



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Final Assembly

Tuesday, August 9, 2016

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

The invocation was given by Iris Fontana from the Satanic Temple.

ROLL CALL

Present: 8 - Dale Bagley, Kelly Cooper, Willy Dunne, President Blaine Gilman, Brandii Holmdahl, Vice President Brent Johnson, Gary Knopp, and Wayne Ogle

Excused: 1 - Stan Welles

Also present were:

Colette Thompson, Borough Attorney

Johni Blankenship, Borough Clerk

Michele Turner, Deputy Borough Clerk

COMMITTEE REPORTS

Assembly Member Cooper stated the Finance Committee met and discussed its agenda items.

Assembly Member Holmdahl stated the Lands Committee met and discussed its agenda items.

Assembly Member Knopp stated the Policies and Procedures Committee met and discussed its agenda items.

APPROVAL OF AGENDA AND CONSENT AGENDA

Johnson moved to approve the Agenda and Consent Agenda.

Copies have been made available to the public, Borough Clerk Johni Blankenship noted by title only the resolutions and ordinances on the consent agenda.

[KPB-838](#)

July 26, 2016 Regular Assembly Meeting Minutes
approved.

The following public hearing items met the required conditions of KPB 22.40.110 and were added to the consent agenda:

- [2016-29](#) An Ordinance Authorizing a Ten Year Extension to the General Electric Company Leases (Mayor)
This Ordinance was introduced and set for public hearing.

New Business

- [2016-045](#) A Resolution Classifying Approximately 1,186 Acres of Borough Land Located in the Moose Pass / Crown Point Area as Recreational (Mayor)

[Clerk's Note: The second to last and final Whereas clauses were amended to read, "the Moose Pass Advisory Planning Commission at its regularly scheduled meeting of August 3, 2016 recommended approval by unanimous consent; and" and "the Kenai Peninsula Borough Planning Commission at its regular scheduled meeting of August 8, 2016 recommended approval by unanimous consent;"]

This Resolution was adopted as amended.

- [2016-19-02](#) An Ordinance Authorizing a \$2,800,000 Intergovernmental Loan from the General Fund and Appropriating Funds to the South Kenai Peninsula Hospital Service Area to Provide Interim Financing for the Expansion of the Homer Medical Center and Declaring the Official Intent to Issue Bonds (Mayor)

This Budget Ordinance was introduced and set for public hearing.

- [2016-31](#) An Ordinance Amending Sections of KPB Chapter 5.18 to Update and Clarify the Borough Sales Tax Code, Including Changes to Several Provisions on Tax-Exempt Sellers and Taxable Sales and Services (Mayor)

This Ordinance was introduced and set for public hearing.

- [KPB-839](#) Approval of Ballot Summaries

- [KPB-822](#) Proposition No. 1 Summary Central Peninsula Landfill General Obligation Bonds

[Clerk's Note: The last paragraph of the ballot language was amended to read, "Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value (based on the estimated total FY2017 assessed

valuation) an annual increase of taxes of approximately \$14.10, if needed, to retire the proposed debt."]

approved as amended.

[KPB-823](#) Proposition No. 2 Summary South Peninsula Hospital and Homer Medical Center General Obligation Bonds

[Clerk's Note: The last paragraph of the ballot language was amended to read, "Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable property value in the South Kenai Peninsula Hospital Service Area (based on the estimated total FY2017 assessed valuation) an annual tax of approximately \$21.10, if needed, (an amount equal to .21 mills) to retire the proposed debt."]

approved as amended.

[KPB-824](#) Proposition No. 3 Summary Increasing the Maximum Amount of a Sale Subject to the Borough Sales Tax to \$1000 and Exempting Residential Rentals from Sales Tax

approved.

[KPB-835](#) Proposition No. 4 Summary: Phasing out of the Optional Senior Citizen Exemption for New Applicants by the Year 2024

approved.

[KPB-792](#) Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Standard Cultivation Facility License Application Filed by Croy's Enterprises, LLC, Soldotna, AK Subject to the following conditions:

1. The marijuana establishment shall conduct their operation consistent with the site plan submitted to the Kenai Peninsula Borough.
2. There shall be no parking in borough rights-of-way generated by the marijuana establishment.
3. The marijuana establishment shall remain current in all Kenai Peninsula Borough tax obligations consistent with KPB 7.30.020(A).

approved.

