



# 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*

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Tuesday, May 3, 2016

6:00 PM

Assembly Chambers

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### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### INVOCATION

The invocation was given by Sherry Morris of Trinity 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 that Budget Work Session #1 was conducted and department presentations were given.

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 item.

Assembly Member Knopp stated the Policies and Procedures 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.

**\*1.**     [KPB-699](#)     April 19, 2016 Regular Assembly Meeting Minutes

Attachments:   [041916 Regular Assembly Meeting Minutes](#)

approved.

**\*a.**     [2016-017](#)     A Resolution Authorizing the Acceptance of a Donation of Engineering Work and Permits for the North Road Extension Project From Apache Corporation (Mayor)

Attachments:   [R2016-017](#)

[Memo](#)

[LAYDOWN MOU Memo](#)

[LAYDOWN Memorandum of Understanding](#)

[LAYDOWN Asset List](#)

[Memorandum of Understanding](#)

[Request for Postponement 2 \(dealt with on 04/19/16\)](#)

[Request for Postponement \(dealt with on 04/05/16\)](#)

[04/19/16 eComment](#)

**This Resolution was adopted.**

**\*a.**     [2016-024](#)     A Resolution Accepting a Medical Gurney from the Southern Region Emergency Medical Services Council, Inc. on behalf of Anchor Point Fire and Emergency Medical Service Area (Mayor)

Attachments:   [R2016-024](#)

[Memo](#)

[Grant Award Letter](#)

**This Resolution was adopted.**

**\*b.**     [2016-025](#)     A Resolution Determining the Amount to be Provided From Local Sources for School Purposes During Fiscal Year 2017 and Approving the Kenai Peninsula Borough School District Total Budget (Mayor)

Attachments:   [R2016-025](#)

[R2016-025 Memo](#)

[KPBSD Budget Letter](#)

**This Resolution was adopted.**

- \*c. [2016-026](#) A Resolution Approving the Sole Source Acquisition of Two Fire Engines, One Ladder Truck and Two Ambulances for Central Emergency Services (Mayor)

*Attachments:* [R2016-026](#)

[Memo](#)

**This Resolution was adopted.**

- \*d. [2016-027](#) A Resolution Supporting Volunteer Efforts to Organize the 2017 Event Titled "150 Years: Kenai Peninsula History Conference" (Johnson)

*Attachments:* [R2016-027](#)

[Memo](#)

**This Resolution was adopted.**

- \*a. [2015-19-30](#) An Ordinance Appropriating \$50,000 in Supplemental Funding for the Homer Medical Center Design from the South Kenai Peninsula Hospital Service Area Capital Project Fund for Additional Building Expansion Design (Mayor)

*Attachments:* [O2015-19-30](#)

[Memo](#)

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

- \*b. [2016-19](#) An Ordinance Appropriating Funds for Fiscal Year 2017 (Mayor) (Final Hearing on 06/07/16)

[Clerk's Note: Teleconference sites will be established at the Borough Offices in Homer and Seward to receive public testimony on the above ordinance during the Assembly meeting.]

*Attachments:* [O2016-19](#)

[Memo](#)

[LAYDOWN FY17 Mayor's Proposed Budget](#)

[LAYDOWN FY17 Budget Presentation](#)

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

- \*c. [2016-13](#) An Ordinance Amending the Borough Code to Incorporate the Capital Projects Department into the Purchasing and Contracting Department and Make Other Associated Amendments (Mayor) (Hearing on

06/07/16)

Attachments: [O2016-13](#)

[Memo](#)

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

Approval of the Consent Agenda

President Gilman called for public comment.

The following people spoke in support of Resolution 2016-027:

**Roger Pearson**, Kenai

**Shauna Loshbaugh**, Anchor Point

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

## COMMENDING RESOLUTIONS AND PROCLAMATIONS

1. [KPB-696](#) Mayor's Proclamation Declaring May 2016 as "National Water Safety Month"

Attachments: [Mayors Proclamation - National Water Safety Month](#)

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

2. [KPB-702](#) LAYDOWN Mayor's Proclamation Declaring May 8 - 14th as National Hospital and Nusring Home Week (Mayor)

Attachments: [LAYDOWN Mayors Proclamation National Hospital Week](#)

## PRESENTATIONS WITH PRIOR NOTICE

1. [KPB-698](#) Kenai Peninsula Borough School District Quarterly Report

Attachments: [KPBSD Quarterly Report](#)

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

## PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Gilman called for public comments.

**Janice Chumley**, Nikiski addressed the assembly regarding the services available at the Co-Operative Extension Service.

