

**KENAI AIRPORT COMMISSION
REGULAR MEETING
AUGUST 13, 2020 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611**
Telephonic/Virtual Information on Page 2
<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. June 11, 2020.....Pg. 3
 - b. July 9, 2020Pg. 7

5. **UNFINISHED BUSINESS** – None.

6. **NEW BUSINESS**
 - a. **Discussion/Recommendation** – Lease Execution, and Approving a Lease Execution Extension to May 31, 2021 to Schilling Rentals, LLC for Lot 5A, Block 1, FBO Subdivision 2018 Replat.....Pg. 9
 - b. **Discussion/Recommendation** – Six-Month Extension Request from SOAR International Ministries, Inc. for Lease Application Expiration for the Underdeveloped Portion of Tract A, General Aviation Apron No. 2.....Pg. 13
 - c. **Discussion/Recommendation** – Application for a Forty-Five (45) Year Lease of City-owned Land Within the Airport Reserve described as Lot 5, FBO Subdivision No. 8 located at 525 N. Willow Street. The application was submitted by Alaska Air Fuel, Inc., 3700 W. Aviation Ave., Wasilla, AK 99654Pg. 17

7. **REPORTS**
 - a. Airport Manager
 - b. City Council LiaisonPg. 23

8. **NEXT MEETING ATTENDANCE NOTIFICATION** – September 10, 2020

9. **COMMISSIONER COMMENTS AND QUESTIONS**

10. **ADDITIONAL PUBLIC COMMENT**

11. **INFORMATION ITEMS**

- a. July 2020 Mid-Month Report.....Pg. 31
- b. July 2020 Float Plane Basin Report.....Pg. 33

12. **ADJOURNMENT**

Join Zoom Meeting

<https://us02web.zoom.us/j/86816539901>

Meeting ID: 868 1653 9901 **Password:** 167285

OR

Call: (253) 215-8782 or (301) 715-8592

Meeting ID: 868 1653 9901 **Password:** 167285

<p>**PLEASE CONTACT US IF YOU WILL NOT BE ABLE TO ATTEND THE MEETING** JACQUELYN -- 283-8231 OR, MARY -- 283-8281</p>

**KENAI AIRPORT COMMISSION
REGULAR MEETING
JUNE 11, 2020 – 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, J. Bielefeld, P. Minelga, K. Dodge, J. Zirul, D. Pitts, D. Leichliter

Commissioners Absent:

Staff/Council Liaison Present: Airport Manager M. Bondurant, Council Liaison H. Knackstedt

A quorum was present.

c. Agenda Approval

Chair Feeken noted the following revision to the agenda:

Add to Item 6.a. **Award Janitorial Contract for Airport Terminal**

- Memo
- Resolution No. 2020-43

Add Item 6.g. **Recommendation for a Conversion of Airport Reserve Lands Described as Lost 2 and 3, Block 5, General Aviation Apron Subdivision No. 1 Amended with SOAR International Ministries, Inc. and Recommendation of Temporary Development Incentive Application**

- Memo
- Map
- Application

MOTION:

Commissioner Minelga **MOVED** to approve the agenda with the requested additions and Commissioner Bielefeld **SECONDED** the motion. There were no objections; **SO ORDERED.**

2. SCHEDULED PUBLIC COMMENT – None.

3. **UNSCHEDULED PUBLIC COMMENT** – None.

4. **APPROVAL OF MEETING SUMMARY**

a. May 14, 2020

MOTION:

Commissioner Zirul **MOVED** to approve the meeting summary of May 14, 2020 and Commissioner Bielefeld **SECONDED** the motion. There were no objections; **SO ORDERED**.

5. **UNFINISHED BUSINESS** – None.

6. **NEW BUSINESS**

a. **Discussion** – Award Janitorial Contract for Airport Terminal

The Airport Manager noted the current janitorial contract expires on June 30 and the lowest bid was submitted by Reborn Again Janitorial Services.

It was clarified that the scope of work in the new contract included additional cleaning for COVID-19 concerns.

MOTION:

Commissioner Dodge **MOVED** to recommend Council approve awarding the Kenai Municipal Airport Janitorial Contract to Reborn Again Janitorial Services and Commissioner Zirul **SECONDED** the motion. There were no objections; **SO ORDERED**.

b. **Discussion/Recommendation** – A Lease Renewal of Airport Reserve Lands Described as Lot 4, Block 1, FBO Subdivision to CPD Alaska, LLC on a Standard Lease Form

It was noted this was a four-year renewal of lease.

MOTION:

Commissioner Minelga **MOVED** to approve the lease renewal as described and Commissioner Leichter **SECONDED** the motion. There were no objections; **SO ORDERED**.

c. **Discussion/Recommendation** – Lease Assignment of Lot 3, Block 4, General Aviation Apron from DeWayne Benton to Joel Caldwell

The Airport Manager noted this was an assignment of lease from DeWayne Benton to Joel Caldwell for the use of aircraft storage and maintenance.

MOTION:

Commissioner Minelga **MOVED** to approve the lease assignment from DeWayne Benton to Joel Caldwell and Commissioner Leichter **SECONDED** the motion. There were no objections; **SO**

ORDERED.

- d. **Discussion/Recommendation** – Approving a Ten-Year Lease Renewal of Airport Reserve Lands Described as Lot 1A, Block 1, General Aviation Apron No. 6 to Kenai Aviation Service, Inc. d/b/a Aviation Services on a Standard Lease Form

It was noted this was leased to United Parcel Service (UPS) and would allow them to extend their operations in Kenai.

