



# 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*

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Tuesday, August 15, 2017

6:00 PM

Assembly Chambers

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### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### INVOCATION

[Clerk's Note: Assembly Member Ogle delivered the invocation.]

### ROLL CALL

**Present:** 9 - Kelly Cooper, Willy Dunne, Wayne Ogle, Stan Welles, Paul Fischer, Dale Bagley, Brent Hibbert, Jill Schaefer, and Kenn Carpenter

Also present were:

Colette Thompspon, 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.

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-1382](#) August 1, 2017 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:

[2016-19-45](#) An Ordinance to Record Expenditures of \$937,682.60 Paid by the State of Alaska Department of Administration, Division of Retirement & Benefits on behalf of the Kenai Peninsula Borough toward the Borough's Unfunded PERS Liability (Mayor)

*[Clerk's Note: Ordinance 2016-19-45 was amended as follows:*

*The title to read, "AN ORDINANCE TO RECORD EXPENDITURES OF \$937,682.60 PAID BY THE STATE OF ALASKA DEPARTMENT OF ADMINISTRATION, DIVISION OF RETIREMENT & BENEFITS ON BEHALF OF THE KENAI PENINSULA BOROUGH TOWARD THE BOROUGH'S UNFUNDED PERS LIABILITY"; and*

*the second Whereas clause to read, "the borough was notified on August 2, 2017, revised August 15, 2017, that the amount received by the Department of Administration, Division of Retirement & Benefits on behalf of the borough was \$937,682.60, an amount estimated to be equal to the difference between the borough's budgeted PERS rate of 22 percent and a total contribution rate of 4.14 percent; and"; and*

*Section 1 to read, "That FY2017 revenue budgets are increased by the following amounts to reflect funds the Department of Administration, Division of Retirement & Benefits received on behalf of the Kenai Peninsula Borough:*

*General Fund \$340,472.53  
Nikiski Fire Service Area 92,455.50  
Bear Creek Fire Service Area 3,750.73  
Anchor Point Fire Service Area 12,752.48  
Central Emergency Services 149,654.14  
Kachemak Emergency Service Area 10,408.28  
North Peninsula Recreation Service Area 24,567.28  
Road Service Area 29,068.16  
School Maintenance 151,529.51  
Land Trust 16,128.14*

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*Seward Bear Creek Flood Service Area 3,281.89*  
*Hazard Tree Removal Program 3,000.58*  
*911 Emergency Communications 38,820.06*  
*Solid Waste 48,853.26*  
*Risk Management 12,940.06*  
*\$937,682.60"; and*

*Section 2 to read, "That [\$1,192,674.66] \$937,682.60 is appropriated to the following accounts:*

*100 11120 00000 40221 \$11,627.26*  
*100 11140 00000 40221 4,313.34*  
*100 11210 00000 40221 16,034.37*  
*100 11227 00000 40221 13,315.09*  
*100 11230 00000 40221 15,940.60*  
*100 11231 00000 40221 40,882.96*  
*100 11232 00000 40221 10,783.35*  
*100 11233 00000 40221 3,000.58*  
*100 11235 00000 40221 2,719.28*  
*100 11250 00000 40221 6,470.01*  
*100 11310 00000 40221 20,253.94*  
*100 11410 00000 40221 11,627.84*  
*100 11430 00000 40221 22,316.85*  
*100 11440 00000 40221 19,878.87*  
*100 11441 00000 40221 9,470.01*  
*100 11510 00000 40221 29,349.47*  
*100 11520 00000 40221 39,476.44*  
*100 21110 00000 40221 28,505.55*  
*100 21135 00000 40221 15,190.46*  
*100 31110 00000 40221 19,316.26*  
*206 51110 00000 40221 92,455.50*  
*207 51210 00000 40221 3,750.73*  
*209 51410 00000 40221 12,752.48*  
*211 51610 00000 40221 149,654.14*  
*212 51810 00000 40221 10,408.28*  
*225 61110 00000 40221 24,567.28*  
*236 33950 00000 40221 29,068.16*  
*241 11235 00000 40221 2,719.28*  
*241 41010 00000 40221 148,810.23*  
*250 21210 00000 40221 16,128.14*  
*259 21212 00000 40221 3,281.89*  
*262 21320 00000 40221 3,000.58*  
*264 11255 00000 40221 38,820.06*  
*290 32010 00000 40221 17,722.20*

290 32122 00000 40221 31,131.06  
700 11234 00000 40221 12,940.06  
\$937,682.60."]

