



"Village with a Past, City with a Future"

210 Fidalgo Avenue, Kenai, Alaska 99611-7794
Telephone: (907) 283-7535 / FAX: (907) 283-3014
www.ci.kenai.ak.us

December 21, 2010

Borough Assembly President Knopp
Assembly Members
Kenai Peninsula Borough
144 North Binkley Street
Soldotna, AK 99669

RE: KPB Ordinance 2010-36 Substitute – An Ordinance Authorizing the Negotiated Lease at Less Than Fair Market Value of Certain Real Property to the Kenai Peninsula Racing Lions

President Knopp & Assembly Members:

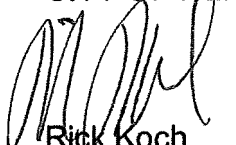
At your meeting on January 4, 2011, you will be considering the above-referenced ordinance. This ordinance proposes to lease 157 acres to the Kenai Peninsula Racing Lions for less than fair market value.

On December 7, 2010, I sent a letter sent to Mayor Carey requesting a portion of this land, approximately 60 acres, be sold to the City of Kenai. (A copy of that letter is attached.) This property is located in the vicinity of the City's municipal water supply and the land would be preserved as a wellhead protection area. The City of Kenai is opposed to any expansion of the racing facility to the east and believes it vital this property be set aside to protect the municipal water supply.

The City of Kenai appreciates your consideration of this request. If additional information is needed, don't hesitate to contact me.

Sincerely,

CITY OF KENAI


Rick Koch
City Manager



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December 7, 2010

The Honorable Dave Carey
Office of the Mayor
Kenai Peninsula Borough
144 North Binkley Street
Soldotna, AK 99669

Subject: Well Head Protection Zone for Kenai Municipal Water Utility

Dear Mayor Carey:

The purpose of this correspondence is to submit a request to purchase certain Kenai Peninsula Borough owned properties in the vicinity of the municipal water utility production well(s), to ensure an adequate wellhead protection area.

The City requests to purchase from the Borough portions of three properties identified below by aliquot part description:

KPB Tax ID Number 4103038

W1/2 SW1/4 NE1/4 NE1/4, Sec.36 T 6 N, R 11 W S.M., AK, consisting of 5 acres, more or less.

KPB Tax ID Number 4103050

A Portion of ASLS 2005-7 further described as, E1/2 SE1/4 NE1/4, Sec. 36, T 6 N, R 11 W, S.M., AK, consisting of 20 acres, more or less.

KPB Tax ID Number 4103041

E1/2 NE1/4 NE1/4, E1/2 SW1/4 NE1/4 NE1/4, NW1/4 NE1/4 NE1/4, Sec. 36, T 6 N, R 11 W, S.M., AK, consisting of 35 acres more or less.

These properties are in the general area of the racetrack and facilities operated by the Racing Lions, and are part of the properties being discussed for lease to the Racing Lions. The properties listed above are wetlands upon which any development or expansion of the race track facilities is doubtful. The City's existing primary production well and two future production wells are located to the south of the properties identified. The characteristics of the producing aquifer are such that it is likely the flow of subsurface water passes under the properties we are



interested in purchasing. City acquisition of these properties will ensure wellhead protection for the City of Kenai's public water utility.

It is our desire to work cooperatively with and be supportive of the Racing Lions. Any expansion of the racetrack would logically be towards the west on property better suited for development.

Attached please find the following:

1. Aerial photograph depicting properties requested to be sold to the City of Kenai.
2. KPB Property Permitting Report for Tax ID 04103038
3. KPB Property Permitting Report for Tax ID 04103050
4. KPB Property Permitting Report for Tax ID 04103041

Please let me know what steps should be taken to move this process forward.

Thank you for your attention in this matter, if you have any questions please contact me at your convenience.

