



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Draft

Assembly

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

Tuesday, May 2, 2017

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

[Clerk's Note: The invocation was offered by Dr. Keith Hamilton of the Alaska Christian College.]

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 Thompson, Borough Attorney

Johni Blankenship, Borough Clerk

Michele Turner, Deputy Borough Clerk

COMMITTEE REPORTS

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

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

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

Ogle moved to approve the following salary adjustments: for the deputy clerk a one time salary equity adjustment of \$2,000 for FY17, a one time salary equity adjustment of \$2,000 for FY18, a one time payment of \$1,000 plus a 1.5% annual increase, all effective on July 1, 2017 for FY18 budget cycle. For the clerk a one time payment of \$1,500 plus a 1.5% annual increase,

effective on July 1, 2017 for FY18 budget cycle. The motion carried by the following vote:

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

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-1178](#) April 18, 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:

[2016-19-37](#) An Ordinance Redirecting Funds Previously Appropriated for Various South Peninsula Hospital Equipment Purchases and Authorizing the Purchase of Other Needed Equipment (Mayor)

[Clerk's Note: The last two Whereas clauses of Ordinance 2016-19-37 were amended to read, "“WHEREAS, the South Peninsula Hospital, Inc. Board of Directors recommended approval by unanimous consent at its March 22, 2017, meeting; and; WHEREAS, the South Kenai Peninsula Hospital Service Area Board recommended approval at its April 13, 2017 meeting;”]

This Budget Ordinance was enacted as amended.

[2016-19-38](#) An Ordinance Appropriating \$40,813.20 From the Eagle Lake Reclamation Account For Reclamation Work Completed At The Eagle Lake Material Site During the 2016 Operating Season (Mayor)

This Budget Ordinance was enacted.

[2016-19-39](#) An Ordinance Amending Ordinance 2001-19-11 to Authorize the Expenditure of \$15,494 by the Cook Inlet Regional Citizens Advisory Council from Previously Awarded Grant Funds to Use Towards Performing an Assessment of the Oil and Gas Pipelines in Cook Inlet (Mayor)

This Budget Ordinance was enacted.

[2017-07](#) An Ordinance Authorizing the Conveyance of Real Property Known as the Old Hope School to Hope, Inc. at Less than Fair Market Value (Mayor)

[Clerk's Note: The last Whereas clause of Ordinance 2017-07 was amended to

read, "WHEREAS, the Kenai Peninsula. Borough Planning Commission at its regular meeting of April 24, 2017, recommended approval by unanimous consent;"

This Ordinance was enacted as amended.

[2017-08](#)

An Ordinance Authorizing a Community Trail Management Agreement with Tsalteshi Trails Association, Inc. (Mayor)

[Clerk's Note: The last Whereas clause of Ordinance 2017-08 was amended to read, "WHEREAS, the Kenai Peninsula. Borough Planning Commission at its regular meeting of April 24, 2017, recommended approval by unanimous consent;"

This Ordinance was enacted as amended.

New Business

[2017-036](#)

A Resolution Accepting Grant Funds from the Alaska Division of Homeland Security & Emergency Management in the Amount of \$2,340.41 and from the Alaska Division of Forestry in the Amount of \$7,021.23 for the 2015 Card Street Wildfire Response (Mayor)

This Resolution was adopted.

[2016-19-40](#)

An Ordinance Appropriating \$5,999,365.15 in Bond Proceeds for the Purpose of Planning, Designing, Site Preparation, Constructing and Equipping the Solid Waste Disposal Facilities (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2016-19-41](#)

An Ordinance Appropriating \$4,795,699.85 in Bond Proceeds for the Purpose of Planning, Designing, Constructing and Equipping South Peninsula Hospital Facilities and the Homer Medical Center (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2017-10](#)

An Ordinance Authorizing the Exchange of Certain Lands with James Roukema and Elizabeth Ehama Near Milepost 7.8 Kalifornsky Beach Road (Mayor)

This Ordinance was introduced and set for public hearing.

[2016-19-42](#)

An Ordinance Appropriating \$25,000 for Legal Services to Advise the Board of Equalization (Mayor)

This Budget Ordinance was introduced and set for public hearing.

Approval of the Agenda and Consent Agenda

President Cooper called for public comment.

Ed Martin, Cooper Landing discussed the public commenting on consent agenda items.

The following people spoke in opposition to Ordinance 2018-08:

Rachel Neuendorf, Soldotna

George Pierce, Kasilof

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-1214](#) Mayor's Proclamation Declaring May 2017 as "National Water Safety Month"

[Clerk's Note: Mayor Navarre presented the proclamation to Rachel Parra, North Peninsula Recreation Director and Nigel Lariccia, Pool Supervisor.]