**This Budget Ordinance was enacted as amended.**

[2017-19-04](#) An Ordinance Accepting and Appropriating Funding from the State of Alaska in the Amount of \$426,303 for Community Purposes under the State's 2017/2018 Community Assistance Program (Mayor)

**This Budget Ordinance was enacted.**

#### New Business

[2017-052](#) A Resolution Authorizing the Assessor to Accept Four Late-Filed Senior Exemption Applications and Two Late-Filed Senior Hardship Exemption Applications for 2017, Filed After March 31 and July 1, Respectively (Mayor)

**This Resolution was adopted.**

[2017-053](#) A Resolution Approving a Sole-Source Contract in the Amount of \$135,000, Half to be Paid by the Kenai Peninsula Borough Assessing Department and Half to be Paid by Andeavor (formerly Tesoro), to Duff & Phelps LLC for an Appraisal of the Andeavor Kenai Refinery (Mayor)

**This Resolution was adopted.**

[2017-055](#) A Resolution Accepting the Resignation of Assembly Member Stan Welles (Cooper)

*[Clerk's Note: Assembly Member Welles abstained.]*

**This Resolution was adopted.**

[2017-19-05](#) Appropriating \$222,098.76 to the Special Assessment Fund for the South Kasilof Utility Special Assessment District

**This Budget Ordinance was introduced and set for public hearing.**

[2017-19-06](#) An Ordinance Accepting and Appropriating \$19,200 from the State of Alaska Department of Military and Veterans Affairs, Division of Homeland Security and Emergency Management to Support the Activities of the Kenai Peninsula Borough Local Emergency Planning Committee (Mayor)

**This Budget Ordinance was introduced and set for public hearing.**

- [2017-24](#) An Ordinance Recommending Decertification of Approximately 1,060 Feet of Betty Lou Drive, West of Fields Road (Mayor)  
**This Ordinance was introduced and set for public hearing.**
- [KPB-1349](#) 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. 10650 Filed by Alaska Bud Brothers Aerogardens LLC 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-1350](#) 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. 10063 Filed by Bob's Morning Bear Cultivation 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-1351](#) 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. 10034 Filed by Odin's Wagon, LLC 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-1352](#) 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. 11794 Filed by North Road Buds 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-1353](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the Renewal of the Retail Marijuana Store License No. 10831 Filed by High Bush Buds 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).
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-1354](#)

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. 11649 Filed by K Beach Reef, 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-1355](#)

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. 10176 Filed by Alpha Kilo, LLC 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-1356](#)

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.10122 Filed by, Stoney Creek Growers, LLC 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-1358](#)

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. 11617 Filed by Hunter Greens and Purples, LLC 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-1359](#)

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. 10147 Filed by Permafrost 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-1360](#)

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. 11519 Filed by Permafrost 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-1363](#)

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the Renewal of Retail Marijuana Store License No. 11509 Filed by Permafrost Distributors Retail, 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. Additional Standard for Retail Marijuana Stores: 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-1370](#)

Proposition 1: Adoption of a Local Option to Prohibit Operation of Commercial Marijuana Establishments outside of the Borough Cities

**approved.**

[KPB-1371](#)

Proposition 2: George A. Navarre Kenai Peninsula Borough Administration Building's Heating, Ventilation and Air Conditioning Mechanical System Replacement and Other Necessary Code-Required Components General Obligation Bonds

**approved.**



## Approval of the Agenda and Consent Agenda

President Cooper called for public comment.

