



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, December 8, 2015

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

The invocation was given by Pastor John Rysdyk from Soldotna Bible Chapel.

ROLL CALL

Present: 9 - President Dale Bagley, Kelly Cooper, Willy Dunne, Blaine Gilman, Brandii Holmdahl, 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 item.

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-0544](#) November 10, 2015 Regular Assembly Meeting Minutes

Attachments: [November 10, 2015 Regular Assembly Meeting Minutes](#)

approved.

[KPB-0533](#) A Commending Resolution Honoring Robert "Bob" Bielefeld for His Years of Service and High Commitment to Aviation Safety (Mayor)

Attachments: [Robert Bielefeld Commending Resolution](#)

This Commending Resolution was adopted.

[2015-052](#) A Resolution Authorizing Award of a Contract to Soderstrom Architects, Ltd for Professional Design Services for the Central Peninsula Hospital Radiology Department Renovation Phases III, IV, and V (Mayor)

Attachments: [R2015-052](#)

[Memo](#)

Resolution 2015-052 was adopted.

[2015-053](#) A Resolution Adopting an Alternate Allocation Method for the FY16 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in the Cook Inlet Fisheries Management Area (Mayor)

Attachments: [R2015-053](#)

[Memo](#)

Resolution 2015-053 was adopted.

[2015-054](#) A Resolution Approving Labor Negotiation Procedures for a New Collective Bargaining Agreement with the Kenai Borough Employees Association (Mayor)

Attachments: [R2015-054](#)

[Memo](#)

[Collective Bargaining Agreement Negotiation Rules](#)

Resolution 2015-054 was adopted.

[2015-19-18](#) An Ordinance Appropriating \$2,500 in Supplemental Funding for the Kachemak Emergency Service Area (Mayor)

Attachments: [O2015-19-18](#)

[Memo](#)

Budget Ordinance 2015-19-18 was introduced and set for public hearing.

[2015-19-19](#) An Ordinance Appropriating \$49,000 for Repairs to the River Center Building (Mayor)

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

[Memo](#)

Budget Ordinance 2015-19-19 was introduced and set for public hearing.

[KPB-0545](#) Approving the Application for Restaurant Designation Permit Filed by Sunrise Holdings LLC dba Sunrise Inn

Attachments: [Sunrise Inn Memo](#)

[Sunrise Inn Application & Attachments](#)

The Restaurant Designation Permit was approved.

[KPB-0546](#) Petition to Vacate the 60-foot Wide Goracke Circle Cul-de-Sac Right-of-Way and all Associated Utility Easements as Dedicated / Granted by Soldotna – East Subdivision No. 7, Plat KN 85-10. The Right-of-Way Being Vacated is Unconstructed and Located within the NW ¼, NW ¼, NW ¼ of Section 25, T5N R10W, Seward Meridian, Alaska and within the Kenai Peninsula Borough; KPB File 2015-134 (Mayor)

[Clerk's Note: The Planning Commission approved the referenced vacation by unanimous consent at its meeting of November 23, 2015.]

Attachments: [Goracke Petition Memo](#)

[Goracke Petition Unapproved PC Minutes 112315](#)

[Goracke Planning Commission Decision](#)

[Goracke Plats](#)

[Goracke Maps](#)

[Goracke Petition Appln](#)

The Petition to Vacate was approved.

Approval of the Consent Agenda

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

[KPB-0533](#) A Commending Resolution Honoring Robert "Bob" Bielefeld for His Years of Service and High Commitment to Aviation Safety (Mayor)

Attachments: [Robert Bielefeld Commending Resolution](#)

[Clerk's Note: Mayor Navarre read the Commending Resolution honoring Mr. Bielefeld.]

PRESENTATIONS WITH PRIOR NOTICE

1. [TMP-0141](#) South Peninsula Hospital Quarterly Report (10 minutes)

[Clerk's Note: Robert "Bob" Letson, CEO and Lori Skaggs, CFO gave South Peninsula Hospital's quarterly report.]

2. [TMP-0145](#) Kenai Peninsula Borough School District Quarterly Report (10 minutes)

Attachments: [KPBSD Quarterly Report](#)

[Clerk's Note: Sean Dusek, Superintendent and Joe Arness, Board President gave Kenai Peninsula Borough School District's quarterly report.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Gilman called for public comments with none being offered.