MOTION:

Commissioner Bielefeld **MOVED** to approve a ten-year lease renewal as described and Commissioner Dodge **SECONDED** the motion. There were no objections; **SO ORDERED.**

- e. **Discussion/Recommendation** – Special Use Permit to Alaska Air Fuel for Aircraft Loading and Parking

MOTION:

Commissioner Zirul **MOVED** to approve the Special Use Permit to Alaska Air Fuel and Commissioner Minelga **SECONDED** the motion. There were no objections; **SO ORDERED.**

- f. **Action/Approval** – Ratify the Commission's Decision Regarding Future In-Person and/or Virtual Meetings

The Commission collectively supported doing in-person and virtual hybrid meetings.

MOTION:

Commissioner Zirul **MOVED** to approve the transition to in-person and Zoom virtual hybrid meetings and Commissioner Leichliter **SECONDED** the motion. There were no objections; **SO ORDERED.**

- g. **Discussion/Recommendation** – Recommendation for a Conversion of Airport Reserve Lands Described as Lots 2 and 3, Block 5, General Aviation Apron Subdivision No. 1 Amended with SOAR International Ministries, Inc. and Recommendation of Temporary Development Incentive Application

The Airport Manager noted this was a conversion to the new standard lease form.

MOTION:

Commissioner Zirul **MOVED** to recommend Council approve of a conversion to the new standard lease form and approve of the application for development incentives by SOAR International Ministries, Inc. and Commissioner Dodge **SECONDED** the motion. There were no objections; **SO ORDERED.**

7. REPORTS

- a. **Airport Manager** – Bondurant reported on the following:
 - The float plane basin commercial fleet cards process was moving forward;

- Provided an update of the Kenai Municipal Airport remodel;
- A new parks display would be installed in the Airport on June 26;
- The signage plan for the Kenai Airport Terminal was almost finalized;
- The Airport Administration Offices were still closed to the public;
- Working on the design of the new sand storage building, construction to start spring 2021;
- FEMA was sending 11,000 masks for Airport use; and
- The Airport Terminal experienced vandalism recently.

b. **City Council Liaison** – Knackstedt reported on the June 3 City Council meeting actions.

8. NEXT MEETING ATTENDANCE NOTIFICATION – July 9, 2020

9. COMMISSIONER COMMENTS AND QUESTIONS

Commissioner Leichliter inquired about the removal of trees along the airport perimeter fence and maintenance plan.

Commissioner Minelga thanked Administration for moving forward with accepting commercial fleet cards at the float plane basin. He also expressed interest in moving forward with refurbishing the T-33A aircraft.

Commissioner Bielefeld inquired about the float plane basin operations.

10. ADDITIONAL PUBLIC COMMENT – None.

11. INFORMATION ITEMS

- a. May 2020 Mid-Month Report
- b. May 2020 Enplanement Report

12. ADJOURNMENT

There being no further business before the Commission, the meeting was adjourned at 7:04 p.m.

Meeting summary prepared and submitted by:

Jacquelyn LaPlante
Deputy City Clerk

**KENAI AIRPORT COMMISSION
REGULAR MEETING
JULY 9, 2020 – 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, J. Bielefeld, P. Minelga, J. Zirul, D. Pitts

Commissioners Absent: D. Leichliter, K. Dodge

Staff/Council Liaison Present: Airport Manager M. Bondurant, City Planner E. Appleby, City Clerk J. Heinz, Council Liaison T. Navarre

A quorum was present.

c. Agenda Approval

MOTION:

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

2. SCHEDULED PUBLIC COMMENT – None.

3. UNSCHEDULED PUBLIC COMMENT – None.

4. APPROVAL OF MEETING SUMMARY – None.

5. UNFINISHED BUSINESS – None.

6. NEW BUSINESS

a. Discussion/Recommendation – City Purchase of Lot 5, Spruce Creek Subdivision at 47875 Merganser Avenue

The Airport Manager noted it was noted in the Airport Master Plan to purchase this property if it became available. Received notification that the purchase was AIP eligible.

MOTION:

Commissioner Minelga **MOVED** to recommend Council authorize the purchase of Lot 5, Spruce Creek Subdivision at 47875 Merganser Avenue for runway protection and Commissioner Zirul **SECONDED** the motion. There were no objections; **SO ORDERED**.

7. REPORTS

a. **Airport Manager** – Bondurant reported on the following:

- Keeping up to date on the RAVN bankruptcy; a Part 121 airline has indicated they have interest in adding Kenai to their route; Grant aviation doing a good job keeping up;
- 139 Certification Inspection delayed again due to COVID-19;
- Installation of the inter-agency wall display was delayed due to COVID-19;
- Receiving face coverings for essential workers, passengers; and
- T-33 Restoration update.

b. **City Council Liaison** – Council Member Navarre reported on the CARES Act grant opening for another opportunity.

8. NEXT MEETING ATTENDANCE NOTIFICATION – August 13, 2020

9. COMMISSIONER COMMENTS AND QUESTIONS

Commissioner Minelga noted language for signage for fuel.

Commissioner Pitts suggested a terminal tour and confirmed fuel at the Float Plane Dock was available.

10. ADDITIONAL PUBLIC COMMENT – None.

11. INFORMATION ITEMS

- a. June 2020 Mid-Month Report
- b. May 19, 2020 Runway Safety Action Plan
- c. June 2020 Float Plane Basin Report
- d. Resolution No. 2020-55

12. ADJOURNMENT

There being no further business before the Commission, the meeting was adjourned at 6:23 p.m.