The following people spoke in opposition to Ordinance 2017-19-06:

**Christine Hutchinson**, Kenai

**Joan Corr**, Soldotna

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:** 9 - Cooper, Dunne, Ogle, Welles, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

**COMMENDING RESOLUTIONS AND PROCLAMATIONS**

[KPB-1339](#) Mayor's Proclamation Declaring the Week of August 13-19, 2017 as "National Health Center Week"

*[Clerk's Note: Mayor Navarre presented the proclamation to JC Rathje, COO and Behavioral Health Director at Peninsula Community Health Services.]*

**PRESENTATIONS WITH PRIOR NOTICE**

- [KPB-1366](#) Central Peninsula Hospital Quarterly Report (10 Minutes)

[Clerk's Note: Rick Davis, CEO of Central Peninsula Hospital presented their quarterly report to the assembly.]
- [KPB-1367](#) ACS Alaska Communications "High Speed Broadband Network Expansion Project Overview" (10 minutes)

[Clerk's Note: Heather Cavanaugh, Director ACS External Affairs and Corporate Communications and Stan Masneri, District Operations Manager gave a presentation to the assembly regarding their expansion project.]

**PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

President Cooper called for public comment.

The following people addressed the assembly and spoke in support of the incorporation of Nikiski:

**Stacy Oliva**, Kenai Spur

**Paul Hubert**, Nikiski

**Karen McGahan**, Nikiski

**Carrie Henson**, Soldotna read a poem in memoriam of Heather Heyer who was killed at a rally in Charlottesville, Virginia.

**George Pierce**, Kasilof addressed the assembly regarding the continued funding of non-profits.

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

## MAYOR'S REPORT

1. Assembly Requests/Responses - None.
2. Agreements and Contracts
  - a. [KPB-1376](#) Authorization to Award Contract for ITS 17-046, Clarence Drive Road Improvement Assessment District (RIAD) Project No. CLARE
  - b. [KPB-1377](#) Authorization to Award Contract for ITB17-047, 2016 CIP Dayspring Street, Hallelujah Court, Hallelujah Trail, Seward Avenue & Dudley Avenue Project No. C10DA
  - c. [KPB-1378](#) Authorization to Sole Source Rosenbauer/General Fire to Enhance Aerial Apparatus for Remote Control Operation.
  - d. [KPB-1379](#) Request for Waiver of Formal Bidding: Stripe Borough Paved Roads 2017
3. Other
  - a. [KPB-1380](#) FY17 - 4th Quarter Senior Grant Narrative Reports
  - b. [KPB-1381](#) FY17 - 4th Quarter Non-Department Grant Reports

## L. ITEMS NOT COMPLETED FROM PRIOR AGENDA

### PUBLIC HEARINGS ON ORDINANCES

[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)

**Hibbert moved to enact Ordinance 2017-15.**

President Cooper called for public comments with none being offered.

**The motion to enact Ordinance 2017-15 carried by the following vote:**

**Yes:** 9 - Cooper, Dunne, Ogle, Welles, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

[2017-17](#)

An Ordinance Amending KPB Chapter 5.18 to Establish an 6 Percent Areawide Sales Tax on Temporary Lodging and Providing for an Exemption of Up to 3 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)

*[Clerk's Note: The motion to enact was on the floor from the August 1, 2017 meeting.]*

President Cooper called for public comment.

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

**Duane Bannock**, Uptown Hotel  
**Carol Frasier**, Aspen Hotels  
**Alicia Maltby**, Alaska Hotel and Lodging Association  
**Joan Corr**, Soldotna  
**Debbie Speakman**, Homer Chamber of Commerce  
**Glen Thomas**, Ninilchik 132.6 Cabins  
**Karen McGahan**, Nikiski  
**Debbie Cary**, Ninilchik  
**Mike Warburton**, Ocean Shores Motel

**George Pierce**, Kasilof spoke in support of Ordinance 2017-17.

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

President Cooper passed the gavel to Vice President Ogle and declared a possible conflict as she owned Glacier View Cabins in Homer. After consulting with Borough Attorney, Colette Thompson, Vice President Ogle declared a conflict did exist. President Cooper abstained from discussion and vote regarding Ordinance 2017-17.