Sincerely,

CITY OF KENAI



Rick R. Koch
City Manager

attachments

cc: Gary Knopp, President KPB Assembly
Hal Smalley, KPB Assembly
Kenai City Council
Racing Lions

+/- 35 ACRES
04103041

+/- 5 ACRES
04103038

KPB PROPERTY
CITY OF KENAI
DESIRES TO PURCHASE

+/- 20 ACRES
04103050

ADNR PROPERTY
CITY IN PROCESS
OF PURCHASING

CITY OF KENAI
MUNICIPAL PUBLIC
WELL #2

MINA AVE

EAGLE ST

SHOTGUN DR

14TH FERN ST

City of Kenai

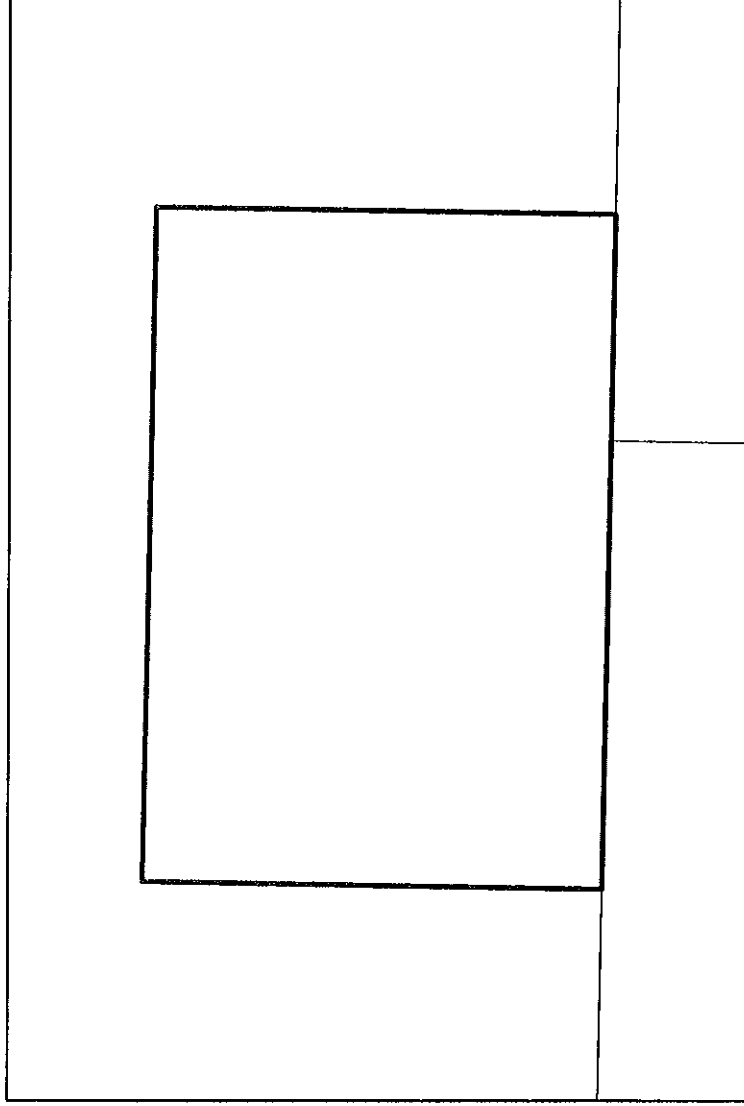
Property Permitting Report

Generated: 12/06/2010

Tax id: 4103038

Zoning: RURAL RESIDENTIAL Lot Size: 15 acres

Assessed Value: \$76,800.00



1:2059

Owner(s)

KENAI PENINSULA BOROUGH

Property Address

NONE NONE
Kenai, AK
99611

Mailing Address

144 N BINKLEY ST
SOLDOTNA, AK
99669

Legal Description

T 6N R 11W SEC 36 SEWARD MERIDIAN KN
SE 1/4 NW 1/4 NE 1/4 & W 1/2 SW 1/4 NE 1/4
SE 1/4 NW 1/4 NE 1/4 & W 1/2 SW 1/4 NE 1/4
* should be

