



CITY OF WASILLA

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COUNCIL MEMORANDUM NO. 96-11

From: Mayor Stein
Date: February 6, 1996
Subject: Acceptance of State Deed to Old Airport

Attorney Deuser has cautioned that the City Council needs to consider three main issues with respect to acceptance of the State's quit claim deed and environmental hold-harmless agreement. Those are the environmental contamination issue, Wasilla Airport Heights covenants and reserved mineral rights.

Environmental Contamination

The State conducted an environmental assessment of the site and discovered contamination in soils and water. The State spent some \$250,000 in remediating the site and has since been monitoring ground water contamination. As of February 1, 1996, the State's environmental contractor has recommended to the Department of Environmental Conservation that the remediation project be closed out as successful. The City hired an independent environmental consultant who concurs that the site and the known contamination event are essentially benign. The Mayor's office contacted three individuals with knowledge of the site before its development into a State airport and has recorded their statements that they are not aware of any storage, spills or activity which would have contaminated the site.

In summary, the Administration is satisfied that the contamination discovered in the State's recent investigation has been successfully remediated and that no other prior uses are likely to have created environmental contamination. Staff recommends acceptance of the State's hold-harmless agreement.

Wasilla Airport Heights Plat Covenants

The platted covenants affect the north one-half of the airport site along Nelson Avenue. The covenants restrict use to aircraft related commercial uses or residential uses. Covenants do not specifically allow "public uses".

Some 77 lots comprise the subdivision, a majority of owners of which must agree to a covenant amendment. Staff believes with City ownership of 16 lots that it will not be difficult to secure the signatures of 24 additional lot owners to execute the necessary amendment. Staff will prepare and execute a covenant amendment.

Reservation of Mineral Rights

Alice J. Snider, the mother of Elizabeth "Pat" Hjellen, Marie Betts and Anna Short, reserved mineral rights on the site. As a practical matter it is unlikely that a mineral reserve exists or if the resource exists that it is of economic size. With the City controlling the surface estate through ownership and zoning regulations it is unlikely that development of any resource could occur in the existing urban setting. Nevertheless, the City wishes to extinguish the mineral reservation and has written to Ms. Hjellen, Mrs. Betts and Mrs. Short asking if they would relinquish those rights to the City to allow the planned public development. As an alternative, the City could initiate legal action to condemn those mineral rights and assuming they are of negligible value could do so at a reasonable cost. Staff will pursue the acquisition of mineral rights to assure the preservation of public uses on the site.

Staff respectfully recommends approval of Resolution No. 96-06 authorizing acceptance of the old Wasilla airport site from the State.



John C. Stein, Mayor