



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Draft

Assembly

Blaine Gilman, President

Brent Johnson, Vice President

Dale Bagley

Kelly Cooper

Willy Dunne

Brandii Holmdahl

Gary Knopp

Wayne Ogle

Stan Welles

Tuesday, February 2, 2016

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

The invocation was given by Pastor John Watson from Peninsula Christian Center.

ROLL CALL

Present: 9 - Dale Bagley, Kelly Cooper, Willy Dunne, President Blaine Gilman, Brandii Holmdahl, Vice President Brent Johnson, Gary Knopp, Wayne Ogle, and 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 Welles 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.

Assembly Member Ogle stated the Legislative 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-0596](#) January 19, 2016 Regular Assembly Meeting Minutes

Attachments: [011916 Regular Assembly Meeting Minutes](#)

The minutes were approved.

[KPB-0585](#) A Resolution Commending the Homer High School Wrestling Team Small Schools Alaska State Champions for the Year 2015 (Mayor, Cooper)

Attachments: [Homer High Wrestling Team](#)

[2015-19-22](#) An Ordinance Appropriating Estimated Insurance Proceeds of \$3,543,135 for Costs Associated with the Susan B. English School Shop Restoration Project (Mayor)

Attachments: [O2015-19-22](#)

[Memo](#)

[O2014-19-49](#)

[O2015-19-02](#)

This Budget Ordinance was enacted.

[2016-005](#) A Resolution Designating the Newspaper and Authorizing Award of a Contract for the Publication of the 2016 Foreclosure List, and the Delinquent Leasehold, Mobile Homes, Personal and Other Tax Lists for the Tax Year 2015 (Mayor)

Attachments: [R2016-005](#)

[Memo](#)

This Resolution was adopted.

[2016-006](#) A Resolution Approving the Second Amendment To Loan Agreement Between the Kenai Peninsula Borough and the City of Homer Regarding Financing a Utility Special Assessment District (Mayor)

Attachments: [R2016-006](#)

[Memo](#)

[R2016-006](#)

[Second Amendment to Loan Agreement](#)

This Resolution was adopted.

[2016-009](#) LAYDOWN A Resolution Supporting Senate Bill 23 Relating to Opioid Overdose Drugs and to Immunity for Prescribing, Providing, or Administering Opioid Overdoes Drugs (Dunne)

Attachments: [LAYDOWN R2016-009](#)
[Senate Bill 23](#)

This Resolution was adopted.

[2015-19-23](#) An Ordinance Appropriating \$2,795,137.58 in Bond Proceeds for the Purpose of Purchasing Emergency Response Vehicles in the Central Emergency Service Area (Mayor) (Hearing on 02/23/16)

Attachments: [O2015-19-23](#)
[Memo](#)

This Budget Ordinance was introduced and set for public hearing.

[2016-07](#) An Ordinance Amending KPB Chapter 7.20 and Enacting KPB Chapter 7.30 Regarding Local Protests of State Marijuana Licenses, Amending KPB 21.25 and Enacting KPB Chapter 21.30 Regarding Permit Requirements for Marijuana Establishments, and Amending KPB 21.50 Regarding Violations and Enforcement (Mayor, Ogle, Gilman) (Shortened Hearing on 02/23/16)

Attachments: [O2016-07](#)
[Memo](#)

This Ordinance was introduced and set for public hearing.

[KPB-0594](#) Authorizing an Application for a Liquor License Relocation and Transfer of Ownership filed by Gwin's Resorts, LLC dba Gwin's Lodge

Attachments: [Memo](#)
[Application](#)

The liquor license relocation and transfer was approved.

[KPB-0599](#) LAYDOWN Petition to Vacate the Two 33-foot portions (approximately 215 feet) of the Section Line Easements between Cohoe Lake Drive and Lower Cohoe Lake that intersect Lots 2, 3, and 4, Block 2 of Cohoe Lakes Subdivision (Plat KN-1430). All portions of the requested vacation are located within Sections 22 & 27, Township 3 North, Range 12 West, Seward Meridian, Alaska and within the

Kenai Peninsula Borough; KPB File 2016-005

[Clerk's Note: The Planning Commission approved the referenced vacation by unanimous consent at its meeting of January 25, 2016.]

