



KENAI PENINSULA BOROUGH

Planning Department • Land Management Division
144 North Binkley Street • Soldotna, Alaska 99669-7520

PHONE: (907) 714-2200 • **FAX:** (907) 714-2378
Toll-free within the Borough: 1-800-478-4441, Ext. 2200

www.borough.kenai.ak.us

DAVID R. CAREY
BOROUGH MAYOR

MEMORANDUM

TO: Milli Martin, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: David R. Carey, Borough Mayor
Max Best, Planning Director

FROM: Marcus A. Mueller, Land Management Officer

DATE: December 23, 2008

SUBJECT: Ordinance 2009-02 Authorizing a Five-Year Extension of the Option to Lease Ladd Landing Between the Kenai Peninsula Borough and PacRim Coal, LP

At its meeting of November 18, 2008, the assembly requested that the administration bring forward an extension of the Option to Lease Ladd Landing. The administration and staff have discussed the Option and the current stages of the related coal development project. Authorization for a five-year extension of the Option is requested. This duration is important to allow time for the development and release of project information important for consideration in renegotiation of Option terms and conditions. As mentioned in prior assembly meetings, the project has new leadership, as does the borough. Review of the Option can best be accomplished when the parties are firmly footed and the best information is available.

The attached ordinance would authorize the Mayor to enter into a sixth addendum to the Option to Lease Ladd Landing for the sole purpose of extending the Option for an additional five-year period. Your consideration of the attached ordinance is respectfully requested.