Assembly Members Fischer, Schaefer and Welles spoke in opposition to Ordinance 2017-17.

**Bagley moved to amend Ordinance 2017-17 as follows:**

Amend Section 2 to read, "That KPB 5.18.215 is hereby enacted as follows:

**5.18.215. Exemptions/waivers-Temporary lodging within cities in the borough.**

Rentals of temporary lodging within any city in the borough are exempt from the borough's [8]2 percent tax in an amount equal to the amount of a similar sales tax that may be levied by the applicable city in addition to the city's general sales tax, if any, up to a maximum exemption of [4]3 percent of the rental price."

**The motion to amend carried by the following vote:**

**Yes:** 9 - Cooper, Dunne, Ogle, Welles, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

**Balely moved to amend Ordinance 2017-17 as follows:**

Amend the title to read, "AN ORDINANCE AMENDING KPB CHAPTER 5.18 TO ESTABLISH A 6 PERCENT AREAWIDE SALES TAX ON TEMPORARY LODGING AND OVERNIGHT CAMPING FACILITIES AND PROVIDING FOR AN EXEMPTION OF UP TO 3 PERCENT OF THE LEVY ON TEMPORARY LODGING AND OVERNIGHT CAMPING 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"; and

Amend the sixth Whereas clause to read, "while the revenue generated from this additional sales tax on temporary lodging and overnight camping facilities would be used for educational purposes, it would make other borough revenues available to offset these visitor costs; and"; and

Amend the seventh Whereas clause to read, "to enable the cities to levy a similar tax and allow the tax to apply evenly throughout the borough, the ordinance exempts from the borough's 6 percent temporary lodging and overnight camping facilities tax any similar additional city tax up to 3 percent so as to share revenues between the borough and cities; and"; and

Amend Section 1 to read, "That KPB 5.18.100 is hereby amended as follows:

**5.18.100. - General-Levied-Amount.**

A. There is levied by the borough a consumer's sales tax of up to 3 percent maximum rate on all retail sales, on all rents, and on all services made or rendered within the borough, measured by the gross sales price of the seller.

B. In addition to the tax levied in paragraph A of this section, there is levied in the borough a sales tax on the rental of temporary lodging and overnight camping facilities of up to 6 percent of the rental price of all such rentals within the borough.

except as specifically exempted herein.

C. In addition to the sales taxes levied by the borough, any municipality within the borough may levy a consumer's sales tax and temporary lodging **and overnight camping facilities** tax as provided by Alaska Statute which shall be reported, collected, and enforced according to the terms of this chapter."; and

Insert a new Section 3 to read, "That KPB 4.18.900 - Definitions is hereby amended by adding a new paragraph (T) to read as follows:

**5.18.900. - Definitions.**

When not clearly otherwise indicated by the context, the following words and phrases, as used in this chapter, have the following meanings:

...

T. "Overnight camping facilities" means places used for temporary overnight stays including campgrounds and places providing spaces for recreational vehicles, caravans, trailers, other vehicles, tents, or other items used for overnight shelter."

Renumber Section 3 to 4 and amend to read, "That a ballot proposition shall be placed before borough voters at the regular election on October 3, 2017 to read as follows:

Shall Ordinance 2017-17, providing for the levy of a tax on temporary lodging and overnight camping facilities of up to 6 percent of the rental price, subject to existing exemptions in the borough sales tax code and an exemption of up to 3 percent in any city in the borough that levies a similar additional sales tax on temporary lodging in its boundaries, be approved? "Temporary lodging" means "a service to provide any lodging of less than one month".

Yes \_\_\_ A "yes" vote means you approve of a tax on temporary lodging and overnight camping facilities [tax] of up to 6 percent of the rental price in the borough, with an exemption of up to 3 percent in any city in the borough that levies a similar additional temporary lodging tax.

