



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Draft

Assembly

Kelly Cooper, President
Wayne Ogle, Vice President
Dale Bagley
Kenn Carpenter
Willy Dunne
Paul Fischer
Brent Hibbert
Jill Schaefer
Stan Welles

Tuesday, July 18, 2017

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

A moment of silence was offered by Assembly Member Dunne.

ROLL CALL

Present: 8 - Kelly Cooper, Willy Dunne, Wayne Ogle, Paul Fischer, Dale Bagley, Brent Hibbert, Jill Schaefer, and Kenn Carpenter

Absent: 1 - Stan Welles

Also present were:

Colette Thompson, Borough Attorney

Johni Blankenship, Borough Clerk

Michele Turner, Deputy Borough Clerk

COMMITTEE REPORTS

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

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

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

APPROVAL OF AGENDA AND CONSENT AGENDA

Ogle moved to approve the agenda and consent agenda.

[KPB-1303](#) June 20, 2017 Regular Assembly Meeting Minutes
approved.

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

[2017-19-01](#) An Ordinance Approving and Appropriating a Grant Totaling \$34,559.67 from the Alaska Department of Natural Resource for the Volunteer Fire Assistance Program on Behalf of Anchor Point Fire & Emergency Service Area, Bear Creek Fire Service Area, Central Emergency Service Area, Kachemak Emergency Service Area and Nikiski Fire Service Area (Mayor)
This Budget Ordinance was enacted.

New Business:

[2017-047](#) A Resolution Accepting Equipment from the Southern Region Emergency Medical Services Council, Inc. on Behalf of Anchor Point Fire & Emergency Medical Service Area (Mayor)
This Resolution was adopted.

[2017-048](#) A Resolution Accepting Emergency Response Equipment from the Southern Region Emergency Medical Services Council, Inc. on Behalf of Nikiski Fire Service Area (Mayor)
This Resolution was adopted.

[2017-049](#) A Resolution Transferring Funds from a Completed Previously Appropriated Capital Project to be Used to Address Changes to the Structural Scope in Central Peninsula Hospital Radiology Phases III, IV and V Renovation Projects (Mayor)
This Resolution was adopted.

[2017-19-02](#) Appropriating \$1,500 for Costs of Printing and Distributing Information about the Ballot Proposition for the Proposed Debt Issuance of \$5 Million to Finance Replacing the Borough Administration Building's Heating, Ventilation and Air Conditioning Systems to Ensure Compliance with Legal Restrictions on the Use of Borough Funds and Assets Related to Ballot Propositions (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2017-19-03](#) An Ordinance Appropriating \$1,500 for Costs of Printing and Distributing Information about the Ballot Proposition Seeking Voter Approval to Adopt an Additional Sales Tax on Temporary Lodging Facilities to Ensure Compliance with Legal Restrictions on the Use of Borough Funds and Assets Related to Ballot Propositions (Mayor) (Hearing on 08/15/17)

This Budget Ordinance was introduced and set for public hearing.

[2017-15](#) An Ordinance Amending KPB 5.28.500(D), Procurement and Purchasing, to Authorize a Reduction in the Duration of Surplus Property Notices to Borough Agencies (Mayor)(Hearing on 8/15/17)

This Ordinance was introduced and set for public hearing.

[2017-16](#) An Ordinance Providing for Submission to the Qualified Voters of the Kenai Peninsula Borough, Alaska, the Question of Authorizing the Issuance of General Obligation Debt not to Exceed Five Million Dollars (\$5,000,000) of the Kenai Peninsula Borough to Pay Costs of Planning, Designing, Constructing and Equipping the George A. Navarre Kenai Peninsula Borough Administration Building's Heating, Ventilation and Air Conditioning Mechanical System Replacement and Other Necessary Code-Required Components, at an Election in and for the Kenai Peninsula Borough on October 3, 2017 (Mayor)

This Ordinance was introduced and set for public hearing.

[2017-17](#) An Ordinance Amending KPB Chapter 5.18 to Establish an 8 Percent Areawide Sales Tax on Temporary Lodging and Providing for an Exemption of Up to 4 Percent of the Levy on Temporary Lodging within the Boundaries of Cities in the Borough that Levy a Similar Sales Tax in Addition to an Existing General Sales Tax, Subject to Approval by the Voters in the Regular Election on October, 3, 2017 (Mayor) (Final Hearing on 08/15/17)

This Ordinance was introduced and set for public hearing.

[2017-18](#) An Ordinance Amending KPB 2.56.050 to Adopt Volumes I and II of the Seward 2030 Comprehensive Plan Update as the Official Comprehensive Plan for that Portion of the Borough within the Boundaries of the City of Seward (Mayor, Carpenter) (Hearing on 8/15/17)

This Ordinance was introduced and set for public hearing.

