



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Final

Assembly

Wayne Ogle, President

Dale Bagley, Vice President

Norm Blakeley

Kenn Carpenter

Kelly Cooper

Willy Dunne

Paul Fischer

Brent Hibbert

Hal Smalley

Tuesday, April 16, 2019

6:00 PM

Seward High School Auditorium

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

[Clerk's Note: The invocation was given by Carrie Henson.]

ROLL CALL

[Clerk's Note: Assembly Member Fischer attended via phone.]

Present: 9 - Paul Fischer, Dale Bagley, Brent Hibbert, Kenn Carpenter, Norm Blakeley, Kelly Cooper, Hal Smalley, Wayne Ogle, and Willy Dunne

Also present were:

Charlie Pierce, Borough Mayor

James Baisden, Chief of Staff

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 Smalley stated the Policies and Procedures Committee met and discussed its agenda items.

Assembly Member Dunne stated the Legislative Committee met and discussed its

agenda item.

APPROVAL OF AGENDA AND CONSENT AGENDA

Bagley moved to approve the agenda and consent agenda.

[KPB-2100](#) April 2, 2019 Regular Assembly Meeting Minutes

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

[2018-19-31](#) An Ordinance Approving and Appropriating Grant Funds Totaling \$23,530.89 from the Alaska Department of Natural Resource for the Volunteer Fire Assistance Program on Behalf of Anchor Point Fire & Emergency Services, Bear Creek Fire Service Area, Kachemak Emergency Service Area, and Nikiski Fire Service Area (Mayor)

[Clerk's Note: The last three Whereas clauses in Ordinance 2018-19-31 were amended to read, "“WHEREAS, at its regular meeting held on April 9, 2019, the Bear Creek Fire Service Area board recommended approval by unanimous consent and

WHEREAS, at its regular meeting held on April 10, 2019, the Nikiski Fire Service Area board recommended approval by unanimous consent; and

WHEREAS, at its regular meeting held on April 11, 2019, the Kachemak Emergency Service Area board recommended approval by unanimous consent; and”.]

This Budget Ordinance was enacted as amended.

[2018-19-32](#) An Ordinance Accepting and Appropriating a Grant from the State of Alaska Department of Commerce, Community and Economic Development in the Amount of \$487,500 and Appropriating \$169,000 from the Central Emergency Service Area FY19 Capital Improvement Project Fund to Purchase a Pumper/Tanker for the Funny River Fire Station (Mayor)

This Budget Ordinance was enacted.

New Business

[2019-028](#) A Resolution, Authorizing the Kenai Peninsula Borough to Intervene in the Enstar Natural Gas Company Homer Extension Surcharge Tariff TA310-4 (Cooper, Dunne)

This Resolution was adopted.

[2018-19-34](#) An Ordinance Approving the Purchase and Installation of 33 Patient Monitors for the South Peninsula Hospital and Appropriating \$756,000 from the South Peninsula Hospital Service Area Plant Replacement and Expansion Fund (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2019-08](#) An Ordinance Amending KPB 22.40.080 to Have the Mayor's Report Heard Later on the Agenda (Bagley, Cooper)

This Ordinance was introduced and set for public hearing.

[KPB-2099](#) Authorizing a Letter of Non-Objection of the Issuance of the New Liquor License as Requested by Dirty Skillet, License Number 5765

approved

[KPB-2098](#) Authorizing a Letter of Non-Objection of the Transfer of Ownership and Location of Coldwater Market, License Number 867

approved

Approval of the Agenda and Consent Agenda

President Ogle called for public comment.

Bruce Jaffa, Moose Pass spoke in support of Ordinance 2018-19-31.

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 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

COMMENDING RESOLUTIONS AND PROCLAMATIONS

None.

PRESENTATIONS WITH PRIOR NOTICE

[KPB-2106](#) Seward Bear Creek Flood Service Area Annual Report

[Clerk's Note: Stephanie Presley, Program Lead and Mark Ganser, Board Chair presented Seward Bear Creek Flood Service Area's annual report.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Ogle called for public comment.

Sue McClure, Seward welcomed the Borough Assembly to Seward.

Sharyl Seese, Seward discussed the proposed animal shelter project in Seward.

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

MAYOR'S REPORT

[KPB-2094](#) Mayor's Report Cover Memo

1. Assembly Requests/Responses - None.
2. Agreements and Contracts - None.
3. Other
 - a. [KPB-2095](#) Litigation Status Report - Quarter Ending 03/31/19
 - b. [KPB-2096](#) Revenue - Expenditure Report - March 2019
 - c. [KPB-2097](#) Budget Revisions - March 2019

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

[2018-19-33](#) An Ordinance Appropriating Supplemental Funding of \$2,423,955 for the Kenai Peninsula Borough School District Fiscal Year 2019 Budget (Dunne, Smalley)

[Clerk's Note: A teleconference site will be established at the Borough Office in Soldotna (Borough Administration Building, Assembly Chambers) and Homer (206 E. Pioneer, Suite 1) in order to take public testimony on the above referenced Ordinance.]