**Bob Thraves**, Soldotna thanked the assembly for their service and provided several examples of bad vs. good.

**George Pierce**, Kasilof spoke in support of opening assembly meetings with an invocation and spoke in opposition to changing the meeting notices in the newspaper.

**Dollynda Phelps**, Nikiski addressed the assembly regarding cannabis studies and asked them to support new cannabis industry business owners.

**Mike Harris**, Sterling addressed the assembly regarding the First Amendment and the need to separate church and state.

**Fred Sturman**, Soldotna spoke in support of opening assembly meetings with an invocation and spoke in opposition to the need to transgender facilities.

**Daniel Lynch**, Soldotna spoke in opposition to changing meeting notices in the newspaper; and addressed the mill rate and emergency services in the City of Soldotna.

**Joan Core**, Soldotna spoke in opposition to cannabis businesses on the peninsula.

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-689](#) Authorization to Award Contract for ITB16-029 East Poppy Pedestrian Path to Foster Construction, Soldotna, Alaska  
*Attachments:* [Authorization to Award Contract - Foster Construction](#)
  - b. [KPB-691](#) Request for Approval for Single Source Procurement - Seismic Inspection Phase 2 - Nelson Engineering P.C.  
*Attachments:* [Request for Single Source Procurement - Nelson Engineering P.C.](#)
3. Other

- a. [KPB-692](#) FY16 - 3rd Quarter Senior Grant Narrative Reports  
*Attachments:* [FY16 - 3rd Quarter Senior Grant Narrative Reports](#)
- b. [KPB-693](#) FY16 - 3rd Quarter Non-Department Grant Reports  
*Attachments:* [FY16 - 3rd Quarter Non-Department Grant Reports](#)
- c. [KPB-694](#) Project Reports - March 31, 2016  
*Attachments:* [Project Reports - March 31, 2016](#)

**ITEMS NOT COMPLETED FROM PRIOR AGENDA - None.**

**PUBLIC HEARINGS ON ORDINANCES**

[2016-03](#) (Mayor, Johnson) Substitute: 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 (Mayor, Johnson)

*Attachments:* [O2016-03 \(Mayor, Johnson\) Substitute](#)  
[Substitute Memo](#)  
[Substitute Planning Commission Recommendations \(dealt with on 04/05/16\)](#)  
[Substitute Advisory Planning Commission Recommendations \(dealt with on 04/05/16\)](#)  
[Substitute Knopp Amendment \(dealt with on 04/05/16\)](#)  
[MJTF Recommendation](#)  
[Advisory Planning Commission Recommendations \(dealt with on 04/05/16\)](#)  
[Public Comment](#)  
[Planning Commission's Request for Additional Public Hearing and Joint Worksession](#)  
[Additional Public Comment](#)  
[eComments Report](#)  
[O2016-03 \(Amended by Substitute on 04/05/16\)](#)  
[Memo](#)  
[Sectional Analysis](#)  
[Proposed KPB 21.44 with no legislative format](#)  
[01/25/16 Amendment Memo \(not moved\)](#)  
[02/02/16 Bagley Amendment \(not moved\)](#)  
[02/11/16 Mayor Johnson Amendment \(not moved\)](#)  
[02/23/16 Welles Amendment \(not moved\)](#)  
[03/24/16 Welles Amendment \(dealt with on 04/05/16\)](#)

*[Clerk's Note: The motion to enact is on the floor from the February 2, 2016 meeting.]*

President Gilman called for public comment.

The following people spoke in opposition to Ordinance 2016-03 (Mayor, Johnson) Substitute:

**Dollynda Phelps**, Nikiski

**George Pierce**, Kasilof

**Patricia Patterson**, Kenai

**Brian Olson**, Soldotna

**Travis Penrod**, Kenai spoke in support of Ordinance 2016-03 (Mayor, Johnson) Substitute and thought the buffer language should be put back in the ordinance.