[2017-20](#) An Ordinance Authorizing Retention or Sale of Certain Real Property Obtained by the Kenai Peninsula Borough through Tax Foreclosure Proceedings (Mayor)

This Ordinance was introduced and set for public hearing.

[KPB-1294](#) Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Standard Marijuana Cultivation Facility License Application Filed by Alaska Harvest Company in Kasilof, 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.

[KPB-1295](#) Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Retail Marijuana Store License Application Filed by Alaska Native Cannabis Company, LLC in Sterling, 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).
4. The marijuana establishment shall not conduct any business on, or allow any consumer to access, the retail marijuana store's licensed premises, between the hours of 2:00 a.m. and 8:00 a.m.

approved.

[KPB-1296](#) Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Limited Marijuana Cultivation Facility License Application Filed by Green Thumb Solutions in Soldotna, 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.

[KPB-1297](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Limited Marijuana Cultivation Facility License Application Filed by Lady Gray Growing in Soldotna, 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.

[KPB-1304](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Standard Marijuana Cultivation Facility License Application Filed by Greenstar, Inc. in Nikiski, 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.

[KPB-1305](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Standard Marijuana Cultivation Facility License Application Filed by High Tide Distributors in Nikiski, 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.

[KPB-1298](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana

Control Board Regarding the Renewal of the Limited Marijuana Cultivation Facility License No. 10041 filed by Peace Frog Botanicals, LLC in Nikiski, 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.

[KPB-1299](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the Renewal of the Limited Marijuana Cultivation Facility License No. 10210 filed by Cannaboyd in Homer, 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.

[KPB-1300](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the Renewal of the Standard Marijuana Cultivation Facility License No. 10015 filed by Greatland Ganja in Kasilof, 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.

[KPB-1301](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the Renewal of the Standard Marijuana Cultivation Facility License No. 11214 filed by Budding Alaska in Seward, 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.

[KPB-1318](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the Renewal of the Limited Marijuana Cultivation Facility License No. 10086 filed by Terra House, LLC in Soldotna, 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.

[KPB-1316](#)

Authorizing a Letter of Non-objection to the Issuance of the new Liquor License and Approve the Restaurant Designation Permit as Requested by Ninilchik 132.6 Cabins & RV Park

approved.

[KPB-1302](#)

Confirming the Appointment of Brent Johnson to the Board of Adjustment, Alternate Seat B, Term to Expire December 31, 2017

approved.

[KPB-1317](#)

Confirming Appointments to the Planning Commission (Mayor)

Appointment Board Seat Term Expires

Cindy Ecklund City of Seward July 31, 2020

Paul Whitney City of Soldotna July 31, 2020

Robert Ernst Northwest Borough July 31, 2020

Rick Foster Southwest Borough July 31, 2020

approved.

Approval of the Agenda and Consent Agenda as Amended

President Cooper called for public comments.

The following people spoke in opposition to Ordinance 2017-17:

Fred Sturman, Soldotna

Joan Corr, Soldotna
George Pierce, Kasilof
Mike Worburton, Homer

Dr. Donald Staton, Nikiski spoke in opposition to the approval of a non-objection letter for a new standard cultivation marijuana license for High Tide Distributors.

Leif Abel, Kasilof spoke in support of the renewal of Greatland Ganja's standard marijuana license and shared financial data for the first year of marijuana related businesses within the borough.

There being no one else who wished to speak, the public comment period was closed.

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

Yes: 8 - Cooper, Dunne, Ogle, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

Absent: 1 - Welles

COMMENDING RESOLUTIONS AND PROCLAMATIONS

None.

PRESENTATIONS WITH PRIOR NOTICE

None.

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Cooper called for public comments.

Brian Olson, Soldotna spoke in opposition to the City of Soldotna's annexation.

Jay Bechtel, South Peninsula Behavioral Health Services introduced himself to the Assembly and gave a brief description of the services they offer.

Carrie Henson, Soldotna addressed the assembly regarding athiest beliefs.

Holly Abel, Kasilof spoke in opposition to KPB Proposition 1.

Joe Arness, Board of Education President addressed the assembly regarding the board's letter to the Borough Mayor and Assembly dated July 11, 2017.

There being no one else who wished to speak, the public comment period was

closed.