Meeting summary prepared and submitted by:

Jamie Heinz, CMC
City Clerk



Lease Application

413 North Willow Street
Kenai Peninsula Borough Parcel #: 04336049
Lot 5A, FBO Subdivision 2018 Replat

February 2020



Data Source: Kenai Peninsula Borough. Data is for graphic representation only. Imagery may not match true parcel boundaries.

MEMORANDUM

TO: Airport Commission
THROUGH: Mary Bondurant, Airport Manager
FROM: Elizabeth Appleby, City Planner
DATE: August 6, 2020
SUBJECT: Lease execution extension to Schilling Rentals, LLC for Lot 5A

City Council approved of a 45-year lease application from Schilling Rentals, LLC earlier this year for Lot 5A, Block 1, FBO Subdivision 2018 Replat at 413 North Willow Street to be used as a hangar for rotor and fixed wing aircraft and crew quarters. The application detailed that Guardian Flight, LLC was expected to utilize the premises to support emergency medical flights. Kenai Municipal Code 21.10.130 requires a lease be executed within 60 days of the applicant being mailed a lease form for signature. If the applicant shows good cause, the City Manager may grant an extension not exceeding sixty days for the applicant to execute and return a signed lease. The City Manager found good cause due to the global COVID-19 pandemic to grant a 60-day extension to the execution of the lease for Lot 5A. This extended the deadline for execution and signature of the lease to September 20, 2020.

Schilling Rentals has requested a greater extension for signing the lease than the 60 days allowed by Kenai Municipal Code due to the unforeseen circumstances created by the COVID-19 global pandemic. If City Council approves, the City would extend the date for Schilling Rentals, LLC to execute the lease and sign the lease agreement with the City to May 31, 2021.

Please provide a recommendation to City Council for a lease execution extension for Schilling Rentals, LLC to May 31, 2021 for Lot 5A, Block 1, FBO Subdivision Replat due to the global COVID-19 pandemic. Thank you for your consideration.

ATTACHMENTS

1. Letter dated July 1, 2020 from Schilling Rentals, LLC requesting a lease execution extension from July 20, 2020 to May 31, 2021

**Schilling Rentals LLC
PO Box 3426
Kenai, AK 99611
907.283.7556 FAX: 907.283.7555**

July 1, 2020

City of Kenai
Attn: Paul Ostrander, City Manager
210 Fidalgo St
Kenai, AK 99611

Re: Lot 5A Block 1, FBO Subdivision

Dear Mr. Ostrander:

We have received notification from the City of Kenai that the subject property lease, approved March 18, 2020, must be signed and executed on or before July 20, 2020.

Schilling Rentals, LLC (SR) will be pleased to complete the lease and begin construction of a hangar and facility for a new company based at the Kenai Airport that will enhance our community's quality of life.

Due to the global Covid-19 pandemic, the market is dramatically different than when original plans were announced in March. Subsequently, we seek additional time to complete the necessary steps required prior to lease signing. We anticipate a Spring of 2021 groundbreaking ceremony and, as such, seek a new deadline of May 31, 2021. Please note: if changes occur that will allow an earlier start date, there will be no hesitation from SR to immediately sign and began construction of this worthy project

Thank you for your consideration.

Respectfully,



Michael Schilling
Managing Member

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**Parcel No:
04324025**

**General Aviation #2
Tract A**



Legend

-  Existing Lot Line
-  Approximate New Lot Line

90'

 1 inch equals 110 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: 4/3/2020

MEMORANDUM

TO: Airport Commission

THROUGH: Mary Bondurant, Airport Manager

FROM: Elizabeth Appleby, City Planner

DATE: August 6, 2020

SUBJECT: **Six-Month Lease Application Extension to SOAR International Ministries Inc. for the undeveloped portion of Tract A, GAA No. 2**

City Council approved of a 45-year lease application from SOAR International Ministries, Inc. with Resolution No. 2019-57 for the undeveloped portion of Tract A, General Aviation Apron (GAA) No. 2 after receiving an approval recommendation from the Airport Commission. The lease application from SOAR denoted plans to construct an approximately 120 foot x 180 foot hangar for aircraft storage and maintenance. There will also be a connecting office facility of approximately 100-foot x 110-foot, an aircraft ramp and tie-down area, and parking. The parcel is 5.25 acres fronting the aviation apron with street frontages on North Willow and Granite Point streets. SOAR proposes to build on the portion of the lot that is currently treed and needs to subdivide the lot prior to construction as shown on the attached map. SOAR has hired a surveyor to complete the subdivision. The plat was recommended for approval by the City of Kenai's Planning and Zoning Commission with Resolution PZ2020-06 on April 8, 2020. The plat was granted preliminary approval by the Kenai Peninsula Borough on May 26, 2020. SOAR is working with the surveyor to finalize the plat.

Kenai Municipal Code 21.10.050 No right of occupancy-Application expiration states that an application will expire after twelve months if the City and the applicant have not entered into a lease, unless the City Council for good cause grants an extension for a period not to exceed six months. SOAR has submitted a letter requesting a six-month extension due to delays with the global COVID-19 pandemic. Administration recommends approval of the extension given SOAR's significant progress on the subdivision and feasibility study prior to delays from the COVID-19 pandemic. If Council approves, SOAR's application expiration date would be moved to February 21, 2020. Please provide a recommendation to City Council for SOAR's request of a six-month extension for their lease application expiration. Thank you for your consideration.