W 1/2 SW 1/4 NE 1/4 NE 1/4

Planning and Zoning Permits

Requested by

Type

Resolution Permit Type

Meeting

Date

Action

Building Permits

Permit Date Contractor

Description

Plan Fee Permit Fee Valuation

Utility Services

Water Service Sewer Service Utility Service ID

N N

City of Kenai

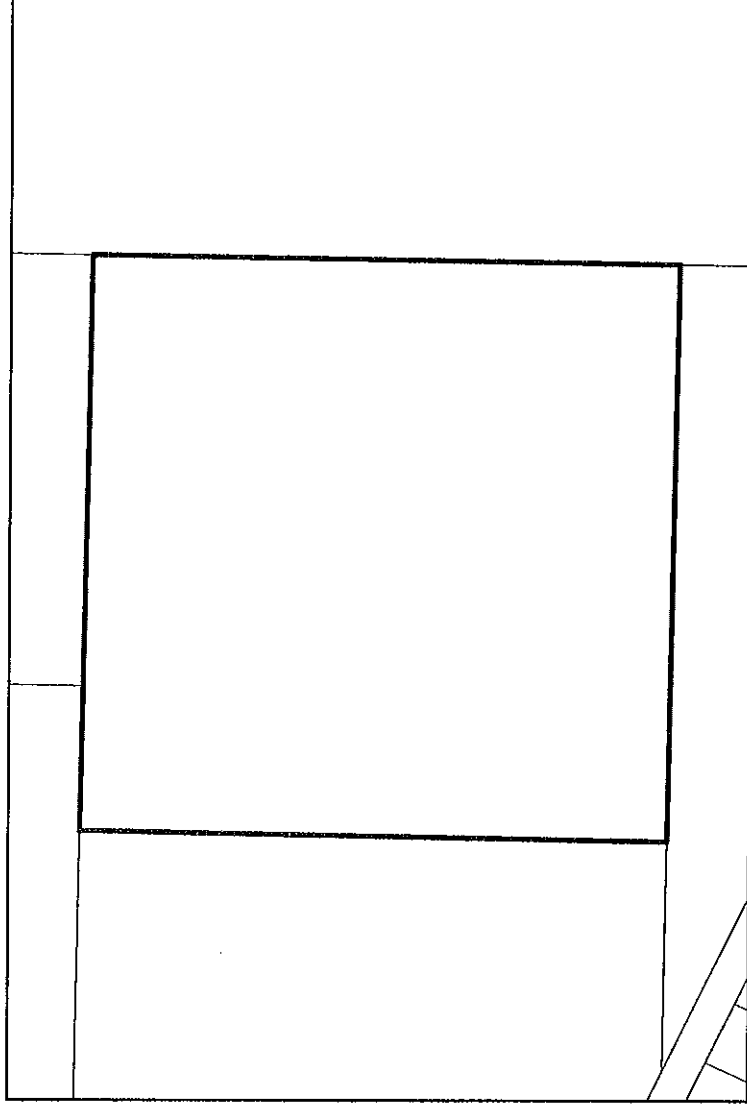
Property Permitting Report

Generated: 12/06/2010

Tax id: 4103050

Zoning: RURAL RESIDENTIAL Lot Size: 40.03 acres

Assessed Value: \$101,800.00



1:2059

Owner(s)

KENAI PENINSULA BOROUGH

Property Address

490 SHOTGUN DR

Kenai, AK

99611

Mailing Address

144 N BINKLEY ST

SOLDOTNA, AK

99669

Legal Description

T 6N R 11W SEC 36 SEWARD MERIDIAN KN
2007-001 ALASKA STATE LAND SURVEY NO
2005-7 SE1/4 NE1/4

Planning and Zoning Permits

Resolution	Permit Type	Type	Requested by	Meeting Date	Action
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Building Permits