No \_\_\_ A "no" vote means you oppose a tax on temporary lodging and overnight camping facilities [tax] of up to 6 percent of the rental price in the borough, with an exemption of up to 3 percent in any city in the borough that levies a similar additional temporary lodging tax."; and

Renumber Section 4 to 5 and amend to read, "That Sections 4 [3] and 5 [4] of this

ordinance shall become effective immediately upon enactment of this ordinance. Sections 1, **[and] 2 and 3** of this ordinance shall become effective April 1, 2018, only if the proposition contained in Section **4 [3]** is approved by a majority of voters voting on the question in the regular election of October 3, 2017. "

Assembly Members Bagley and Dunne spoke in support of the amendment.

**The motion to amend carried by the following vote:**

**Yes:** 6 - Dunne, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

**No:** 2 - Ogle, and Welles

**Abstain:** 1 - Cooper

**The motion to enact as amended failed by the following vote:**

**Yes:** 4 - Dunne, Bagley, Hibbert, and Carpenter

**No:** 4 - Ogle, Welles, Fischer, and Schaefer

**Abstain:** 1 - Cooper

Vice President Ogle returned the gavel to President Cooper.

[2017-23](#)

An Ordinance amending KPB 5.18.430 to Increase the Maximum Amount of a Sale Subject to the Borough Sales Tax to \$1,000, Except for Residential Rentals, Subject to Voter Approval (Cooper, Mayor)

**Hibbert moved to enact Ordinance 2017-23.**

President Cooper called for public comment.

The following people spoke in support of Ordinance 2017-23:

**Debbie Cary**, Ninilchik

**Daniel Lynch**, Soldotna

The following people spoke in opposition to Ordinance 2017-23:

**Joan Corr**, Soldotna

**George Pierce**, Kasilof

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

Assembly Member Schaefer spoke in support of Ordinance 2017-23.

Assembly Members Welles and Ogle spoke in opposition to Ordinance 2017-23.

President Cooper passed the gavel to Vice President Ogle and spoke in support of Ordinance 2017-23. Vice President Ogle returned the gavel to president Cooper.

Assembly Member Bagley declared a possible conflict as it may appear he and/or his real estate company had a financial interest. Borough Attorney, Colette Thompson, stated it did not have a substantial impact on his revenue and it was also subject to a larger class of persons to which Mr. Bagley belonged. President Cooper ruled Assembly Member Bagley did not have a conflict.

**The motion to enact carried by the following vote:**

**Yes:** 5 - Cooper, Dunne, Ogle, Schaefer, and Carpenter

**No:** 4 - Welles, Fischer, Bagley, and Hibbert

[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)

**Hibbert moved to enact Ordinance 2017-19-03.**

President Cooper called for public comment with none being offered.

**Hibbert moved to amend Ordinance 2017-19-03 as follows:**

Amend the title to read, "AN ORDINANCE APPROPRIATING \$1,500 FOR THE COSTS OF PRINTING AND DISTRIBUTING INFORMATION ABOUT THE BALLOT PROPOSITION SEEKING VOTER APPROVAL TO [ADOPT AN ADDITIONAL SALES TAX ON TEMPORARY LODGING FACILITIES] INCREASE THE MAXIMUM AMOUNT OF A SALE SUBJECT TO THE BOROUGH SALES TAX TO \$1,000, EXCEPT FOR RESIDENTIAL RENTALS, TO ENSURE COMPLIANCE WITH LEGAL RESTRICTIONS ON THE USE OF BOROUGH FUNDS AND ASSETS RELATED TO BALLOT PROPOSITIONS"; and

Amend the first Whereas clause to read, "the assembly approved Ordinance 2017-[17]23, providing for the submission of a ballot proposition to the qualified voters of the Kenai Peninsula Borough, Alaska, concerning the proposed [ADDITIONAL SALES TAX ON TEMPORARY LODGING FACILITIES]—increase to the maximum amount of a sale subject to the borough sales tax to \$1,000, except for residential rentals; and"; and