Attachments: [LAYDOWN Memo](#)
[LAYDOWN Unapproved PC Minutes](#)
[LAYDOWN Plats](#)
[LAYDOWN Maps](#)
[LAYDOWN Application and backup](#)

[Clerk's Note: Assembly Member Bagley declared a possible conflict as he is a named petitioner of this petition to vacate. President Gilman ruled a conflict did exist and Mr. Bagley abstained from voting on this agenda item.]

The petition to vacate was approved.

Approval of the Agenda and Consent Agenda

President Gilman called for public hearing with none being offered.

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

Yes: 9 - Bagley, Cooper, Dunne, Gilman, Holmdahl, Johnson, Knopp, Ogle, and Welles

COMMENDING RESOLUTIONS AND PROCLAMATIONS

1. [KPB-0585](#) A Resolution Commending the Homer High School Wrestling Team Small Schools Alaska State Champions for the Year 2015 (Mayor, Cooper)

Attachments: [Homer High Wrestling Team](#)

[Clerk's Note: Mayor Navarre presented the commending resolution to Head Coach Chris Perk, Assistant Coach Bubba Wells and team members.]

This Commending Resolution was adopted.

PRESENTATIONS WITH PRIOR NOTICE

1. [KPB-0595](#) Central Peninsula Hospital Quarterly Report (10 minutes)

Attachments: [LAYDOWN CPH Quarterly Report](#)

[Clerk's Note: Lance Spendler, CFO of Central Peninsula Hospital presented the quarterly report to assembly.]

This Presentations with Prior Notice was presented.

2. [KPB-0580](#) "The Cannabis Industry, A Visual Journey" Dollynda Phelps (10

minutes)

Attachments: [LAYDOWN Marijuana Cultivating, Testing, Manufacturing and Retail](#)

[Clerk's Note: Dollynda Phelps gave a presentation to the assembly regarding the cannabis industry.]

This Presentations with Prior Notice was presented.

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 - None.
3. Other
 - a. [KPB-0588](#) Quarterly and Final Report of the Marijuana Task Force, Leif Abel, Chair

Attachments: [Quarterly and Final Report of the Marijuana Task Force](#)

[Clerk's Note: Marijuana Task Force Chair Leif Abel presented the task force's quarterly and final report to the assembly.]

This Mayor's Report was presented.

- b. [KPB-0589](#) Informational Presentation by Stroudwater Associates - Health Care Consulting Services

Attachments: [LAYDOWN Stroudwater Presentation](#)

[Clerk's Note: Matt Mendez of Stroudwater Associates gave a presentation regarding the evolving rural healthcare environment.]

This Mayor's Report was presented.

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

- [2015-19-21](#) An Ordinance Authorizing the Acquisition of Real Property Located at 362 Tyee Street, Soldotna Alaska on Behalf of Central Peninsula Hospital for Transitional Housing Purposes, Accepting and

Appropriating Grant Funds of \$1,105,000, Appropriating \$395,000 from the CPGH, Inc. Plant Replacement and Expansion Fund for the Purchase and Remodel of the Property, and Authorizing an Amendment to the CPGH, Inc. Lease and Operating Agreement (Mayor)

Attachments: [O2015-19-21](#)

[LAYDOWN Planning Commission Recommendations](#)

[Memo](#)

[9th Amendment to Lease and Operating Agreement](#)

[Purchase Agreement](#)

[CPGH Inc. R2015-79](#)

[Survey](#)

[Grant Awards](#)

[Exhibit B Sustainability Plan](#)

[LAYDOWN Due Diligence Inspection Memo](#)

Cooper moved to enact Budget Ordinance 2015-19-21.

President Gilman called for public comment with none being offered.

President Gilman passed the gavel to Vice President Johnson and spoke in support of Ordinance 2015-19-21.

Vice President Johnson returned the gavel to President Gilman.

The motion to enact carried by the following vote:

Yes: 7 - Bagley, Cooper, Dunne, Gilman, Holmdahl, Johnson, and Knopp

No: 2 - Ogle, and Welles

[2015-27](#)

An Ordinance Amending KPB 7.10.020 to Reduce the Minimum Distance Between a Liquor Licensed Premise and an Established School, Church or Playground from 500 Feet to 300 Feet, and Changing the Method of Measuring the Distance to Match State Statute (Bagley)

Attachments: [O2015-27](#)
[Knopp Amendment](#)
[LAYDOWN PC Recommendations](#)
[Memo](#)
[KPBSD Clarification Letter dated 1-16-16](#)
[Amendments Proposed by Dan Coffey](#)
[Public Comment Debbie Cary](#)
[Additional Public Comment](#)
[Additional Public Comment \(2\)](#)
[KPBSD Letter of Opposition](#)
[Additional Public Comment \(3\)](#)
[Additional Public Comment \(4\)](#)
[Petition in Support of Ninilchik Liquor Store](#)
[Additional Public Comment \(5\)](#)
[Additional Public Comment \(6\)](#)
[Additional Public Comment \(7\)](#)
[LAYDOWN Additional Public Comments \(8\)](#)
[Additional Public Comment \(9\)](#)

Knopp moved to enact Ordinance 2015-27.