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

Assembly Members Knopp, Dunne and Holmdahl spoke in support of Ordinance 2016-03 (Mayor, Johnson) Substitute as amended.

**The motion to enact Ordinance 2016-03 (Mayor, Johnson) Substitute as amended carried by the following vote:**

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

[2016-09](#) An Ordinance Amending KPB 5.18.200 to Change the Seasonal Exemption from Sales Taxes of Non-Prepared Food Items to Apply From October 1 to March 31 of Each Year (Bagley)

**Attachments:** [O2016-09](#)

[Memo](#)

[04/12/16 eComment Report](#)

[LAYDOWN Public Comments](#)

[LAYDOWN Additional Public Comments](#)

**Cooper moved to enact Ordinance 2016-09.**

President Gilman called for public comments.

The following people spoke in support of Ordinance 2016-09:

**Patricia Patterson**, Kenai

**Penny Vadla**, Soldotna

The following people spoke in opposition to Ordinance 2016-09:

**Tara Cain**, Anchor Point  
**Fred Sturman**, Soldotna  
**George Pierce**, Soldotna  
**James Price**, Nikiski  
**Brian Olson**, Soldotna  
**Joan Core**, Soldotna  
**Dollynda Phelps**, Nikiski  
**Daniel Lynch**, Soldotna  
**Krista Schooley**, Kasilof  
**Mike Harris**, Sterling  
**George Bolen**, Soldotna

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

Assembly Members Cooper, Ogle, Knopp, Welles, Holmdahl and Dunne spoke in opposition to Ordinance 2016-09.

President Gilman passed the gavel to Vice President Johnson and spoke in support of Ordinance 2016-09.

Vice President Johnson returned the gavel to President Gilman.

**The motion to enact Ordinance 2016-09 carried by the following vote:**

**Yes:** 2 - Bagley, and Gilman

**No:** 7 - Cooper, Dunne, Holmdahl, Johnson, Knopp, Ogle, and Welles

[2016-11](#) An Ordinance Repealing the Central Kenai Peninsula Hospital Service Area Board (Bagley)

**Attachments:** [O2016-11](#)

[Memo](#)

[Service Area Board Recommendations](#)

[LAYDOWN Public Comment](#)

**Knopp moved to enact Ordinance 2016-11.**

President Gilman called for public comments.

The following people spoke in support of Ordinance 2016-11:

**Mike Harris**, Sterling  
**Scott Walden**, Kenai



The following people spoke in opposition to Ordinance 2016-11:

**Joan Core**, Soldotna

**Fred Sturman**, Soldotna

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

**Knopp moved to amend Ordinance 2016-11.**

Amend the sixth Whereas clause to read,

"Whereas, as the CPGH, Inc. [PROVIDES ALL SERVICES FOR THE CKPHSA AND] provides all services for the CKPHSA and] is consistently available to provide information needed by the administration and assembly concerning CPGH, Inc. matters, the assembly can provide adequate oversight of the service area for the borough at this time; and"

Delete the seventh Whereas clause in its entirety:

[WHEREAS, DURING THESE TIGHT FISCAL TIMES THE ASSEMBLY CAN SAVE FUNDS BY ELIMINATING THIS SERVICE AREA BOARD; AND]

Insert two new Whereas clauses before the last whereas to read:

"WHEREAS, the Lease and Operating Agreement between the Kenai Peninsula Borough and Central Peninsula General Hospital, Inc. signed in 2008 required CPGH, Inc. to endeavor to operate all of the medical facilities on a self-supporting basis; and

WHEREAS, in FY2011, CPGH, Inc. began paying 100 percent of the annual bond payments and since then the assembly approved a reduced mill levy of .01 which in turn reduced the oversight responsibility of the service area board; and"

Amend the last Whereas clause to read,

"WHEREAS, at its meeting of April 11, 2016, the CKPHSA board unanimously recommended the assembly approve Ordinance 2016-11 with the service area board's proposed amendments;"

Amend Section 2 to read,

"SECTION 2. That this ordinance takes effect [IMMEDIATELY UPON ITS ENACTMENT] at the end of the fiscal year on June 30, 2016."