PRESENTATIONS WITH PRIOR NOTICE

2. [KPB-1168](#) Kenai Peninsula Tourism Marketing Council 3rd Quarter Report, Shanon Davis Executive Director

[Clerk's Note: Shanon Davis, Executive Director of Kenai Peninsula Tourism Marketing Council gave their third quarter report to the assembly.]

[KPB-1167](#) Cook Inlet Aquaculture Association's (CIAA) Salmon Enhancement Program, Gary Fandrei Executive Director

[Clerk's Note: Gary Fandrei, Executive Director and Brent Johnson, Board President of Cook Inlet Aquaculture Association gave a presentation regarding their salmon enhancement program.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Cooper called for public comments.

The following people addressed the assembly regarding the borough's bid awarding

procedures:

Ed Martin Jr., Cooper Landing

Ed Martin III, Sterling

The following people addressed the assembly regarding the need for a new school in Kachemak-Selo:

Minor Child, Kachemak-Selo

Ed Martin Jr., Cooper Landing

The following people addressed the assembly regarding the creation of the Eastern Peninsula Highway Emergency Service Area:

George Pierce, Kasilof

Ed Martin III, Sterling

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

MAYOR'S REPORT

1. Assembly Requests/Responses
2. Agreements and Contracts
 - a. [KPB-1207](#) Authorization to Award Contracts for RFP17-009 Summer and Winter Maintenance for Central Region, Units 1, 2,4,10 and West Regions, Units 4,5 and 6 to the following:

Central 1 Hammond Trucking, Soldotna, AK
Central 2 Alaska Scrap, Soldotna, AK
Central 4 Alaska Scrap, Soldotna, AK
Central 10 Alaska Scrap, Soldotna, AK
West 4 Captain Cook Construction, Clam Gulch, AK
West 5 Captain Cook Construction, Clam Gulch, AK
West 6 River City Construction, Soldotna, AK
 - b. [KPB-1208](#) Authorization to Award Contracts for ITB17-010 Summer and Winter Maintenance for South Region, Units 3, 4, 7 & 8 to the following:

South 3 Paul's Services, Anchor Point, AK
South 4 Paul's Services, Anchor Point, AK

South 7 East End Services, Homer, AK
South 8 East End Services, Homer, AK

- c. [KPB-1209](#) Authorization to Award Contract for ITB17-019 Nikiski Fire Service Area Roadway Emergency Warning Signs to Kachemak Electric Co., Inc., Kenai, AK
 - d. [KPB-1210](#) Request for Waiver of Formal Bidding – Summer & Winter Road Maintenance, South Region, Unit 9: Seldovia Area to be awarded to Red Mountain Contractor's, LLC, Seldovia, AK
 - e. [KPB-1211](#) Authorization to Award Contract for ITB17-025 Abatement 2017 to Satori Group, Anchorage, AK
3. Other
- a. [KPB-1212](#) Revenue-Expenditure Report – March 2017
 - b. [KPB-1213](#) Brandi Harbaugh Appointment as Acting Finance Director
 - c. [KPB-1217](#) LAYDOWN LNG Progress Report

ITEMS NOT COMPLETED FROM PRIOR AGENDA

PUBLIC HEARINGS ON ORDINANCES

[2016-19-36](#) An Ordinance Authorizing the Purchase of a 4.3 Acre Drainage Easement at Karluk Avenue and Appropriating \$60,000 from the Land Trust Fund for the Acquisition (Mayor)

Hibbert moved to enact Ordinance 2016-19-36.

President Cooper called for public comment.

The following people spoke in opposition to Ordinance 2016-19-36:

Toby Burke, Soldotna

Dan Sterchi, Soldotna

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

Hibbert moved to amend Ordinance 2016-19-36.

Amend the last Whereas clause to read, "the KPB Planning Commission at its regularly scheduled meeting of April 24, 2017, recommended denial by majority consent."

The motion to amend carried by the following vote:

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

Assembly Member Welles spoke in support of Ordinance 2016-19-36.

Assembly Members Bagley, Hibbert and Ogle spoke in opposition to Ordinance 2016-19-36.

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

Yes: 3 - Cooper, Welles, and Schaefer

No: 6 - Dunne, Ogle, Fischer, Bagley, Hibbert, and Carpenter

2017-06

An Ordinance Amending KPB Chapter 22.40 to Add Provisions Governing Telephonic Participation in Assembly Meetings by Assembly Members (Cooper, Ogle)

Fischer moved to enact Ordinance 2017-06.

President Cooper called for public comment.