President Gilman called for public comment:

The following people spoke in support of Ordinance 2015-27:

Dan Coffey, Anchorage
Brian Olson, Soldotna
James Clark, Ninilchik
Greg Encelewski, Kasilof
Jason Ross, Nikiski

The following people spoke in opposition to Ordinance 2015-27:

Richard Benkin, Happy Valley
Debbie Cary, Ninilchik
Mchelle Holly, Soldotna
Holly Norwood, Nikiski
Blair Martin, Kenai

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

Knopp moved to amend Ordinance 2015-27 as follows:

Amend the final whereas clause to read, "reducing the 500 foot distance requirement to 300 feet from churches for package store and restaurant and eating place licensed premises would reduce the community conflicts created when this issue arises and still maintain a reasonable distance between liquor licensed premises and churches, schools, and playgrounds; and"

Amend KPB 7.10.020(A)(2)(c) in Section 1 to read, "The public entrance of the licensed premises would be within ~~500~~ 300 feet [by straight line measurement from the property line] of an established school, or church building in which religious services are regularly conducted, or the outer boundaries of a playground, measured by the shortest pedestrian route from the outer boundaries of the school ground or playground or the public entrance of the church building, except that for package store and restaurant or eating place licensed premises, the distance from a church building described above would be within 300 feet; or"

President Gilman passed the gavel to Vice President Johnson and spoke in support of the amendment, but in opposition to the ordinance.

Vice President Johnson returned the gavel to President Gilman.

The motion to amend failed by the following vote:

Yes: 4 - Bagley, Dunne, Gilman, and Knopp

No: 5 - Cooper, Holmdahl, Johnson, Ogle, and Welles

Bagley moved to amend Ordinance 2015-27 as follows:

Amend the title to read, "AN ORDINANCE AMENDING KPB 7.10.020 TO [reduce the minimum distance between a liquor licensed premise and an established school, church or playground from 500 feet to 300 feet, and] CHANGE~~E~~[ing] THE METHOD OF MEASURING THE DISTANCE TO MATCH STATE STATUTE"

Delete the 2nd, 3rd, 4th, 6th, 7th and 9th Whereas clauses as follows,

"[WHEREAS, IT PROVIDED IN PART THAT LIQUOR LICENSE APPLICATIONS WOULD BE PROTESTED IF THE PREMISES WOULD BE WITHIN 500 FEET OF AN ALREADY ESTABLISHED SCHOOL, PLAYGROUND OR CHURCH; AND

WHEREAS, THIS CHAPTER WAS SUBSEQUENTLY AMENDED IN ORDINANCE 90-3 TO ALLOW FOR EXCEPTIONS TO THE MANDATORY PROTEST WHERE THE GOVERNING OR SUPERVISORY AUTHORITY FOR THE CHURCH, SCHOOL OR PLAYGROUND CONSENTS WITHIN THAT DISTANCE WOULD NOT UNDULY IMPACT OR INTERFERE WITH ACCESS, THE FLOW OF TRAFFIC OR THE OPERATIONS OF THE SCHOOL, CHURCH OR PLAYGROUND; AND

WHEREAS, CHAPTER 7.10 WAS AMENDED IN ORDINANCE 90-6 TO CLARIFY THAT THE 500 FEET WOULD BE MEASURED FROM THE PUBLIC ENTRANCE OF THE LICENSE PREMISES BY STRAIGHT LINE MEASUREMENT TO THE PROPERTY LINE OF AN ESTABLISHED SCHOOL OR CHURCH, OR THE OUTER BOUNDARIES OF A PLAYGROUND, AND

WHEREAS, IMPOSING THE LARGER DISTANCE REQUIREMENT OF 500 FEET ON COMMUNITIES IN THE BOROUGH CREATES CONFLICT AND PROBLEMS IN SMALL COMMUNITIES WHERE POPULATIONS ARE INCREASING AND BECOMING DENSER, RESULTING IN MANY MIXED LAND USES BEING IN CLOSER PROXIMITY TO EACH OTHER THAN WAS HISTORICALLY THE CASE; AND