Attachment:

Letter dated July 31, 2020 from SOAR International Ministries requesting a six-month lease application extension



July 31, 2020

City of Kenai
210 Fidalgo Avenue
Kenai, Alaska 99611

Due to the Covid 19 Pandemic there have been significant delays in finalizing the new plat for Tract A, General Aviation Apron No. 2, and in completing our feasibility study for the FBO facility. SOAR has had the survey done for Tract A but the plat is not complete and we are pushing hard to complete the feasibility study. Because of these delays caused by the virus SOAR International Ministries would like to request that the City of Kenai extend the period for SOAR to execute the approved lease application Tract A, General Aviation Apron No.2 for an additional 6 months.
Thank you for your consideration.

A handwritten signature in black ink that reads "Richard Page". The signature is fluid and cursive, with a long horizontal stroke at the end.

Richard Page
Director, SOAR International Ministries

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City of Kenai Land Lease Application

Application for:	* New Lease
Amendment	Extension
Assignment	Renewal
Application Date:	4/8/2020

Applicant Information

Name of Applicant:	Alaska Air Fuel, Inc.				
Mailing Address:	3700 West Aviation Ave.	City:	Wasilla	State:	Ak
				Zip Code:	99654
Phone Number(s):	Home Phone: 907-317-5169		Work/ Message Phone: 907-317-5169		
E-mail: (Optional)	alaskaairfuel@hotmail.com				
Name to Appear on Lease:	Alaska Air Fuel, Inc.				
Mailing Address:	3700 West Aviation Ave.	City:	Kenai	State:	Ak
				Zip Code:	99654
Phone Number(s):	Home Phone: 907-317-5169		Work/ Message Phone: 907-317-5169		
E-mail: (Optional)	alaskaairfuel@hotmail.com				
Type of Applicant:	<input type="checkbox"/> Individual (at least 18 years of age) <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Government <input type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Other _____				

Property Information and Term Requested

Legal description of property (or, if subdivision is required, a brief description of property):
 525 N. Willow St.
 Lot 5, FBO Subd. No. 8 full depth X 240ft of apron and road frontage

Does the property require subdivision? (if Yes, answer next two questions) YES NO
 Subdivision costs are the responsibility of the applicant unless the City Council determines a subdivision serves other City purposes:

1. Do you believe the proposed subdivision would serve other City purposes? YES NO

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

If an appraisal is required to determine the minimum price on the land, are you prepared to be responsible for the deposit to cover costs associated with appraisal? (The cost of the appraisal will be either refunded or credited toward the purchaser at closing) YES

Are you prepared to be responsible for recording costs associated with lease execution? YES

Do you have or have you ever had a Lease with the City? (if Yes, answer next question) YES NO

1. Legal or brief description of property leased:
15000 square foot tie down at the base of the tower

Request a Lease with an Option to Purchase once development requirements are met? Does not apply to Airport Reserve properties YES NO

Requested term for Initial Lease or Renewal (based on Term Table, not to exceed 45 years): 45 yrs

Requested term for Lease Extension (based on Term Table, not to exceed a total of 45 Years): 45 yrs

Requested Starting Date: 1 June 2020

RECEIVED
 CITY OF KENAI
 DATE 4/8/2020
 PLANNING DEPARTMENT

Proposed Use and Improvements

Proposed Use (check one): Aeronautical Non-Aeronautical

Do you plan to construct new or additional improvements? (if Yes, answer next five questions) YES NO

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

2. What is the proposed use of the improvement? FBO with Hanger, ~~crew quarters~~, office, ~~coffee shop~~

3. What is the estimated value of the improvement? 3 million assessed value

4. What is the nature and type of improvement?
Site development, Tarmac, Aircraft Hanger with office & ~~crew quarters & coffee shop/restaurant~~

5. What are the dates construction is estimated to commence and be completed?
(generally, construction must be completed within two years)
Estimated Start Date: August 31st, 2020 Estimated Completion Date: August 31st, 2022

Describe the proposed business or activity intended:
FBO and DC-4 air fueling operation with separate 125 freight operation and 135 certified passenger service

How does the proposed lease support a thriving business, residential, recreational, or cultural community?
By awarding Alaska Air Fuel this lease, the city of Kenai will effectively create multiple longterm, high paying jobs, as well as bring in additional tax revenue for the city.

Lease Assignment Only: What is the name of the individual or legal entity the lease is to be assigned?
Alaska Air Fuel, inc

Lease Renewal Only

Renewal of an Existing Lease (at least one year of term remaining): Requires new development.


Lease Term based on: Estimated cost of new improvements and Purchase Price (optional)

Renewal of an Expiring Lease (less than one year of term remaining): Does not require new development.

Lease Term based on: Purchase Price Professional Estimate of Remaining Useful Life
 Fair Market Value appraisal and/or Estimated cost of new improvements (optional)

Requested Term for Renewal Based on Term Table, not to exceed 45 Years:

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:		Date:	4/8/2020
Print Name:	John Sliwinski	Title:	VP/Owner

For City Use Only:	Date Application Fee Received: _____
<input type="checkbox"/> General Fund <input type="checkbox"/> Airport Reserve Land	Date Application Determined Complete: _____
<input type="checkbox"/> Airport Fund <input type="checkbox"/> Outside Airport Reserve	30 Day Notice Publication Date: _____
Account Number: _____	City Council Action/Resolution: _____

**Lease Application
Parcel 04336043
525 North Willow St.
Lot 5, FBO Subd. No. 8**

*1 parking space
per 1,000 ft²
of hangar
would be
required
per KNC
14,20,250
(b)(8)*



LEGEND

Parcel 04336043

= fences

Date: May 2020

Data Source: Kenai Peninsula Borough. Data is for graphic representation only. Imagery may not match true parcel boundaries.





