the lot to the west, Tract 3, the site of the University of Alaska Fire Training Facility. When the tracts were re-platted in 2012 into Tracts 1-5 Baron Park 2012 Addition, the improvements purchased by the Airport Fund on former Tract A-1 Baron Park Sub. No 7 were located on both Tract 1 and Tract 3. Additionally, the City Shop uses the access road along the lot line common to Tracts 3 and 4. The 2012 plat dedicated Daubenspeck Circle, providing interior and/or alternate access to all five tracts, but the actual constructed road is a loop, extending past the cul-de-sac bulb back to Marathon Road. A 30-foot utility easement was granted on the plat along that common lot line, running down the center of the travel way and there are water and sewer lines along the road.

Due to the number and nature of improvements on and surrounding the properties, specifically the investment by the General Fund in street and utility improvements and the Airport Fund in permanent improvements at the Fire Training Facility and former UAA Lease Lot, it is in the best interest of the City to designate the management authority for Tracts 2 and 3 to the Airport. If City Council approves of this action, management authority for Tracts 2 and 3 will accurately reflect the Airport's investment in and responsibility for the properties. Additionally, the transfer of authority will resolve the comingled responsibility and benefit of the properties to associate them with the appropriate fund as well as allow the City to move forward in a subdivision to preserve public access along the existing constructed road to Tract 1.

Your consideration is appreciated.



**Baron Park
Subdivision
2012 Addition**



180'

1 inch equals 208 feet

The information depicted here on is for graphic representation only of the best available sources. The City of Kenai assumes no responsibility for errors on this map.

Date: 5/20/2019



Sponsored by: Administration

CITY OF KENAI

RESOLUTION NO. 2019-55

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, DESIGNATING MANAGEMENT AUTHORITY FOR TRACT 3, BARON PARK SUBDIVISION TO REFLECT THAT REVENUES AND EXPENSES ASSOCIATED WITH THE PROPERTY ARE ALLOCATED TO THE AIRPORT FUND.

WHEREAS, the City of Kenai received a Quitclaim Deed from the Federal Aviation Administration (FAA) on December 1, 1962, to nearly 2,000 acres of land subject to certain restrictions, including that no property shall be used, leased, sold, salvaged, or disposed of for reasons other than for Airport purposes; and,

WHEREAS, in 1991, the FAA executed a Deed of Release for a 40.329-acre tract, including what is now Tract 3, Baron Park Subdivision, releasing the City from all conditions, reservations, and restrictions of the FAA Deed to permit the long-term lease or sale of the property for non-airport purposes; and,

WHEREAS, in February 1991, Council approved Ordinance 1413-91 appropriating \$212,500 from the General Fund to pay the Airport Fund the Fair Market Value of an approximately 40-acre tract, Tract A-1 Baron Park Sub. No. 1, including what is now Tract 3, from the City Airport Fund for Marathon Road street and utility improvements to encourage industrial development in the area; and,

WHEREAS, in May 1991, the City entered into a lease with the University of Alaska for Tract A-1, upon which the University constructed substantial improvements for their University of Alaska Fire Training Facility; and,

WHEREAS, in February 2009, Ordinance 2380-2009 authorized the City Airport Fund to purchase the improvements for \$325,000, and by mutual agreement the University and the City decided to terminate the Lease; and,

WHEREAS, in July 2013, Ordinance 2711-2013 appropriated funds for the construction of the new City Shop and maintenance facility on the parcel adjacent to what is now Tract 3, for all City vehicle and equipment including the equipment of the Kenai Municipal Airport; and,

WHEREAS, some of the development on this lot is common with Tract 3, the site of the former University of Alaska Fire Training Facility, and the City Shop uses the access road along the lot line common to Tracts 3 and 4; and,

WHEREAS, Tract 3, Baron Park Subdivision is no longer subject to FAA deed restrictions that require the property be used for Airport purposes, however, it is in the best interest of the City that this property be managed for the benefit of the Airport; and,

WHEREAS, due to the number and nature of improvements on and surrounding the property, specifically the investment by the General Fund in street and utility improvements and the Airport Fund in permanent improvements at the Fire Training Facility and former UAA Lease Lot, it is in the best interest of the City to designate the management authority for Tract 3 to the Airport to accurately reflect the Airport's investment in and responsibility for the property.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA:

Section 1. That management authority for Tract 3 Baron Park Subdivision is designated to the Airport Fund and revenue, including future sales and associated expenses, are allocated to the Airport Fund and Airport Land Sale Permanent Fund as appropriate.