WHEREAS, THE ONLY OTHER MUNICIPALITIES IN THE STATE THAT DO NOT PROHIBIT THE SALE OF LIQUOR AND ARE KNOWN TO HAVE A GREATER DISTANCE REQUIREMENT THAN STATE LAW ARE VALDEZ, WHICH REQUIRES A MINIMUM 500 FOOT DISTANCE AND BETHEL, WHICH REQUIRES A MINIMUM 300 FOOT DISTANCE; AND

WHEREAS, REDUCING THE 500 FOOT DISTANCE REQUIREMENT TO 300 FEET WOULD REDUCE THE COMMUNITY CONFLICTS CREATED WHEN THIS ISSUE ARISES AND STILL MAINTAIN A REASONABLE DISTANCE BETWEEN LIQUOR LICENSED PREMISES AND CHURCHES, SCHOOLS AND PLAYGROUNDS; AND]"

Amend 7.10.020(A)(2)(c) in Section 1 to read, "The public entrance of the licensed premises would be within [300] 500 feet [BY STRAIGHT LINE MEASUREMENT FROM THE PROPERTY LINE] of an established school, [OR] church building in which religious services are regularly conducted, or the outer boundaries of a playground, measured by the shortest pedestrian route from the outer boundaries of the school ground or playground or the public entrance of the church building; or "

[Clerk's Note: 7.10.020(D) was technically amended to read, "notwithstanding the provision of KPB 7.10.020(A)(2)(c), the assembly will not file a protest based on distance between property lines of less than [300] 500 feet, if after the request by the applicant and after a hearing it determines (1) that the governing or supervisory authority for the church, school or playground consents to the licensed location being closer than allowed by KPB 7.10.020(A)(2)(c); and (2) that locating the premises within that distance would not unduly impact or interfere with access, the flow of traffic or the operations of the school, church, or playground. In the absence of such determination or consent, the protest shall be filed as required by this section."]

The motion to amend carried by the following vote:

Yes: 5 - Bagley, Dunne, Holmdahl, Knopp, and Ogle

No: 4 - Cooper, Gilman, Johnson, and Welles

Assembly Members Johnson, Ogle and Cooper spoke in opposition to Ordinance 2015-27 as amended.

Assembly Members Holmdahl and Dunne spoke in support of Ordinance 2015-27 as amended.

President Gilman passed the gavel to Vice President Johnson and spoke in opposition to Ordinance 2015-27 as amended. Vice President Johnson returned the gavel to President Gilman.

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

Yes: 5 - Bagley, Dunne, Holmdahl, Knopp, and Ogle

No: 4 - Cooper, Gilman, Johnson, and Welles

[2016-01](#) An Ordinance Approving Correia Single-Family Residential Local Option Zoning District, and Amending KPB 21.46.040 (Mayor)

Attachments: [O2016-01](#)

[LAYDOWN PC Recommendations](#)

[Memo](#)

[Petition](#)

[Maps](#)

[Excerpt from KPB 21.44](#)

[Certificate of Publication and Mailing](#)

Welles moved to enact Ordinance 2016-01.

President Gilman called for public comment.

Kim Regikerik, Kasilof spoke in support of Ordinance 2016-01.

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

Welles moved to amend Ordinance 2016-01 by filling in the blanks of the final whereas clause to read, "the Kenai Peninsula Borough Planning Commission, as its regular meeting of January 25, 2016, recommended approval by unanimous consent;"

The motion to amend Ordinance 2016-01 carried by the following vote:

Yes: 9 - Bagley, Cooper, Dunne, Gilman, Holmdahl, Johnson, Knopp, Ogle, and Welles

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

Yes: 9 - Bagley, Cooper, Dunne, Gilman, Holmdahl, Johnson, Knopp, Ogle, and Welles

[2016-03](#) An Ordinance Amending KPB Chapters 21.44 and 21.46 Regarding Local Option Zoning, and Repealing KPB 21.50.050 Relating to Fines and Reenacting as KPB 21.50.055 (Johnson, Mayor)

Attachments: [O2016-03](#)

[Bagley Amendment](#)

[Amendment Memo](#)

[Memo](#)

[Sectional Analysis](#)

[Proposed KPB 21.44 with no legislative format](#)

[Public Comment](#)

[Marijuana Task Force Recommendation Memo](#)

[PC's Request for Additional Public Hearing and Joint Worksession with the Assembly](#)

Welles moved to enact Ordinance 2016-03.