MAYOR'S REPORT

Mayor's Report Cover Memo

[KPB-1319](#) Mayor's Report Memo

1. Assembly Requests/Responses
2. Agreements and Contracts
 - a. [KPB-1320](#) Authorization to Award Contract for ITB17-024 Electrical Supplies Contract to Crescent Electric Supply, Kenai, Alaska
 - b. [KPB-1321](#) Authorization to Award Contract for ITB17-043 Skyview Middle School & Nikiski Middle High School Planter Removal to Eberline Building & Supply, Soldotna, Alaska
 - c. [KPB-1322](#) Authorization to Award Contract for ITB17-044 Central Emergency Services Lighting Improvement Project Phase I to Kachemak Electric Co., Inc., Kenai, Alaska
 - d. [KPB-1323](#) Authorization to Award Contract for ITB17-045 Fire Alarm System Parts to Amped Fire & Security, Fairbanks, Alaska
 - e. [KPB-1324](#) Authorization to Award Contract for RFP17-014 Assessment Mass Mailings to The Data Center, Salt Lake City, Utah
 - f. [KPB-1325](#) Authorization to Award Contract for RFP17-012 Central Peninsula Hospital Heliport Design to Wince-Corthell-Bryson, Consulting Engineers, Kenai, Alaska
3. Other
 - a. [KPB-1326](#) Revenue –Expenditure Report – May 2017
 - b. [KPB-1327](#) Budget Revisions – May 2017
 - c. [KPB-1328](#) FY18 Joint Funding Agreement for USGS River Gages
 - d. [KPB-1329](#) Intent to Terminate Ladd Landing Lease between the Kenai Peninsula Borough and PacRim Coal, LLC

- e. [KPB-1330](#) Litigation Status Report

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

[2017-14](#) An Ordinance Approving an Operating Agreement with Central Peninsula General Hospital, Inc. for Central Peninsula Hospital and Other Medical Facilities (Mayor) (Final Hearing)

Hibbert moved to enact Ordinance 2017-14.

President Cooper called for public comments.

The following people spoke in opposition to Ordinance 2017-14:

Fred Sturman, Soldotna

George Pierce, Kasilof

Joan Corr, Soldotna

Rick Davis, CEO of Central Peninsula General Hospital, Inc. spoke in support of Ordinance 2017-14.

There being no one else who wished to speak, the public comment period was closed.

Hibbert moved to amend Ordinance 2017-14.

Amend the third Whereas to read, "at its meeting of June 29, 2017, the CPGH, Inc. board of directors [RECOMMENDED] unanimously approved CPGH, Inc' s. Resolution 2017-36 Ratifying the Executive Committee's Approval of the Draft Operating Agreement with Kenai Peninsula Borough and CPGH, Inc. and the revised Memorandum of Agreement;"

The motion to amend Ordinance 2017-14 carried by the following vote:

Yes: 8 - Cooper, Dunne, Ogle, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

Absent: 1 - Welles

Hibbert moved to postpone Ordinance 2017-14 as amended to August 1, 2017.

The motion to postpone as amended carried by the following vote:

Yes: 8 - Cooper, Dunne, Ogle, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

Absent: 1 - Welles

UNFINISHED BUSINESS

None.

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Cooper called for public comments.

Rick Davis, CEO of Central Peninsula General Hospital, Inc. continued testimony regarding his support of Ordinance 2017-14 and opposition to the Board of Education's letter dated July 11, 2017.

George Pierce, Kasilof spoke in opposition to the borough funding the newly formed Eastern Peninsula Highway Emergency Service Area.

Carrie Henson, Soldotna continued her testimony regarding athiest beliefs.

Fred Sturman, Soldotna shared the results of a non-scientific tourism survey he recently had conducted.

Debbie Cary, Ninilchik thanked the assembly for their willingness to finding solutions with the various borough matters.

There being no one else who wished to speak, the public comment period was closed.

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

July 31, 2017 "How to Run for Local Office" Workshop 5:00 PM
Borough Assembly Chambers, Soldotna, Alaska

August 1, 2017 Regular Assembly Meeting 6:00 PM
Borough Assembly Chambers, Soldotna, Alaska

ASSEMBLY COMMENTS

Assembly Member Fischer stated he looked forward to Mr. Welles' return and thanked everyone for attending.

Assembly Member Bagley invited everyone to the Progress Days Parade on July 22, 2017 at 11:00 a.m. and vendor booths at the Soldotna park.

Assembly Member Schaefer wished everyone a great evening.

Assembly Member Dunne thanked everyone for their testimony and encouraged everyone to continue to submit their comments via email and eComments.

Assembly Member Hibbert thanked everyone who attended and wished everyone a great week.

Assembly Member Carpenter thanked everyone for attending and providing their comments. He thanked Mayor Navarre for his patience and answering his questions. Mr. Carpenter wished his wife a happy 24th wedding anniversary.

Assembly Member Ogle stated there was an information disconnect with the Board of Education, their administration, the borough administration as well as Central Peninsula Hospital. He looked forward to the next school board meeting for an opportunity to straighten it all out. Mr. Ogle expressed confidence that both parties were onboard with good intentions for the other.

President Cooper agreed with Mr. Ogle regarding the information disconnect. She stated between the school board meetings and Health Care task force meetings, which she stated were both open to the public, she felt there was great transparency of information. Ms. Cooper stated transparency was important to her, but there also needed to be an accountability of the information.

INFORMATIONAL MATERIALS AND REPORTS

None.

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Cooper adjourned the meeting at 8:11 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of July 18, 2017.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____