MAYOR'S REPORT

1. Assembly Requests/Responses - None.

2. Agreements and Contracts

a. [KPB-0534](#) Authorization to Award Contract through the WSCA Cooperative Purchasing Group for the purchase of Digital Trunked Portable Motorola Radios, Accessories, Programming and Shipping from Motorola Solutions

Attachments: [Auth to Award Radios](#)

b. [KPB-0535](#) Sole Source Request for Panel Migration Field Services for the Seward Middle School to Siemens Industry Inc., Anchorage, Alaska

Attachments: [Sole Source Seward Middle School](#)

3. Other

- a. [KPB-0536](#) LNG Project Update Presentation by Larry Persily

Attachments: [LNG Update](#)

[Borough scoping comments to FERC](#)

[Clerk's Note: Larry Persily addressed the assembly and gave an update regarding the LNG project.]

- b. [KPB-0537](#) Alaska Legislature Citation Honoring Kenai Peninsula Borough Finance Department for the 2015 Distinguished Budget Presentation Award, Presented by Rep. Mike Chenault, Speaker of the House

Attachments: [Legislature Citation Honoring KPB Finance Dept](#)

[Clerk's Note: Speaker Chenault presented Craig Chapman, Finance Director with the State Legislature Citation.]

- c. [KPB-0538](#) Heroin Addiction on the Kenai Peninsula Presentation by Dr. Sarah Spencer

Attachments: [Addressing Heroin Addiction on the Kenai Peninsula](#)

[Clerk's Note: Dr. Les Anderson and Dr. Sarah Spencer gave presentations to the assembly regarding heroin addiction on the Kenai Peninsula.]

- d. [KPB-0539](#) Budget Revision – October 2015

Attachments: [Budget Revisions Oct 2015](#)

- e. [KPB-0540](#) Revenue-Expenditure Report – October 2015

Attachments: [Rev-Exp Report Oct 2015](#)

- f. [KPB-0541](#) Investment Portfolio as of September 30, 2015

Attachments: [Investment Portfolio 093015](#)

- g. [KPB-0542](#) FY16 – 1st Quarter Senior Grant Narrative Reports

Attachments: [FY16 1Q Senior Grant Reports](#)

- h. [KPB-0543](#) FY16 – 1st Quarter Non-Department Grant Reports

Attachments: [FY16 1Q NonDepartment Grant Reports](#)

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

1. [2015-26](#) An Ordinance Amending the Notice Requirements in KPB 5.35.150(C) and KPB 14.31.100(B) to Allow Ordinances of Assessment to be Heard at Least 13 Days After Introduction as Allowed in KPB 1.12.010 (Mayor)

Attachments: [O2015-26](#)

[Memo](#)

Knopp moved to enact Ordinance 2015-26.

President Gilman called for public comments with none being offered.

The motion to enact Ordinance 2015-26 carried by the following vote:

Yes: 9 - Bagley, Cooper, Dunne, Gilman, Holmdahl, Johnson, Knopp, 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](#)

[Memo](#)

[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](#)

Knopp moved to enact Ordinance 2015-27.

President Gilman called for public comments.

The following people addressed the assembly and spoke in opposition to Ordinance 2015-27:

Debbie Cary, Ninilchik

Sabrina Ferguson, Ninilchik

The following people addressed the assembly and spoke in support of Ordinance 2015-27:

Sharron Clark, Ninilchik
James Clark, Ninilchik
Greg Encelewski, Ninilchik
Katy Roe, Ninilchik
Dan Coffee, Anchorage
Brian Olson, Soldotna
Hanna Olson, Seward
Marie McConnell, Sterling
Cody Clark, Ninilchik

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

Bagley moved to postpone to February 2, 2016.

The motion to postpone Ordinance 2015-27 to February 2, 2016 carried by the following vote:

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

No: 2 - Cooper, and Welles

UNFINISHED BUSINESS

1. Postponed Items

[2014-32](#) An Ordinance Authorizing an Exchange with Paula and Timothy Keohane of a 4.3 Acre Drainage Easement at Karluk Avenue for a 1.84 Acre Parcel of Borough Land at Mile 12.1 K-Beach Road Which Shall be Subject to the Reservation of a 0.9 Acre Drainage Outlet Easement (Mayor)

(Johnson) Substitute: An Ordinance Authorizing the Sale of Borough Property to Dan and Teresa Sterchi Subject to a Drainage Easement and the Acquisition of a 4.3 Acre Drainage Easement on Property Along Kalifornsky Beach Road from Paula and Timothy Keohane (Johnson)