Cooper moved to enact Ordinance 2018-19-31.

President Ogle called for public comment at the Homer teleconference site.

The following people spoke in support of Ordinance 2018-19-33:

Rachel Lord, Homer
Delane Backstock, Homer
Louie Flora, Homer
Ginny Espenshade, Homer
Karin Sonnen, Homer

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

President Ogle called for public comment at the Soldotna teleconference site, with none being offered.

President Ogle called for public comment in the auditorium.

The following people spoke in support of Ordinance 2018-19-33:

Rodger Painter, Seward
Carrie Hensen, Soldotna
Bruce Jaffa, Moose Pass
Carole Jaffa, Moose Pass
Jason Aigeldinger, Moose Pass
Suzi Towsley, Seward
Minor Child, Seward
Debbie Thomas, Cooper Landing
Linda Hutching, Soldotna
Mike Cooney, Moose Pass
Minor Child, Ninilchik
Eva Sanchez, Moose Pass
Sarah Spanos, Seward
Christy Jordan, Lowell Point
David Brighton, Kenai
Terry Federer, Seward
Linda Corbin, Seward
Selma Asagrarda, Seward
Hillary Bean, Seward
Carol Strickland, Nikiski
David Paperman, Seward
Angela Bond, Moose Pass
Jesse Bjorkman, Nikiski
Julie Depkin, Seward
Stephanie Cronin, Seward

Peg Petersen, Sterling
Karen Corrigan, Seward
Minor Child, Seward
Becky Dunn, Seward
Minor Child, Seward
Debbie Cary, Ninilchik
Mica VanBuskirk, Lowell Point
Jessie Hewit, Seward
Jennifer Desurina, Seward
Maya Benavente, Seward
Heather Shank, Seward

The following people spoke in opposition to Ordinance 2018-19-33:

Julie Denison, Soldotna
Wilma Hampson, Nikiski
Barb Blakeley, Sterling

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

Assembly Members Dunne, Cooper and Smalley spoke in support of Ordinance 2018-19-33.

President Ogle passed the gavel to Vice President Bagley and spoke in opposition to Ordinance 2018-19-33. Vice President Bagley returned the gavel to President Ogle.

Fischer moved to amend Ordinance 2018-19-33.

Amend the Title to read, "An Ordinance Appropriating Supplemental Funding of \$[2,423,955]1,211,978 for the Kenai Peninsula Borough School District Fiscal Year 2019 Budget"; and

Section 1 to read, "The sum of \$[2,423,955]1,211,978 is hereby appropriated from the General fund, Fund balance, to be transferred to the School Fund, account number 241.94910.50241."

The motion to amend Ordinance 2018-19-33 failed by the following vote:

Yes: 4 - Fischer, Carpenter, Cooper, and Ogle

No: 5 - Bagley, Hibbert, Blakeley, Smalley, and Dunne

Cooper moved to amend Ordinance 2018-19-33.

Amend the Title to read, "An Ordinance Appropriating Supplemental Funding of

\$2,423,955, or the Maximum Allowed Pursuant to AS 14.17.410(C), Whichever is Less, for the Kenai Peninsula Borough School District Fiscal Year 2019 Budget"; and

Add a new eighth Whereas clause to read, "as the maximum allowable amount may prove to be less than the amount under the formula in AS 14.17.410(c) this appropriation should be for the maximum allowed by law if that is less than \$2,423,955; and"; and

Amend Section 1 to read, "The sum of \$2,423,955, or the maximum allowed pursuant to AS 14.17.410(c), whichever is less, is hereby appropriated from the General [f]Fund, [F]fund balance, to be transferred to the School Fund, account number 241.94910.50241."

The motion to amend Ordinance 2018-19-33 carried by the following vote:

Yes: 9 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

The motion to enact Ordinance 2018-19-33 as amended carried by the following vote:

Yes: 5 - Bagley, Hibbert, Cooper, Smalley, and Dunne

No: 4 - Fischer, Carpenter, Blakeley, and Ogle

UNFINISHED BUSINESS

None.

NEW BUSINESS

Resolutions

[2019-027](#)

A Resolution Determining the Amount to be Provided from Local Sources for School Purposes During Fiscal Year 2020 and Approving the Kenai Peninsula Borough School District Total Budget (Mayor)

[Clerk's Note: A teleconference site will be established at the Borough Office in Soldotna (Borough Administration Building, Assembly Chambers) and Homer (206 E. Pioneer, Suite 1) in order to take public testimony on the above referenced Resolution.]

Cooper moved the adopt Resolution 2019-027.

President Ogle called for public comment at the Homer teleconference site.

The following people addressed the assembly regarding Resolution 2019-027:

Rachel Lord, Homer

Delane Blakstock, Homer

Ginny Espenshade, Homer

Karin Soonen, Homer

Louie Flora, Homer

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

President Ogle called for public comment at the Soldotna teleconference site with none being offered.