Permit	Date	Contractor	Description	Plan Fee	Permit Fee	Valuation
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Utility Services

Water Service	Sewer Service	Utility Service ID
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N N

City of Kenai

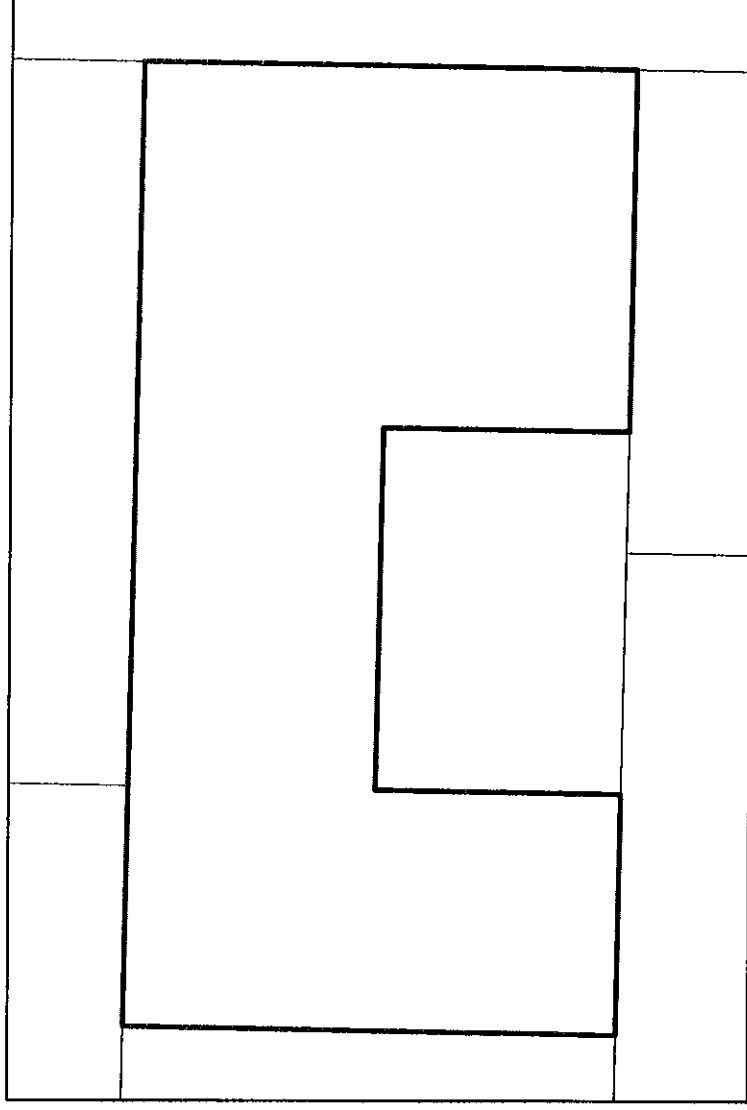
Property Permitting Report

Generated: 12/07/2010

Tax id: 4103041

Zoning: RURAL RESIDENTIAL Lot Size: 65 acres

Assessed Value: \$72,700.00



1:4795

Owner(s)

KENAI PENINSULA BOROUGH

Property Address

NONE NONE

Kenai, AK

99611

Mailing Address

144 N BINKLEY ST

SOLDOTNA, AK

99669

Legal Description

T 6N R 11W SEC 36 SEWARD MERIDIAN KN
SW1/4 NW1/4 NE1/4 & N1/2 NW1/4 NE1/4 &
N1/2 NE1/4 NE1/4 & SE1/4 NE1/4 NE1/4 & E1/2
SW1/4 NE1/4 NE1/4

Planning and Zoning Permits

Resolution	Permit Type	Type	Requested by	Meeting Date	Action
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Building Permits

Permit	Date	Contractor	Description	Plan Fee	Permit Fee	Valuation
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Utility Services

Water Service	Sewer Service	Utility Service ID
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N N