Approval of the Agenda and Consent Agenda

President Gilman called for public comment with none being offered.

The motion to approve the agenda and consent agenda as amended carried by the following vote:

Yes: 8 - Bagley, Cooper, Dunne, Gilman, Holmdahl, Johnson, Knopp, and Ogle

COMMENDING RESOLUTIONS AND PROCLAMATIONS

None.

PRESENTATIONS WITH PRIOR NOTICE

[KPB-836](#) Central Peninsula Hospital Quarterly Report (10 minutes)

[Clerk's Note: Rick Davis, CEO of Central Peninsula Hospital presented their quarterly report to the assembly.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Gilman called for public comment with none being offered.

MAYOR'S REPORT

1. Assembly Requests/Responses - None.
2. Agreements and Contracts
 - a. [KPB-825](#) Sole Source for Tyonek Recreation Services

presented.
 - b. [KPB-827](#) Authorization to Award Contract for ITB16-047 North Peninsula Recreation Service Area Design-Build Septic System Replacement to KEE Construction, LLC, Cooper Landing, AK

presented.
 - c. [KPB-828](#) Authorization to Award Contract for ITB16-049, 2016 CIP Campus Drive Paving Project No. E1CAM to Ancor Inc., Anchorage, AK

presented.
 - d. [KPB-829](#) Authorization to Award Contract for ITB16-050, 2016 CIP Aspen Avenue Paving Project No. W5ASP to Chumley's Inc., Nikiski, AK

presented.

- e. [KPB-830](#) Authorization to Award Contract for ITB17-001, 2016 Capital Improvement Project, Thurston Drive, Bradley Lane and Victor Drive Project No. S7THU to East Road Services, Homer, AK

presented.

3. Other

- a. [KPB-831](#) Investment Portfolio Report as of June 30, 2016

presented.

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

UNFINISHED BUSINESS

Notice of Reconsideration

[2016-22](#) An Ordinance Amending KPB 16.08.010 and 16.24.010 to Move the Common Boundary Between the Central Kenai Peninsula Hospital Service Area and the South Kenai Peninsula Hospital Service Area South, Subject to Approval by Voters Residing in the Central Kenai Peninsula Hospital Service Area and the Proposed New Area (Johnson, Bagley) Notice of Reconsideration Given by Bagley

Bagley moved to reconsider Ordinance 2016-22.

Assembly Member Johnson spoke in support of reconsideration of Ordinance 2016-22.

Assembly Member Cooper spoke in opposition to reconsideration of Ordinance 2016-22.

The motion to reconsider Ordinance 2016-22 failed by the following vote:

Yes: 4 - Bagley, Holmdahl, Johnson, and Knopp

No: 4 - Cooper, Dunne, Gilman, and Ogle

P. PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Gilman called for public comments with none being offered.

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

August 23, 2016 Regular Assembly Meeting 6:00 PM Assembly Chambers, Borough Administration Building

ASSEMBLY COMMENTS

Assembly Member Bagley stated he appreciated that the Assembly President was trying to be fair with the prayer issue; however, felt it was ironic that the invocation given was nothing but a political statement and if a pastor was here making a similar political statement, we would not be letting them back.

Assembly Member Dunne thanked the organizers and participants of Salmon Fest in Ninilchik, as it was a successful event.

Assembly Member Cooper stated the Governor was in Homer last week and held a community meeting with the city council. She stated it was a very informative meeting and hoped that he was also making time to meet with the borough mayor and assembly.

Assembly Member Johnson stated if a hospital service area was being formed today for South Peninsula Hospital and Central Peninsula Hospital, he was certain that the line would be put past the highway mid-way point. He stated it was an unfair practice for the residents in that area to keep the line where it was and hoped that this was not the end of the matter. Mr. Johnson stated to South Peninsula Hospital: "let my people go."

President Gilman stated that the assembly received public comments regarding the importance of religious liberty. He stated that what that means was, as a political body, we may have to listen to different religious views that we do not agree with and hoped as this progressed that more people would use this opportunity to promote prudent and wise decisions of the assembly and not use it to make political statements. Mr. Gilman stated that the public comments received were pretty clear that they did not want the invocation banned and this was what living in democracy was. He encouraged everyone to relax and stated that things would calm down on the invocation front and we could move forward.

INFORMATIONAL MATERIALS AND REPORTS

None.

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Gilman adjourned the meeting at 6:47 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of August 9, 2016.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____