President Ogle called for public comment in the auditorium.

The following people addressed the assembly regarding Resolution 2019-027:

Linda Hutching, Soldotna

Bruce Jaffa, Moose Pass

Grace Williams, Seward

Mike Paperman, Seward

Mica VanBuskirk, Lowell Point

Mike Coeey, Moose Pass

David Brighton, Kenai

Karen Corrigan, Seward

Maya Benavente, Seward

Debbie Thomas, Cooper Landing

Becky Dunn, Seward

Debbie Cary, Ninilchik

Barbara Blakeley, Sterling

Jesse Bjorkman, Nikiski

Minor Child, Ninilchik

There being one one else who wished to speak, the public comment period was closed.

Assembly Members Bagley, Carpenter, Smalley and Cooper spoke in support of Resolution 2019-027 as written.

President Ogle passed the gavel to Vice President Bagley and spoke in support of Resolution 2019-027 as written. Vice President Bagley returned the gavel to President Ogle.

Assembly Member Dunne spoke in opposition to Resolution 2019-027 as written.

Bagley moved to amend Resolution 2019-027.

Amend the second Whereas clause to read, "the borough is proposing that school

funding from local sources for FY2020 be \$47,314,477 or the maximum allowed pursuant to AS 14.17.410(c), whichever is less."; and

Amend Seciton 2 to read, "That the maximum allowed pursuant to AS 14.17.410(c), or \$47,314,477, whichever is less, shall be made available from local sources to fund school district operations for Fiscal Year 2020 as follows:

- A. Local Effort \$36,266,053
- B. Borough Mainenance 7,773,247
- C. School District Utilities 90,000
- D. Insurance 2,970,178
- E. Audit 95,790
- F. Custodial Services 119,209

Total Local Funding Per AS 14.17.410 \$47,314,477"

The motion to amend Resolution 2019-027 carried by the following vote:

Yes: 9 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

The motion to adopt Resolution 2019-027 as amended carried by the following vote:

Yes: 7 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Smalley, and Ogle

No: 2 - Cooper, and Dunne

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Ogle called for public comment.

Carrie Hensen, Soldotna discussed school funding and climate change.

Barbara Blakeley, Sterling discussed education verses intellegence.

Bruce Jaffa, Moose Pass discussed airport resources.

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. April 24, 2019 Material Site Work Group
9:00 AM Betty J. Glick Assembly Chambers, Soldotna, Alaska
2. April 26, 2019 Election Stakeholders Group
10:00 AM Betty J. Glick Assembly Chambers, Soldotna, Alaska
3. May 6, 2019 AK LNG Project Advisory Committee
6:00 PM North Peninsula Recreation Center

4. May 7, 2019 Regular Assembly Meeting
6:00 PM Betty J. Glick Assembly Chambers, Soldotna, Alaska

ASSEMBLY COMMENTS

Assembly Member Dunne thanked everyone for their testimony. He stated he was pleased with the passage of Ordinance 2018-19-33, but had to wait and see if it was going to hold. Mr. Dunne shared a quote from a former Homer representative, Gail Phillips, regarding budget deficits, and school funding.

Assembly Member Fischer stated his participation via phone was very satisfactory. He stated that if funding schools was to the cap, it may be to high and might have to reduce it.

Assembly Member Blakeley wished everyone a good evening.

Assembly Member Cooper thanked the City of Seward for hosting the Assembly. She stated she had always enjoyed coming to Seward. Ms. Cooper wished everyone a good evening.

Assembly Member Smalley thanked the City of Seward for hosting the Assembly. He encouraged everyone to continue to participate in the public testimony process.

Assembly Member Hibbert thanked the City of Seward for hosting the Assembly. He thanked everyone for their testimony and encouraged everyone to stay engaged, even when the budget was not on the agenda.

Assembly Member Carpenter thanked the City of Seward. He stated he voted against Ordinance 2018-19-33 because he wanted to see the additional funding go to the next fiscal year and not the current fiscal year. Mr. Carpenter invited everyone to come to Seward for Kids Day at First Lake, Thursday, May 16, 2019.

Assembly Member Bagley thanked Seward for hosting the Assembly. He thanked everyone for their testimony. Mr. Bagley stated he enjoyed coming to Seward and visiting with former Assembly Member, Sue McClure. Mr. Bagley stated he was in politics since 1994 and learned two important things; one - the budget, and two - it did not matter what politicians said, it mattered what they had done. He stated hopefully they will get the school district funded to the cap, if not close to the cap.

President Ogle thanked the City of Seward for hosting the Assembly. He thanked the Seward Bear Creek Flood Service Area for their annual report. Mr. Ogle thanked everyone for their testimony, both via phone and in person. He expressed his concerns with some statements made regarding the untruthfulness of budget information. He stated everyone around the dais had good intentions for the borough.

He stated the budget process had just begun and looked forward to the discussion.

INFORMATIONAL MATERIALS AND REPORTS

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Ogle adjourned the meeting at 10:31 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of April 16, 2019.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____