**Knopp's motion to amend Ordinance 2016-11 carried by the following vote:**

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

Assembly Member Cooper and Johnson spoke in support of Ordinance 2016-11.

Assembly Member Ogle spoke in opposition to Ordinance 2016-11.

**The motion to enact Ordinance 2016-11 as amended carried by the following vote:**

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

**No:** 1 - Ogle

[2016-12](#) An Ordinance Amending KPB 7.30.020 to Change the Way Minimum Distances are Measured Between Marijuana Establishments and Schools, Churches and Correctional Facilities, and Imposing Minimum Distances Between Marijuana Establishments and Local Option Zoning Districts (Welles)

**Attachments:** [O2016-12](#)

[Memo](#)

[Planning Commission Recommendations](#)

[Marijuana Task Force Recommendation](#)

[LAYDOWN 05/03/16 eComment Report](#)

[LAYDOWN Welles Amendment](#)

[LAYDOWN Johnson Amendment](#)

**Knopp moved to enact Ordinance 2016-12.**

The following people spoke in support of Ordinance 2016-12:

**Bob Thraves**, Soldotna

**Joan Cord**, Soldotna

**Daniel Lynch**, Soldotna

**Susan Lockwood**, Kenai

The following people spoke in opposition to Ordinance 2016-12:

**Brian Olson**, Soldotna

**Ron Isaacs**, Kenai

**Denise Isaacs**, Kenai

**Mike Harris**, Sterling

**J.R. Bobek**, Kenai

**Krista Schooley**, Kasilof

**Dollynda Phelps**, Nikiski

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

closed.

**Knopp moved to amend Ordinance 2016-12 as follows:**

Amend the final Whereas clause to read, "Whereas, at its meeting of April 11, 2016 the Planning Commission recommended the assembly not enact Ordinance 2016-12 by unanimous consent." and

Insert a new final Whereas clause to read, "Whereas, at its meeting of April 21, 2016 the Marijuana Task Force recommended the assembly not enact Ordinance 2016-12 by a majority vote."

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

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

**Welles moved to amend Ordinance 2016-12 as follows:**

Amend Section 1 paragraph B.4. to read,

"B. Marijuana establishments shall not:

...

4. be located within 500 feet of an existing local option zoning district, the distance of which, shall be measured by the shortest distance between the proposed marijuana establishment property line and the nearest edge of the local option zoning district.

**This restriction shall not prohibit the formation of a local option zoning district within 500 feet of an existing marijuana establishment.**"

**Welles motion to amend failed by the following vote:**

**Yes:** 2 - Johnson, and Welles

**No:** 7 - Bagley, Cooper, Dunne, Gilman, Holmdahl, Knopp, and Ogle

**Johnson moved to amend Ordinance 2016-12 as follows:**

Amend the title to read,

"AN ORDINANCE AMENDING KPB 7.30.020 TO CHANGE THE WAY  
MINIMUM DISTANCES ARE MEASURED BETWEEN MARIJUANA  
ESTABLISHMENTS AND SCHOOLS, CHURCHES AND CORRECTIONAL  
FACILITIES

[, AND IMPOSING MINIMUM DISTANCES BETWEEN MARIJUANA  
ESTABLISHMENTS AND LOCAL OPTION ZONING DISTRICTS]

Delete the second Whereas clause,

[WHEREAS, IMPOSING A 500-FOOT DISTANCE REQUIREMENT BETWEEN  
EXISTING LOCAL OPTION RESIDENTIAL ZONING DISTRICTS AND  
MARIJUANA ESTABLISHMENTS IS CONSISTENT WITH ENSURING THE  
RESIDENTIAL CHARACTER OF THE LOCAL OPTION ZONING DISTRICT;

AND]

Delete paragraph B.4 in Section 1.,

[4. BE LOCATED WITHIN 500 FEET OF AN EXISTING LOCAL OPTION ZONING DISTRICT, THE DISTANCE OF WHICH, SHALL BE MEASURED BY THE SHORTEST DISTANCE BETWEEN THE PROPOSED MARIJUANA ESTABLISHMENT PROPERTY LINE AND THE NEAREST EDGE OF THE LOCAL OPTION ZONING DISTRICT.]