George Pierce, Kasilof spoke in opposition to Ordinance 2017-06.

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

Fischer moved to amend Ordinance 2017-06.

Amend paragraph C in Section 3 to read, "If teleconference is denied the assembly member will be listed as [HAVING AN UNEXCUSED ABSENSE] absent."

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

1. Postponed Item

KPB-1144

Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Retail Marijuana Store License Application Filed by Fat Tops, LLC, Sterling, AK

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.

[Clerk's Note: The motion to approve the issuance of a non-objection letter was on the floor from the April 18, 2017 meeting.]

President Cooper called for public comment.

Tim Reed, Murray Lane spoke in opposition to the retail license.

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

Assembly Member Welles spoke in opposition to the retail license.

The motion to approve the issuance of a non-objection letter carried by the following vote:

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

No: 2 - Welles, and Fischer

NEW BUSINESS

1. Resolutions

[2017-035](#)

A Resolution Determining the Amount to be Provided from Local Sources for School Purposes During Fiscal Year 2018 and Approving the Kenai Peninsula Borough School District Total Budget (Mayor)

Hibbert moved to adopt Resolution 2017-035.

President Cooper called for public comment.

The following people addressed the assembly regarding school funding:

Debbie Carrie, Ninilchik

Sean Dusek, KPBSD Superintendent

Fred Sturman, Soldotna

George Pierce, Kasilof

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

Schaefer moved to amend Resolution 2017-035.

Amend the final Whereas clause to read, "the borough is proposing that school funding from local sources for FY2018 be \$[49,738,432]48,300,000;" and

Amend Section 2 to read, " That \$[49,738,432]48,300,000 shall be made available from local sources to fund school district operations for Fiscal Year 2018 as follows:

A. Local Effort [38,883,797]37,445,365

B. Borough Maintenance 7,967,751

C. School District Utilities 89,900

D. Insurance 2,613,921

E. Audit 65,000

F. Custodial Services 118,063

TOTAL LOCAL FUNDING PER AS 14.17.410 \$[49,738,432]48,300,000"

The motion to amend carried by the following vote:

Yes: 5 - Welles, Fischer, Hibbert, Schaefer, and Carpenter

No: 4 - Cooper, Dunne, Ogle, and Bagley

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

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

2. Ordinances for Introduction

[2017-19](#) An Ordinance Appropriating Funds for Fiscal Year 2018 (Mayor) (Second Hearing on 06/06/17)

Hibbert moved to introduce Ordinance 2017-19 and set for public hearing.

President Cooper called for public comments with none being offered.

The motion to introduce and set for public hearing 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 with none being offered.

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. May 16, 2017 Budget Work Session #3 Time TBD
Borough Assembly Chambers, Soldotna
2. May 16, 2017 Regular Assembly Meeting 6:00 PM
Borough Assembly Chambers, Soldotna

ASSEMBLY COMMENTS

Assembly Member Fischer stated that athletics was not part of the school budget as athletics were paid for by the students. He wished everyone a good evening.

Assembly Member Bagley stated he was participating via phone at the next assembly meeting.

Assembly Member Schaefer thanked everyone who testified and stated she appreciated those that participate in local government.

Assembly Member Welles wished everyone a good evening.

Assembly Member Dunne reminded everyone to attend the 25th Annual Kachemak Bay Shorebird Festival on May 4 - 7, 2017. He congratulated Sue Mauger, Science Director at Cook Inletkeeper for being selected to participate in the Homeward Bound program that heightens the influence and impact of women scientists.

Assembly Member Hibbert stated the last two days of the budget process had been eye-opening. He thanked Craig Chapman, Finance Director and all the Department Directors as well.

Assembly Member Carpenter thanked everyone for testifying. He encouraged everyone to come to the assembly's committee meetings as well as the regular meetings. Mr. Carpenter thanked Mayor Navarre, the Clerk's Office and the Legal Department for their patience and answering all of his questions.

Assembly Member Ogle stated he was impressed with Craig Chapman, Finance Director's capabilities after giving two days of presentations and recalling information from previous budget cycles. He stated he enjoyed working with Mr. Chapman and wished him well in his retirement. Mr. Ogle wished Brandi Harbaugh well as Acting Finance Director.

President Cooper stated she enjoyed the budget work sessions. She encouraged the public to feel welcome when the assembly was in session. Ms. Cooper stated she appreciated the staff's time and efforts that go into preparing for the budget work sessions. She stated the USS Hopper came to Homer and it was a great weekend.

INFORMATIONAL MATERIALS AND REPORTS

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Cooper adjourned the meeting at 9:12 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough

Assembly meeting of May 2, 2017.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____