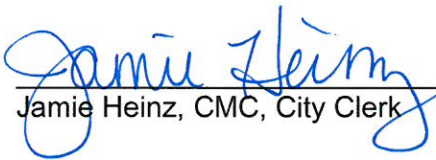
Section 2. That this resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 7th day of August, 2019.



BRIAN GABRIEL, SR., MAYOR

ATTEST:



Jamie Heinz, CMC, City Clerk





"Village with a Past, City with a Future"

210 Fidalgo Ave, Kenai, Alaska 99611-7794
Telephone: (907) 283-7535 | Fax: (907) 283-3014
www.kenai.city

MEMORANDUM

TO: Mayor Brian Gabriel and Kenai City Council
FROM: Paul Ostrander, City Manager
DATE: July 25, 2019
SUBJECT: **Resolution 2019-54 and 2019-55 – Designating Management Authority for Tracts 2 and 3, Baron Park Subdivision**

At the July 3, 2019 City Council Meeting, the City Council discussed an Action/Approval item to delineate management authority to the Airport Fund for two tracts of land in the Baron Park Subdivision to clarify which City fund is responsible for expenditures associated with said properties and which City Fund will receive revenues from the land and improvements on the properties as well as facilitate a subdivision to preserve public access along the existing constructed road.

Resolution 2019-54 and 2019-55 designate management authority for Tracts 2 and 3, respectively. Attached is the June 20, 2019 memo which provides additional detail in support of the resolutions, which will clarify that the Airport Fund is the appropriate fund to pay all expenditures and receive all revenues associated with the properties and improvements on the properties.

Your consideration is appreciated.

Attachment





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MEMORANDUM

TO: Mayor Brian Gabriel and Kenai City Council
FROM: Paul Ostrander, City Manager
DATE: June 20, 2019
SUBJECT: Action/ Approval - Baron Park Subdivision Properties

The purpose of this memo is to affirmatively delineate management authority for two properties in the Baron Park Subdivision to clarify which City fund is responsible for and receives the benefit from the property and improvements on the property as well as facilitate a subdivision to preserve public access along the existing constructed road.

The City has discussed properties in the Baron Park Subdivision as it relates to management authority since the property was first proposed to provide land for a future Fire Training Facility site in 1990. The 40-acre tract was undeveloped except for a small observation antennae installed by the National Oceanic and Atmospheric Administration (NOAA) and a small pond. Payment was made from the General Fund to the Airport Fund in the amount of \$212,500 to transfer Management authority for the land from the Airport Fund to the General Fund in 1991 for Marathon Road street and utility improvements to encourage industrial development in the area as well as facilitate a lease to the University of Alaska for the development of the indoor fire training facility. Since that time, the 40-acre tract has been the subject of multiple subdivisions and development as follows:

In 1991, the City entered into a lease with the University of Alaska on what is now Tract 3, but was formerly Tract A-1, an approximately 40-acre parcel. The lease was amended in 1996 to remove approximately 10 acres to be used to build the Alaska Regional Aircraft Rescue & Fire Training Center. The University constructed substantial improvements on the leased property and by mutual agreement the University and the City terminated the Lease with the City Airport Fund purchasing the improvements on the property. Ordinance 2380-2009 authorized the purchase of the improvements, which included a water launch/recovery training apparatus, Fire Training Burn Building, chain link fencing, gravel pad, utility improvements, a 1,000 square foot modular classroom, modular bathrooms and showers, an 800 square foot garage building, and other items for \$325,000. At the time the expenditure was approved by City Council, there was a discussion of repayment to the General Fund of a portion of the



\$212,500 which was paid to the Airport Fund in 1991 for the portion of the property that was returned to Airport management. No repayment was made nor was the property that was returned to Airport management clearly defined.