**Lease Application from Alaska Air Fuel
for a Portion of Parcel 04336043
525 North Willow St.
Lot 5, FBO Subd. No. 8**





MEMORANDUM

TO: Airport Commission

THROUGH: Mary Bondurant, Airport Manager

FROM: Elizabeth Appleby, City Planner

DATE: August 6, 2020

SUBJECT: **Application from Alaska Air Fuel for a portion of Lot 5, FBO Subd. No. 8 located at 525 N. Willow St. within the Airport Reserve**

Alaska Air Fuel submitted an application to the City for a Lease of Airport Reserve Lands for the property described as Lot 5, FBO Subdivision No. 8 located at 525 N. Willow St. The Kenai Peninsula Borough parcel number is 04336043. The application requests a term of 45 years, with an investment value clarified by email of \$1 million dollars. Pursuant to the term table in Kenai Municipal Code (KMC) 21.10.080 (b), the City and the applicant are in agreement to a term of 45 years. Pursuant to Kenai Municipal Code 21.10.075 – Leasing and Acquisition of Airport Reserve Lands, Competing Applications, the City posted notice of the lease application and has not received a competing lease application for the parcel.

The applicant states that the use of the premises will be FBO with hangar and office. The applicant's initial stated uses also included crew quarters and a coffee shop, but these uses were deleted from the application after discussion with the City. Alaska Air Fuel would not like to lease a portion of the entire parcel and subdivision must be completed prior to a lease document being signed. Alaska Air Fuel would need to comply with Airport fencing requirements and parking. Their site plan shows an approximation of the fence location and notes that additional parking spaces would need to be added into the design.

The parcel is within the Airport Light Industrial (ALI) Zone per Kenai Municipal Code (KMC) 14.20.065. The intent 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. The proposed uses by Alaska Air Fuel are permitted and compatible uses in the ALI Zone.

The proposed use by Alaska Air Fuel complies with the 2016 Imagine Kenai 2030 Comprehensive Plan. It supports Goal 5-Transportation, which has a vision for Kenai Municipal Airport as a gateway to the Kenai Peninsula and West Cook Inlet.

Does the Airport Commission recommend the City approve a lease application from Alaska Air Fuel for Lot 5, FBO Subdivision for the use of FBO Hangar and office for a term of 45

years? The City Council will be notified of the Airport Commission's decision as part of their evaluation of the lease application. The Airport Commission makes their decision 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.

Compliance Note: Alaska Air Fuel did not obtain a notarized signature for their existing Special Use Permit at Kenai Municipal Airport. Until a notarized signature is obtained, the lease application will not be brought before City Council for a decision.

Thank you for your consideration.





Kenai City Council - Regular Meeting

July 15, 2020 – 6:00 PM

Kenai City Council Chambers

210 Fidalgo Avenue, Kenai, Alaska

****Telephonic/Virtual Information Below****

www.kenai.city

Action Agenda

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Agenda Approval
4. Consent Agenda (*Public comment limited to three (3) minutes) per speaker; thirty (30) minutes aggregated*)

All items listed with an asterisk () are considered to be routine and non-controversial by the council and will be approved by one motion. There will be no separate discussion of these items unless a council member so requests, in which case the item will be removed from the consent agenda and considered in its normal sequence on the agenda as part of the General Orders.

B. SCHEDULED PUBLIC COMMENTS

(Public comment limited to ten (10) minutes per speaker)

C. UNSCHEDULED PUBLIC COMMENTS

(Public comment limited to three (3) minutes per speaker; thirty (30) minutes aggregated)

D. PUBLIC HEARINGS

1. **ENACTED UNANIMOUSLY. Ordinance No. 3144-2020** - Amending the Official Kenai Zoning Map by Rezoning Tracts 1 and 2, Holland Spur Highway Subdivision from Rural Residential (RR) to General Commercial (GC). (Administration)
2. **ENACTED UNANIMOUSLY. Ordinance No. 3145-2020** - Waiving a Provision of Kenai Municipal Code 23.40.030 – Annual Leave, to Remove the Requirement that Employees Use a Minimum Amount of Leave for Calendar Year 2020. (Legal)
3. **ADOPTED UNANIMOUSLY. Resolution No. 2020-60** - Authorizing a Budget Transfer in the COVID-19 CARES Act Recovery Fund. (Administration)
4. **ADOPTED UNANIMOUSLY. Resolution No. 2020-61** - Amending Council Policy Number 2018-01 – Parks and Recreation Commission Student Representative Policy, to Broaden the Qualifications and Requirements for the Student and Make the Policy More Inclusive. (Vice Mayor Molloy)

5. **ADOPTED UNANIMOUSLY. Resolution No. 2020-62** - Supporting the City's Request to Plan, Design, Contract, and Perform Construction Administration of the Bridge Access Road Pedestrian Pathway Project. (Council Member Knackstedt)

E. MINUTES

1. **APPROVED BY THE CONSENT AGENDA.** *Regular Meeting of July 1, 2020. (City Clerk)

F. UNFINISHED BUSINESS

1. **POSTPONED TO 08/05/2020. Substitute Ordinance No. 3133-2020** - Increasing Estimated Revenues and Appropriations in the Airport Special Revenue Fund, Authorizing a Budget Transfer in the Airport Terminal Improvement Capital Project Fund and Appropriating FY2020 Budgeted Funds in the Airport Master Plan Capital Project, Airport Snow Removal Equipment and Airport Operations Facility Improvement Capital Project Funds for Heating, Ventilation and Air Conditioning (HVAC) Improvement to the Airport Operations Facility and Replacement of the Airport's Wide Area Mower. (Administration) [**Clerk's Note:** At the June 17 Meeting, this item was Postponed to this Council Meeting. A Motion to Enact is On the Floor.]