President Gilman called for public comment.

The following people spoke in opposition to Ordinance 2016-03:

Brian Olson, Soldotna

Michelle Holly, Soldotna

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

Ogle moved to postpone Ordinance 2016-03 to February 23, 2016.

Assembly Members Cooper, Bagley and Johnson spoke in support of postponement.

Assembly member Welles spoke in opposition to postponement.

The motion to postponed Ordinance 2016-03 to February 23, 2016 carried by the following vote:

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

No: 1 - Welles

UNFINISHED BUSINESS

None.

NEW BUSINESS

Resolutions

[2016-007](#) A Resolution Establishing a Temporary Senior Citizens Advisory Task Force (Cooper, Ogle)

Attachments: [R2016-007](#)

[Memo](#)

Knopp moved to adopt Resolution 2016-007.

President Gilman called for public comment with none being offered.

Assembly Member Knopp spoke in opposition to Resolution 2016-007.

Assembly Members Welles, Ogle and Cooper spoke in support of Resolution 2016-007.

President Gilman passed the gavel to Vice President Johnson and spoke in support of Resolution 2016-007.

Vice President Johnson returned the gavel to President Gilman.

The motion to adopt carried by the following vote:

Yes: 5 - Cooper, Dunne, Gilman, Ogle, and Welles

No: 4 - Bagley, Holmdahl, Johnson, and Knopp

[2016-008](#) A Resolution Establishing Corrected Kenai Peninsula Borough State Capital Project Priorities for the Year 2016 (Mayor)

Attachments: [R2016-008](#)

[Memo](#)

[KPBSD FY2016 6 Year Plan](#)

[R2016-001](#)

Johnson moved to adopt Resolution 2016-008.

President Gilman called for public comment with none being offered.

President Gilman passed the gavel to Vice President Johnson and spoke in support of Resolution 2016-008.

Vice President Johnson returned the gavel to President Gilman.

The motion to adopt carried by the following vote:

Yes: 9 - Bagley, Cooper, Dunne, Gilman, Holmdahl, Johnson, Knopp, Ogle, and Welles

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Gilman called for public comments.

Eric Trider, Soldotna addressed the assembly regarding the impact the cannabis industry has had in Colorado.

Brian Olson, Soldotna addressed the assembly regarding annexation with the City of Soldotna and the status thereof.

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. February 3, 2016 Health Care Task Force Meeting 6:30 PM Assembly Chambers, Borough Administration Building
2. February 17, 2016 Health Care Task Force "Provider/Delivery Subcommittee" Meeting 6:30 PM Seward Library - Community Room 239 6th Ave., Seward, AK
3. February 23, 2016 Regular Assembly Meeting 6:00PM Assembly Chambers, Borough Administration Building

ASSEMBLY COMMENTS

Assembly Member Bagley stated that perhaps the clerk was glaring at President Gilman because he passed the gavel four times, whereas he only passed the gavel once.

Assembly Member Holmdahl stated she felt this was her official first assembly meeting since being elected, as it was very trying but fulfilling at the same time. She stated she was in Juneau last week for the Young Fishermans Summit sponsored by the Marine Advisory Program and the University of Alaska, both had always done a fabulous job educating young fisherman in the industry. Ms. Holmdahl reminded everyone in her district to check out the survey on Seward City News' webpage regarding the Rotary park that was being proposed.

Assembly Member Welles wished everyone a good evening.

Assembly Member Cooper thanked the volunteers who handled response efforts for the recent earthquake on the peninsula and gave "koodos" to everyone involved. She stated, how lucky we were to have a group like that.

Assembly Member Johnson expressed his appreciation for his fellow assembly members for all coming back together after being on opposite sides of any given issue. He stated it was impossible for the clerk or anyone from the clerk's office to "glare", as it simply was not possible.

President Gilman stated he was meeting with School Board President, Joe Arness to schedule a joint budget work session with the assembly. He stated he was at the Key Communicators and Collaborators meeting today and learned that there were some serious budget issues that the school board will discuss during the joint work session. He reminded the assembly members that their Alaska Public Offices Commission (APOC) annual reports were due on March 15.

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 11:24 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of February 2, 2015.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____