In 1997, the Alaska Fire Training Facility was built on what is now Tract 2, and Ordinance 1756-97 appropriated Airport Fund and Airport Improvement Program Funds for construction of the facility, which was designed to facilitate hands-on training for fire response personnel in scenarios replicating actual emergencies involving aircraft and structural/industrial settings. The Facility is currently under a Facility Management Agreement with Beacon Occupational Health and Safety Services, which occupies the first floor, and the American National Red Cross utilizes approximately 475 square feet of temporary office space on the second floor. The Airport Fund provides facility repairs and maintenance for the property with the exception of a one-time transfer of \$110,000 from the General Fund authorized by Ordinance 2296-2008 to fund repairs and maintenance at the facility due to deficits in the Airport Fund. The City and the Kenai Municipal Airport are strongly committed to rehabilitation and infrastructure at the Facility and solicited proposals for engineering, design, and construction services in March 2019 to be funded with FAA funds.

The City Council held a work session on January 27, 2010 to discuss the management authority for the Baron Park Subdivision and a return of the University parcel (now Tract 3) to the Airport in recognition of the \$325,000 paid by the Airport Fund. However, no action was taken as a result of the work session, and the City moved forward with plans to construct a City park around a small pond on the parcel. Daubenspeck Family Park was formally 'dedicated' in 2012. Ordinance No 2601-2011 appropriated \$150,000 from a State of Alaska grant for municipal improvements at Daubenspeck Park. Resolution 2018-52 authorized a portion of the park for the construction and presence of an off-leash dog park. The area encompasses approximately 22,500 square feet within Daubenspeck Family Park along the northeast side of the pond.

In 2015, the City maintenance shop facility was built on what is now Tract 1. Some of the development on this lot is in common with the lot to the west, Tract 3, the site of the University of Alaska Fire Training Facility. When the tracts were re-platted in 2012 into Tracts 1-5 Baron Park 2012 Addition, the improvements purchased by the Airport Fund on former Tract A-1 Baron Park Sub. No 7 were located on both Tract 1 and Tract 3. Additionally, the City Shop uses the access road along the lot line common to Tracts 3 and 4. The 2012 plat dedicated Daubenspeck Circle, providing interior and/or alternate access to all five tracts, but the actual constructed road is a loop, extending past the cul-de-sac bulb back to Marathon Road. A 30-foot utility easement was granted on the plat along that common lot line, running down the center of the travel way and there are water and sewer lines along the road.

Due to the number and nature of improvements on and surrounding the properties, specifically the investment by the General Fund in street and utility improvements and the Airport Fund in permanent improvements at the Fire Training Facility and former UAA Lease Lot, it is in the best interest of the City to designate the management authority for Tracts 2 and 3 to the Airport. If City Council approves of this action, management authority for Tracts 2 and 3 will accurately reflect the Airport's investment in and responsibility for the properties. Additionally, the transfer of authority will resolve the comingled responsibility and benefit of the properties to associate them with the appropriate fund as well as allow the City to move forward in a subdivision to preserve public access along the existing constructed road to Tract 1.

Your consideration is appreciated.



Former UAA Lease
Tract 3
KPB # 0451034

City Shop
Tract 1
KPB # 0451032

Vacant
Tract 4
KPB # 0451035

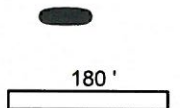
Daubenspeck Family Park
Tract 5
KPB # 0451036

Fire Training Facility
KPB # 0451033
Tract 2

MARATHON RD

MAGIC AVE

Baron Park Subdivision 2012 Addition



1 inch equals 208 feet

The information depicted here on is for graphic representation only of the best available sources. The City of Kenai assumes no responsibility for errors on this map.

Date: 5/20/2019