

**FEBRUARY 04, 2026
CITY COUNCIL MEETING
ADDITIONAL MATERIAL/REVISIONS**

REQUESTED ADDITIONS TO THE PACKET:

<u>ACTION</u>	<u>ITEM</u>	<u>REQUESTED BY</u>	<u>PAGE</u>
Add to item E. 2.	Public Hearing - Ordinance No. 3501-2026 <ul style="list-style-type: none">• Amendment Memo	Administration	1



KENAI

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MEMORANDUM

TO: Mayor Knackstedt and Council Members
FROM: Terry Eubank, City Manager
DATE: February 2, 2026
SUBJECT: **Ordinance No. 3501-2026 – Requested Amendment**

During preparation of the sealed bid auction brochure for the Beaver Loop parcels, the Administration identified a need for additional clarification regarding the intended use of the properties in the proposed ordinance.

While the ordinance authorizes sale by public sealed bid auction, it does not explicitly state that the purpose of the sale is to make the gravel resources available for extraction, subject to applicable zoning and permitting requirements. Without this clarification, the City could receive bids from parties who do not intend to develop the gravel resources, which would be inconsistent with the basis on which the parcels were evaluated, subdivided, and priced.

The City's actions leading to this proposed sale have been focused on gravel resources, including completion of a soils and engineering evaluation confirming the presence of marketable gravel, subdivision of parcels containing gravel resources from wetland areas, Planning and Zoning Commission action in January 2025 supporting that subdivision, and establishment of minimum bids based on estimated gravel quantities.

Adding clear language in the ordinance stating that the intended use of the parcels is gravel extraction would provide clarity to bidders, help ensure the auction functions as intended, and support placing the gravel resources into productive use for local construction, infrastructure, and economic development.

It is recommended that the ordinance be amended to include an additional WHEREAS clause stating that the City's intent that the parcels be sold for gravel extraction purposes only, subject to applicable permitting requirements. The following amendment is respectfully requested.

Motion 1

Amend the ordinance by adding an additional WHEREAS clause after the existing 5th WHEREAS:

WHEREAS, the City's intent in offering these parcels for sale is to facilitate gravel extraction, and the properties are being made available for that purpose exclusively, subject to all applicable zoning, permitting, and regulatory requirements; and,

Thank you for your consideration.