G. NEW BUSINESS

1. **APPROVED BY THE CONSENT AGENDA.** *Action/Approval - Bills to be Ratified. (Administration)
2. **APPROVED BY THE CONSENT AGENDA.** *Action/Approval - FY2020 Purchase Orders over \$15,000. (Administration)
3. **APPROVED BY THE CONSENT AGENDA.** *Action/Approval - FY2021 Purchase Orders Over \$15,000. (Administration)
4. **APPROVED BY THE CONSENT AGENDA.** *Action/Approval - Non-Objection to the Issuance of a New Restaurant/Eating Place Liquor License for Jersey Subs. (City Clerk)
5. **INTRODUCED BY THE CONSENT AGENDA/PUBLIC HEARING SET FOR 08/05/20.** *Ordinance No. 3146-2020 - Increasing Estimated Revenues and Appropriations in the General Fund, Library Improvement Capital Project Fund, Visitor Center Improvement Capital Project Fund, Municipal Roadway Improvements Capital Project Fund, Kenai Recreation Center Improvements Capital Project Fund, Information Technology Improvements Capital Project Fund, and City Hall Improvements Capital Project Fund to Fund Capital Projects Deferred During the FY2021 Budget Process. (Administration)
6. **INTRODUCED BY THE CONSENT AGENDA/PUBLIC HEARING SET FOR 08/05/20.** *Ordinance No. 3147-2020 - Accepting and Appropriating \$2,135.25 in Asset Forfeiture Sharing Funds for Purchasing Law Enforcement Equipment into the General Fund, Police Department. (Administration)
7. **INTRODUCED BY THE CONSENT AGENDA/PUBLIC HEARING SET FOR 08/05/20.** *Ordinance No. 3148-2020 - Accepting and Appropriating a Meals on Wheels COVID-19 Response Fund Grant Round Two from Meals on Wheels America for Kenai Senior Center

Expenditures in Support of its Response to the COVID-19 Public Health Emergency. (Administration)

8. **INTRODUCED BY THE CONSENT AGENDA/PUBLIC HEARING SET FOR 08/05/20.**
***Ordinance No. 3149-2020** - Accepting and Appropriating a Grant from the Federal Aviation Administration and Authorizing the Purchase of Property Described as Lot 5, Spruce Creek Subdivision which is in the Airport's Runway Protection Zone. (Administration)
9. **Discussion** - City Response to COVID-19. (Administration)

H. COMMISSION / COMMITTEE REPORTS

1. Council on Aging
2. Airport Commission
3. Harbor Commission
4. Parks and Recreation Commission
5. Planning and Zoning Commission
6. Beautification Committee
7. Mini-Grant Steering Committee

I. REPORT OF THE MAYOR

J. ADMINISTRATION REPORTS

1. City Manager
2. City Attorney
3. City Clerk

K. ADDITIONAL PUBLIC COMMENT

1. Citizens Comments (*Public comment limited to five (5) minutes per speaker*)
2. Council Comments

L. EXECUTIVE SESSION

M. PENDING ITEMS

1. **Ordinance No. 3127-2020** - Repealing and Replacing Kenai Municipal Code Title 6 - Elections to Provide Clarity, Process Improvements, and Increase Voter Accessibility through Vote By Mail Elections. (Council Member Peterkin) [**Clerk's Note:** *At the July 1 Meeting, this item was Postponed to the 08/19/20 Council Meeting.*]
2. **Ordinance No. 3128-2020** - Amending Kenai Municipal Code Section 1.85.040 – Records Public, To Provide For a Record Retention Length. (City Clerk) [**Clerk's Note:** *At the July 1 Meeting, this Item was Postponed to the 08/19/20 Council Meeting.*]

N. ADJOURNMENT

O. INFORMATION ITEMS

1. Purchase Orders Between \$2,500 and \$15,000.
2. Recovery Grant Correspondence

The agenda and supporting documents are posted on the City's website at www.kenai.city. Copies of resolutions and ordinances are available at the City Clerk's Office or outside the Council Chamber prior to the meeting. For additional information, please contact the City Clerk's Office at 907-283-8231.

Join Zoom Meeting

<https://us02web.zoom.us/j/86548858652> **Or Call:** (253) 215-8782 or (301) 715-8592

Meeting ID: 865 4885 8652 **Password:** 385081



Kenai City Council - Regular Meeting

August 05, 2020 – 6:00 PM

Kenai City Council Chambers

210 Fidalgo Avenue, Kenai, Alaska

****Telephonic/Virtual Information on Page 4****

www.kenai.city

Action Agenda

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Agenda Approval
4. Consent Agenda (*Public comment limited to three (3) minutes per speaker; thirty (30) minutes aggregated*)

All items listed with an asterisk () are considered to be routine and non-controversial by the council and will be approved by one motion. There will be no separate discussion of these items unless a council member so requests, in which case the item will be removed from the consent agenda and considered in its normal sequence on the agenda as part of the General Orders.