Amend Section 1 to read, "The sum of \$1,500 is hereby appropriated from the

general fund, fund balance account 100.00000.00000.27910, to account number 100.11210.18[BTX]STC.43011, which may be used to influence the outcome of the election on October 3, 2017, on the ballot proposition concerning the proposed [ADDITIONAL SALES TAX ON HOTELS, MOTELS, BED AND BREAKFASTS, INNS, LODGES AND OTHER SUCH TEMPORARY-STAY ACCOMMODATIONS;] increase to the maximum amount of a sale subject to the borough sales tax to \$1,000, except for residential rentals."; and Amend Section 2 to read, "Notwithstanding KPB 4.10.100, the mayor and his staff are authorized to publicly distribute informational hand-outs and make presentations related to the proposed [ADDITIONAL SALES TAX PROPOSED] increase in the maximum taxable amount to \$1,000 in the ballot proposition, with costs not to exceed the appropriated funds."

**The motion to amend carried by the following vote:**

**Yes:** 7 - Cooper, Dunne, Ogle, Welles, Hibbert, Schaefer, and Carpenter

**No:** 2 - Fischer, and Bagley

**The motion to enact as amended carried by the following vote:**

**Yes:** 7 - Cooper, Dunne, Ogle, Welles, Hibbert, Schaefer, and Carpenter

**No:** 2 - Fischer, and Bagley

[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)

**Dunne moved to enact Ordinance 2017-18.**

President Cooper called for public comment with none being offered.

**Dunn moved to amend Ordinance 2017-18 as follows:**

Amend the final Whereas to read, "the Kenai Peninsula Borough Planning Commission at its regularly schedule meeting of July 17, 2017 recommended approval of the revised comprehensive plan by unanimous consent."

**The motion to amend carried by the following vote:**

**Yes:** 9 - Cooper, Dunne, Ogle, Welles, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

**The motion to enact as amended carried by the following vote:**

**Yes:** 9 - Cooper, Dunne, Ogle, Welles, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

**UNFINISHED BUSINESS - None.**



**NEW BUSINESS**

## Resolutions

[2017-054](#) A Resolution Authorizing the Acceptance of a Certain 4.3 Acre Drainage Easement at Karluk Avenue as a Cash Equivalent Payment through the Over-the-counter Land Sale (Mayor)

[Clerk's Note: Marcus Mueller, KPB Land Management Officer will give a 15-minute presentation regarding "Context of Karluk Avenue Area Water Movement" - During Lands Committee only]

**Dunne moved to adopt Resolution 2017-054.**

President Cooper called for public comment.

The following people spoke in support of Resolution 2017-054:

**Paula Keohane**, Soldotna

**Gypsy Jolly**, Soldotna

**Dan Sturchi**, Soldotna spoke in opposition to Resolution 2017-054.

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

Assembly Member Welles spoke in support of Resolution 2017-054.

**Dunne moved to amend Resolution 2017-054 as follows:**

Amend the final Whereas clause to read, "the Planning Commission at its regularly scheduled meeting of August 14, 2017, reviewed this resolution and recommended approval by unanimous consent."

**The motion to amend carried by the following vote:**

**Yes:** 9 - Cooper, Dunne, Ogle, Welles, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

**The motion to adopt as amended carried by the following vote:**

**Yes:** 6 - Cooper, Dunne, Ogle, Welles, Fischer, and Schaefer

**No:** 3 - Bagley, Hibbert, and Carpenter

## 2. Ordinances for Introduction

[2017-25](#) An Ordinance Eliminating the Requirement of Offering Authorship Advocating Approval and Rejection of Ballot Propositions for

Ordinances 2017-16, 2017-17 And 2017-23 and Eliminating the Statement of Borough Costs and Revenues for Proposition 1 Presenting a Local Option Election Regarding Commercial Marijuana Facilities (Mayor) (Hearing on 09/19/17)

**Fischer moved to introduce Ordinance 2017-25 and set for public hearing.**

President Cooper called for public hearing with none being offered.