Attachments: [O2014-32](#)
[Executive Summary of Keohane Exchange Proposal](#)
[Quitclaim Deed](#)
[Drainage Easement](#)
[Maps](#)
[Exchange Map](#)
[O2014-32 \(Johnson\) Substitute](#)
[\(Johnson\) Sub Planning Commission Recommendations](#)
[\(Johnson\) Sub Memo](#)
[\(Johnson\) Sub Easement Purchase Agreement](#)
[\(Johnson\) Sub Quitclaim Deed with Reservation of Drainage Easement](#)
[\(Johnson\) Sub Purchase Agreement](#)
[Memo](#)
[Exhibit A](#)
[Exchange Proposal Response Letter](#)
[Welles Comment](#)
[Public Comment](#)
[Additional Public Comment](#)
[Planning Commission Recommendations \(approved 11/25/14\)](#)
[Postponement Memo \(Dealt with on 11/25/14\)](#)
[Request to Remove from Table \(dealt with on 07/07/15\)](#)
[Information Provided by Wolf](#)
[Additional Public Comment \(2\)](#)
[01/20/15 Memo & Summary Evaluation](#)
[Revised Amendment Memo & Drainage Easement Map \(dealt with on 08/18/15\)](#)
[Additional Public Comment \(3\)](#)
[Alaska Dept. of Transportation and Public Facilities Letter](#)
[Additional Public Comment \(4\)](#)
[Additional Public Comment \(5\)](#)
[Additional Public Comment \(6\)](#)
[Information Provided by Welles](#)
[Additional Public Comment \(7\)](#)
[Review and Consideration of Reeves Amodio LLC Opinion Memo](#)
[Reponse to Regis Memo](#)
[Amendment Memo \(2\)](#)

[Clerk's Note: The motion to enact was on the floor from the November 25, 2014 meeting.]

President Gilman called for public comments.

The following people addressed the assembly and spoke in opposition to Ordinance 2014-32 (Johnson) Substitute:

Dan Sterchi, K-Beach

Dave Yragui, K-Beach

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

Johnson moved to amend Ordinance 2014-32 by substitute.

The motion to amend Ordinance 2014-32 by substitute carried by the following vote:

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

Johnson moved to amend Ordinance 2014-32 (Johnson) Substitute as follows:

Amend Section 1 by inserting a new paragraph (a) that reads as follows and re-lettering the remaining paragraphs:

"a) The sale shall be for the fair market value established by a qualified fee appraiser hired by the borough."

Amend Section 2 by filling in the blank as follows:

"That the Sterchis will pay the borough [\$] the appraised value due at closing for the borough parcel. The conveyance of the borough parcel shall be subject to the easements set forth in section 1 of this ordinance. The borough parcel shall be conveyed by quitclaim deed. The Sterchis shall pay costs of closing and title insurance."

Amend Section 3 by filling in the blank as follows:

"The borough shall pay [\$] an amount equal to the payment received for the borough to the Keohanes for the drainage easement on the Keohanes' parcel as described in section 2 of this ordinance."

Amend Section 5 by filling in the blank as follows:

"That [\$] an amount equal to the amount received from Sterchis described in section this ordinance is appropriated from fund 250.21210.xxxxx.48610 for the purchase of easement on the Keohane parcel."

Assembly Members Johnson and Knopp spoke in support of the amendment.

The motion to amend 2014-32 (Johnson) Substitute carried by the following vote:

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

Johnson moved to amend Ordinance 2014-32 (Johnson) Substitute as follows:

Amend the final Whereas clause to read, "WHEREAS, the KPB Planning Commission, at its meeting of October 26, 2015 recommended approval by majority consent."

The motion to amend Ordinance 2014-32 (Johnson) Substitute carried by a unanimous vote.

Assembly Members Bagley and Welles spoke in opposition to Ordinance 2014-32 (Johnson) Substitute.

Assembly Members Johnson and Knopp spoke in support of Ordinance 2014-32 (Johnson) Substitute.

President Gilman passed the gavel to Vice President Johnson and spoke in opposition to Ordinance 2014-32 (Johnson) Substitute.

Vice President Johnson returned the gavel to President Gilman.