**Johnson' motion to amend carried by the following vote:**

**Yes:** 5 - Gilman, Holmdahl, Johnson, Knopp, and Welles

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

Assembly Member Welles spoke in support of Ordinance 2016-12 as amended.

Assembly Members Knopp, Cooper, Dunne, and Ogle spoke in opposition to Ordinance 2016-12 as amended.

President Gilman passed the gavel to Vice President Johnson and spoke in support of Ordinance 2016-12.

Vice President Johnson returned the gavel to President Gilman.

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

**Yes:** 3 - Gilman, Johnson, and Welles

**No:** 6 - Bagley, Cooper, Dunne, Holmdahl, Knopp, and Ogle

## NEW BUSINESS

[2016-028](#) A Resolution Approving a New Collective Bargaining Agreement (Mayor)

Attachments: [R2016-028](#)

[Memo](#)

[2016-2019 Tentative Agreement](#)

[KBEA Contract Change Highlights](#)

[KPB Health Care Plan Changes](#)

**Knopp moved to adopt Resolution 2016-028.**

President Gilman called for public comments.

The following people spoke in support of Resolution 2016-028:

**Terry Bookey, Kenai**

**Dan Nelson**, Soldotna

The following people spoke in opposition to Resolution 2016-028:

**Fred Sturman**, Soldotna

**J.R. Bobek**, Kenai

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

Assembly Member Holmdahl and Ogle spoke in support of Resolution 2016-028.

Assembly Member Welles spoke in opposition to Resolution 2016-028.

**The motion to adopt Resolution 2016-028 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.

**Penny Vadla**, Soldotna encouraged the assembly to support the proposed charter commission for the City of Soldotna and thanked the assembly for their service.

**Daniel Lynch**, Soldotna spoke in opposition to Ordinance 2016-09.

**Fred Sturman**, Soldotna requested the assembly provide salary and benefit packages for borough employees as part of the budget document.

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

## **ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS**

1. May 4, 2016 Budget Work Session Assembly Chambers, Borough Administration Building  
10:00 AM
2. May 17, 2016 Regular Assembly Meeting, Assembly Chambers, Borough Administration  
Building 6:00 PM
3. May 18, 2016 Health Care Task Force Meeting, Assembly Chambers, Borough  
Administration Building 6:30 PM

## **ASSEMBLY COMMENTS**

Assembly Member Bagley stated he was aware some people were getting laid off and knows the oil and gas industry was struggling, but there was still good things happening - it was not all doom and gloom. Mr. Bagley stated one of the largest tourist seasons was happening this year; commercial fishing was looking at good prices and good returns; the real estate market was real good as well. He stated that at lot of the confusion was due to the state's financial situation.

Assembly Member Welles wished everyone a good evening.

Assembly Member Knopp expanded on what Mr. Bagley previously mentioned and stated it was frustraighting that the assembly was accused of being out of touch with the climate around them, because nothing was farther than the truth.

Assembly Member Dunne thanked everyone for providing testimony not only in person at the meetings, but also in written form and stated there was a broad submission of input by a variety of means. He reminded everyone of the Kachemak Bay Shorebird Festival on May 12 thru May 15, 2016 in Homer.

Assembly Member Ogle stated the testimony received was very good and solution oriented. He encouraged everyone to continue their good participation.

President Gilman stated he has been assigned to a working group on addiction and mental health through the Health Care Task Force. He stated herion addiction was a serious public health concern and believed the outcome of their discussions would render a discussion with the state. Mr. Gilman advised the assembly things were forthcoming from the Health Care Task Force that was going to be valuable to the community.

## **NOTICE OF NEXT MEETING AND ADJOURNMENT**

With no further business to come before the assembly, President Gilman adjourned the meeting at 11:28 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of May 3, 2016.

\_\_\_\_\_  
Johni Blankenship, MMC, Borough Clerk

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