**The motion to introduce Ordinance 2017-25 and set for public hearing carried by the following vote:**

**Yes:** 9 - Cooper, Dunne, Ogle, Welles, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

### 3. Other

[KPB-1372](#) Proposition 3 (Bed Tax): Establishing a 6 Percent Areawide Sales Tax on Temporary Lodging and Providing For an Exemption of Up to 3 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

**Fischer moved to approve the ballot summary for Proposition 3 (Bed Tax).**

President Cooper called for public comment with none being offered.

**The motion to approve the ballot summary for Proposition 3 (Bed Tax) failed by the following vote:**

**No:** 9 - Cooper, Dunne, Ogle, Welles, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

[KPB-1373](#) Proposition 3 (Sales Tax Cap): Amending KPB 5.18.430 to Increase the Maximum Amount of a Sale Subject to the Borough Sales Tax to \$1,000, Except for Residential Rentals

**Fischer moved to approve the ballot summary for Proposition 3 (Sales Tax Cap).**

President Cooper called for public comment with none being offered.

**The motion to approve the ballot summary for Proposition 3 (Sales Tax Cap) carried by the following vote:**

**Yes:** 9 - Cooper, Dunne, Ogle, Welles, Fischer, Bagley, Hibbert, Schaefer, and Carpenter

## PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Cooper called for public comment.

**Carrie Henson**, Soldotna thanked the assembly for correcting the list of invocation participants to align with the current invocation policy.

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

**ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS**

September 5, 2017 Regular Assembly Meeting 6:00 PM Borough Assembly Chambers,  
Soldotna, Alaska

**ASSEMBLY COMMENTS**

Assembly Member Fischer wished Mr. Welles success and wellness in his future. He also wished everyone a good night.

Assembly Member Bagley wished Mr. Welles good luck in his future endeavors, as well as good health. Mr. Bagley congratulated the Soldotna Stars on their 50th win against West High School; 21-0.

Assembly Member Schaefer stated it had been an honor serving next to Mr. Welles and that he was a wealth of knowledge. She thanked everyone for attending and wished everyone a great night.

Assembly Member Welles thanked everyone for the courtesies extended to him. He complimented Mr. Ogle on the invocation he delivered.

Assembly Member Dunne wished Mr. Welles good health and peace and thanked him for his service. Mr. Dunne stated barring any unforeseen write-in candidates, he congratulated Mr. Carptenter and Ms. Cooper on the upcoming election. He reminded everyone to consult the borough's webpage as it contains detailed information regarding the candidates and election information. He appreciated the public watching and keeping the invocation issue in mind. Mr. Dunne stated it was very troubling to hear all the racial intolerant comments that occurred in Charlottesville, Virginia. He stated we cannot go backwards in what our country has accomplished regarding this issue; we should be moving forward with love and acceptance.

Assembly Member Hibbert stated it was a great eight months to serve with Mr. Welles. He thanked everyone for attending and providing their testimony.

Assembly Member Carptenter thanked Mr. Welles for his service. He thanked everyone for their testimony. Mr. Carpenter stated that our diversity and different beliefs was what made our nation strong. He stated he voted for the taxpayers to have an opportunity to vote on taxes instead of the assembly imposing them.

Assembly Member Ogle stated he had mixed feelings about the Keohane matter from the beginning, but felt this approach was the right thing to do. Mr. Ogle stated he voted against the sales tax cap as it was a question on last year's ballot. He thanked this year's candidates for stepping up and getting their names on the ballot. Mr. Ogle

thanked Mr. Welles for his service and appreciated his wisdom.

President Cooper thanked Mr. Welles for his service and stated she was thankful he was feeling better. She stated she had planned to address the tragic events that happened Charlottesville, Virginia; however, thought the invocation from Mr. Ogle, comments from Mr. Dunne and the poem read by Carrie Henson were all wonderful and summed it up beautifully for her. She wished everyone a good evening.

**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 10:11 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of August 15, 2017.

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Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: \_\_\_\_\_