The motion to enact Ordinance 21014-32 (Johnson) Substitute as amended FAILED by the following vote:

Yes: 3 - Cooper, Dunne, and Johnson

No: 6 - Bagley, Gilman, Holmdahl, Knopp, Ogle, and Welles

2. [2015-047](#) A Resolution Requesting Governor Walker to Ask the Alaska National Guard Engineering Battalion to Repair and Reopen Rocky River Road Easement From Kachemak Bay to the Gulf of Alaska (Bagley) TABLED 10/27/15

[Clerk's Note: Assembly Member Bagley gave notice to remove Resolution 2015-047 from the table, per KPB 22.40.070.]

Attachments: [R2015-047](#)

[Bagley Amendment Memo](#)

[Memo](#)

[Public Comments](#)

Bagley moved to remove Resolution 2015-047 from the table. The motion carried by the following vote:

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

President Gilman called for public comments with none being offered.

Bagley moved to amend Resolution 2015-047 as follows:

Add a new final Whereas clause to read, "by passage of their Resolution 16-05, the City of Seldovia supports the repair and reopening of Rock River Road Easement."

The motion to amend Resolution 2015-047 carried by the following vote:

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

The motion to adopt Resolution 2015-047 as amended carried by the following vote:

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

NEW BUSINESS

Bid Awards

[2015-051](#) A Resolution Authorizing the Sole Source Award of a Health Care Consulting Contract to Stroudwater Associates (Mayor)

Attachments: [R2015-051](#)

[Memo](#)

[Stroudwater Proposal](#)

[Reference Letter](#)

Cooper moved to adopt Resolution 2015-051.

President Gilman called for public comments with none being offered.

Assembly Members Cooper, Holmdahl and Ogle spoke in support of Resolution 2015-051.

Assembly Member Welles spoke in opposition to Resolution 2015-051.

President Gilman passed the gavel to Vice President Johnson and spoke in support of Resolution 2015-051.

Vice President Johnson returned the gavel to President Gilman.

The motion to adopt Resolution 2015-051 carried by the following vote:

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

No: 1 - Welles

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Gilman called for public comments.

Debbie Cary, Ninilchik thanked the assembly members for their hard work.

Fred Sturman, Soldotna discussed health care on the peninsula as well as current oil prices.

Krista Schooly, Soldotna advised the assembly that nearly 200 children were in transition on the peninsula and thanked the school district for the programs they had in place to help these children.

Marie McConnell, Sterling discussed current oil prices.

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. December 10, 2015 Marijuana Task Force Meeting 6:00 PM
Assembly Chambers, Borough Administration Building
2. January 5, 2016 Regular Assembly Meeting 6:00 PM
Assembly Chambers, Borough Administration Building

ASSEMBLY COMMENTS

Assembly Member Bagley wished everyone a Merry Christmas and looked forward to seeing everyone next year.

Assembly Member Holmdahl stated this was her first long meeting and was looking forward to a little break. She stated she would attend the next meeting by teleconference and wished everyone a Merry Christmas.

Assembly Member Welles wished everyone a Merry Christmas.

Assembly Member Knopp shared recent news he learned at the Alaska Municipal League (AML) conference, that there would be no capital budget for the state this year. He stated he was re-elected to the AML Board and would do his best to keep everyone informed of what was happening in Juneau. Mr. Knopp wished everyone happy holidays.

Assembly Member Dunne thanked everyone who testified in person as well as those who sent in their written comments. He stated he really appreciated the different points of view and stated it was very helpful for him when making difficult decisions. Mr. Dunne stated he attended the Alaska Municipal League conference as well as the newly elected officials training. He stated it was great to see diverse citizen legislators from all over the state. Mr. Dunne thanked Drs. Anderson and Spencer for their presentations regarding heroin addiction. He wished everyone happy holidays and looked forward to having a little break

Assembly Member Ogle thanked everyone who testified and sent in their comments. He stated this year was quite the year and believed next year would be too. Mr. Ogle wished everyone a Merry Christmas.

Assembly Member Cooper wished everyone a Merry Christmas.

Assembly Member Johnson wished everyone a Merry Christmas. He stated he appreciated the public testimony as well as his fellow assembly members and their efforts in making difficult decisions. Mr. Johnson stated the Board of Fish decided not to hold their meeting on the Kenai Peninsula. He stated he attended the Board of Education meeting and learned Sunny Hilt's seat was vacant. He complimented the Board of Education for all the hard work they do.

President Gilman stated he appointed Mr. Ogle as the assembly representative to observe this year's labor negotiations. He wished everyone a happy holiday season.

PENDING LEGISLATION

None.

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 9:34 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of December 8, 2015.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____