B. SCHEDULED PUBLIC COMMENTS

(Public comment limited to ten (10) minutes per speaker)

1. **Bill Dunn** - Erosion Mitigation for the Bluff Adjacent to Toyon Way.

C. UNSCHEDULED PUBLIC COMMENTS

(Public comment limited to three (3) minutes per speaker; thirty (30) minutes aggregated)

D. PUBLIC HEARINGS

1. **ENACTED UNANIMOUSLY AS AMENDED. Ordinance No. 3146-2020** - Increasing Estimated Revenues and Appropriations in the General Fund, Library Improvement Capital Project Fund, Visitor Center Improvement Capital Project Fund, Municipal Roadway Improvements Capital Project Fund, Kenai Recreation Center Improvements Capital Project Fund, Information Technology Improvements Capital Project Fund, and City Hall Improvements Capital Project Fund to Fund Capital Projects Deferred During the FY2021 Budget Process. (Administration)
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4. **ENACTED UNANIMOUSLY. Ordinance No. 3149-2020** - Accepting and Appropriating a Grant from the Federal Aviation Administration and Authorizing the Purchase of Property Described as Lot 5, Spruce Creek Subdivision which is in the Airport's Runway Protection Zone. (Administration)
5. **ADOPTED UNANIMOUSLY. Resolution No. 2020-63** - Declaring a Right-Of-Way for a Portion of the Cul-De-Sac at the North End of Daubenspeck Circle as Dedicated on Baron Park 2012 Addition, Plat KN 2012- 89, and as Set Forth on the Attached Exhibit "A" is Not Needed for a Public Purpose and Consenting to its Vacation. (Administration)
6. **ADOPTED UNANIMOUSLY AS AMENDED. Resolution No. 2020-64** - Authorizing the Award of a Professional Services Agreement for Kenai Small Business Development and Tourism Marketing Services Related to the COVID-19 Public Health Emergency. (Administration)
7. **POSTPONED INDEFINITELY. Resolution No. 2020-65** - Authorizing the Award of a Professional Services Agreement for Mental Health Services Related to the COVID-19 Public Health Emergency. (Administration)
8. **ADOPTED UNANIMOUSLY AS AMENDED. Resolution No. 2020-66** - Awarding a Purchase Agreement for the Supply and Delivery of Chemicals for the Water and Waste Water Treatment Plants. (Administration)
9. **ADOPTED UNANIMOUSLY. Resolution No. 2020-67** - Approving a Grant to the Alaska Municipal League Utilizing Funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. (Council Member Navarre)

E. MINUTES

1. **APPROVED BY THE CONSENT AGENDA.** *Regular Meeting of July 15, 2020. (City Clerk)

F. UNFINISHED BUSINESS

1. **ENACTED UNANIMOUSLY AS AMENDED. Substitute Ordinance No. 3133-2020** - Increasing Estimated Revenues and Appropriations in the Airport Special Revenue Fund, Authorizing a Budget Transfer in the Airport Terminal Improvement Capital Project Fund and Appropriating FY2020 Budgeted Funds in the Airport Master Plan Capital Project, Airport Snow Removal Equipment and Airport Operations Facility Improvement Capital Project Funds for Heating, Ventilation and Air Conditioning (HVAC) Improvement to the Airport Operations Facility and Replacement of the Airport's Wide Area Mower. (Administration) [**Clerk's Note:** At the July 15 Meeting, this item was Postponed to this Council Meeting. A Motion to Enact is On the Floor.]

G. NEW BUSINESS

1. **APPROVED BY THE CONSENT AGENDA. *Action/Approval** - Bills to be Ratified. (Administration)
2. **APPROVED BY THE CONSENT AGENDA. *Action/Approval** - Purchase Orders Over \$15,000. (Administration)

3. **APPROVED BY THE CONSENT AGENDA. *Action/Approval** - Non-Objection to the Renewal of Marijuana Licenses for Peninsula Botanicals, Kenai River Cannabis, Herban Extracts, LLC, and East Rip. (City Clerk)
4. **INTRODUCED BY THE CONSENT AGENDA/PUBLIC HEARING SET FOR 08/19/2020. *Ordinance No. 3150-2020** - Waiving Kenai Municipal Code 21.10.130 - Lease Execution, and Approving a Lease Execution Extension to May 31, 2021 to Schilling Rentals, LLC for Lot 5A, Block 1, FBO Subdivision 2018 Replat. (Administration)
5. **INTRODUCED BY THE CONSENT AGENDA/PUBLIC HEARING SET FOR 08/19/2020. *Ordinance No. 3151-2020** - Increasing Estimated Revenues and Appropriations in the Terminal Improvements Capital Fund, and Authorizing an Increase to the Construction Purchase Order to Blazy Construction, Inc. (Administration)
6. **INTRODUCED BY THE CONSENT AGENDA/PUBLIC HEARING SET FOR 08/19/2020. *Ordinance No. 3152-2020** - Accepting and Appropriating a Project Ready Mini Grant from the Alaska State Library for Implementing the Know Your Neighbor: Kindness Kits Project at the Kenai Community Library. (Administration)
7. **INTRODUCED BY THE CONSENT AGENDA/PUBLIC HEARING SET FOR 08/19/2020. *Ordinance No. 3153-2020** - Appropriating Excess Funds Received from the Issuance of General Obligation Refunding Bonds. (Administration)
8. **INTRODUCED BY THE CONSENT AGENDA/PUBLIC HEARING SET FOR 08/19/2020. *Ordinance No. 3154-2020** - Accepting and Appropriating a Grant from the National Marine Fisheries Service Passed Through the Pacific States Marine Fisheries Commission, Accepting and Appropriating Additional Insurance Proceeds, and Awarding a Contract for Repair to the Kenai City Dock for Damage Caused by Earthquakes in 2016 and 2018 and Installation of a Cathodic Protection System to Prevent Corrosion. (Administration)
9. **Discussion** - Response to COVID-19. (City Manager)
10. **Discussion** - City of Kenai Response to Governor Dunleavy's Local Mitigation Level Recommendations and Consideration of Joint Work Session with the City Of Soldotna Council. (City Manager)

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N. **ADJOURNMENT**

O. **INFORMATION ITEMS**

1. Purchase Orders Between \$2,500 and \$15,000.
2. Cook Inlet RCAC Correspondence.
3. Kenai Municipal Airport Bulletin - Security Awareness.
4. U.S. Army Corps of Engineers - Special Public Notice.
5. Ken and Connie Tarbox Correspondence.

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OR

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KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

MEMORANDUM

TO: Mayor Brian Gabriel and Kenai City Council
THROUGH: Paul Ostrander, City Manager
FROM: Mary Bondurant, Airport Manager
DATE: July 1, 2020
SUBJECT: **Airport Mid-Month Report July 2020**

2018 Terminal Rehabilitation Project – Construction: The project is in the final stages of completion; finalizing signage, seating, and boilers.

2019 Alaska Fire Training Facility Rehabilitation & Acquire Aircraft Rescue and Firefighting Trucks (ARFF) – Training equipment and building rehabilitation is near total completion. The two ARFF vehicles are on-order with OSHKOSH.

2020 Acquire SRE (Loader) – The Office of the Secretary of Transportation has given grant authority, and the FAA is working on the grant offer for the City.

2020 Sand/SRE Storage Building – Ordinance No. 3116-2020 (Substitute) appropriated funds to HDL Engineering for the design of this building. The design documents are at 65%.

2020 Land Acquisition – The City programmed to purchase two parcels of land in the Runway Protection Zone (RPZ). The City received appraisals dated June 8, 2020, and the City received environmental clearance on June 12, 2020. A purchase and sale agreement has been executed on one of the parcels, and Airport Administration and the Planning Department are working on a grant application to purchase this parcel in the FY20 AIP program.

In-house Activities:

Airport Administration – The office remains closed with meetings by appointment. The Airport Manager and the Administrative Assistant are in the office. If you need assistance, please send an email to mbondurant@kenai.city or call 907.283.7951.

RAVN Shutdown – The RAVN Air Group auction is scheduled for Tuesday, July 7, 2020.

Annual FAA Certification Inspection – **CANCELLED until further notice.** The annual FAA 139 certification was scheduled for July 14-16, 2020.

Interagency Wall Display – The USFW and State Parks display install has been rescheduled for the weekend of July 31, 2020.

Advertising Opportunity – The Kenai Municipal Airport will be featured in an issue of Business View, Commercial and Business Aviation series. This will be an opportunity to answer industry-specific questions about the history and operations of the Kenai Airport. The article will also highlight the terminal building and facilities, land leasing policies, capital improvement projects, special events, and the vision the Airport provides. This project is scheduled for the September 2020 issue.

FEMA Face Coverings - FEMA has provided cloth face coverings for essential air workers in Alaska. The Kenai Municipal Airport received these face coverings last week. Please consider the needs of your aviation company or organization and contact the Airport Administration Office at 907.283.7951 if you are in need of face coverings.

100 Years of Flight Service – A request has been submitted to use the Airport Operations Facility for the venue to celebrate this event. The event is scheduled for August 20, 2020, with the Vice-President for Systems Operations Mike Artist and the Director for Flight Service Steve Villanueva traveling from Washington D.C. along with other dignitaries to tour several Flight Service Station (FSS) locations in Alaska.

Runway Safety Action Plan – Attached is the final Runway Safety Action Plan dated June 15, 2020. This report is based on the May 19, 2020 government Zoom meeting hosted by Ron Lapp (Kenai ATCT Manager) and Tom Candelario (FAA Alaska Runway Safety Manager) that discussed runway incursion prevention safety at towered airports.





FLOAT PLANE BASIN ACTIVITY 2016-2020

OPERATIONS

Month	2020	2019	2018	2017	2016
MAY	21	64	39	23	44
JUNE	105	123	139	106	85
JULY	178	166	261	144	151
AUGUST		172	164	103	191
SEPTEMBER		132	156	107	115
OCTOBER		37	47	6	CLSD
Total	304	694	806	489	586

0 | not reported

FUEL SALES

Month	2020	2019	2018	2017	2016
MAY	\$1,422	\$1,685	\$134	\$784	\$1,175
JUNE	\$2,909	\$5,870	\$3,203	\$3,423	\$1,656
JULY	* unavailable	\$9,030	\$3,635	\$3,420	\$3,036
AUGUST		\$7,146	\$5,890	\$4,325	\$3,647
SEPTEMBER		\$5,906	\$5,590	\$4,901	\$3,830
OCTOBER		\$1,752	\$1,060	\$583	CLSD
Total	\$4,331	\$31,389	\$19,512	\$17,436	\$13,344

Slips Rented

Private	4
Commerical	0

*problem with software

Rev 5/2019