



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Draft

Assembly

Kelly Cooper, President
Wayne Ogle, Vice President
Dale Bagley
Willy Dunne
Paul Fischer
Blaine Gilman
Brandii Holmdahl
Gary Knopp
Stan Welles

Tuesday, January 3, 2017

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

[Clerk's Note: The invocation was given by Chaplain H. Gene Engebretsen from Central Peninsula Hospital.]

ROLL CALL

[Clerk's Note: Assembly Members Holmdahl and Fischer participated by teleconference.]

Present: 9 - Kelly Cooper, Willy Dunne, Blaine Gilman, Brandii Holmdahl, Gary Knopp, Wayne Ogle, Stan Welles, Paul Fischer, and Dale Bagley

Also present were:

Colette Thompson, Borough Attorney
Johni Blankenship, Borough Clerk
Michele Turner, Deputy Borough Clerk

COMMITTEE REPORTS

Assembly Member Bagley stated the Finance 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.

President Cooper stated the Committee of the Whole met and discussed its agenda items.

[Clerk's Note: At the Committee of the Whole meeting, the Assembly convened into executive session for the purpose of candidly discussing the facts and litigation strategy concerning the Hunt v. KPB lawsuit recently filed by the ACLU-Alaska Foundation.]

VACANCY, DESIGNATION OR SEATING MEMBERS

1. [KPB-1022](#) Appointment of Assembly Member for District 1 by Secret Ballot

[Clerk's Note: Assembly Member Fischer declared a possible conflict as applicant Mr. Wilson was his boss at the radio station where he worked. President Cooper ruled a conflict did exist and Mr. Fischer abstained from voting by secret ballot until Mr. Wilson was eliminated from the appointment process.]

[Clerk's Note: Pursuant to KPB 22.30.060(D), Assembly Member Knopp abstained from the appointment process.]

Brent Hibbert received the required majority vote and was appointed to the District 1 seat.

2. [KPB-1016](#) Swearing in of Newly Appointed Assembly Member

[Clerk's Note: Borough Clerk Blankenship swore in newly appointed Assembly Member Hibbert, effective at 12:00 a.m. January 4, 2017.]

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-998](#) December 6, 2016 Regular Assembly Meeting Minutes
approved.

[2017-002](#) A Resolution Authorizing the Transfer of \$50,000 from the Mayor's Department to the Legal Department (Mayor)
This Resolution was adopted.

[2017-003](#) A Resolution Authorizing Standardization of the Telescopic Bleachers for the Maintenance Department (Mayor)

This Resolution was adopted.

[2017-004](#) A Resolution Confirming the Appointment of Assembly Member Bagley to the Kenai Peninsula Tourism and Marketing Council's Board of Directors (Cooper)

This Resolution was adopted.

[2017-005](#) A Resolution Confirming Appointments to Cook Inlet Regional Citizens Advisory Council (Cooper)

[Clerk's Note: Section 1 of Resolution 2017-005 was amended to read, "Grace Merkes, Director, term expires April 2020, [WAYNE OGLE, ALTERNATE DIRECTOR, TERM EXPIRES APRIL 2020]."]

This Resolution was adopted as amended.

[2017-009](#) A Resolution Confirming the Appointment of Assembly Member Bagley to the Cook Inlet Aquaculture Board (Cooper)

This Resolution was adopted.

[2017-010](#) LAYDOWN Accepting the Resignation of Assembly Member Blaine Gilman and Declaring a Vacancy on the Assembly (Cooper)

[Clerk's Note: Assembly Member Knopp abstained.]

This Resolution was adopted.

[2017-001](#) A Resolution Establishing Kenai Peninsula Borough State Capital Project Priorities for the Year 2017 (Legislative Committee)

This Resolution was adopted.

[2017-008](#) A Resolution Supporting the Reappointment of Linda Hutchings to the Alaska Workers' Compensation Board (Knopp)

This Resolution was adopted.

[2016-19-18](#) An Ordinance Authorizing an Advance up to \$6,000,000 from the General Fund and Appropriating Funds to the Solid Waste Capital Project Fund to Provide Interim Financing for Improvements and Equipment at Kenai Peninsula Borough Solid Waste Disposal Facilities (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2016-19-19](#) An Ordinance Authorizing a \$2,000,000 Intergovernmental Loan from the General Fund and Appropriating Funds to the South Peninsula

Hospital Service Area to Provide Interim Financing for Improvements to the Heating, Ventilating and Air Conditioning System at South Peninsula Hospital (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[KPB-1008](#) Approving the Appointment of Chief of Staff, Larry Persily, as the Administrative Officer (Mayor)
approved.

[KPB-1040](#) Amending the 2017 Assembly Meeting Schedule (Cooper)

The 2017 Assembly Meeting Schedule was approved as amended.

Approval of the Agenda and Consent Agenda

President Cooper called for public comment.

Carrie Hensen, Soldotna spoke in opposition to Resolution 2017-002.

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, Gilman, Holmdahl, Knopp, Ogle, Welles, Fischer, and Bagley

COMMENDING RESOLUTIONS AND PROCLAMATIONS

None.

PRESENTATIONS WITH PRIOR NOTICE

[KPB-1025](#) State Fiscal Challenge, Pat Pitney, State of Alaska Director of Office of Management and Budget

[Clerk's Note: Pat Pitney, Director of Alaska Office of Management and Budget gave a presentation to the assembly regarding the state's current fiscal challenges.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Cooper 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-1023](#) Revenue – Expenditure Report – November 2016
 - b. [KPB-1024](#) Budget Revisions – November 2016

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

[2016-40](#) An Ordinance Amending KPB 5.18.200(A)(11) and KPB 5.18.900(Q) to Exempt Flightseeing from Sales Taxes (Bagley)

Bagley moved to enact Ordinance 2016-40.

President Cooper called for public comment with none being offered.

[Clerk's Note: Assembly Member Holmdahl declared a possible conflict as her father was an air taxi operator. President Cooper ruled a conflict did exist and Assembly Member Holmdahl abstained from discussion and voting on Ordinance 2016-40.]

Ordinance 2016-40 was enacted.

Yes: 8 - Cooper, Dunne, Gilman, Knopp, Ogle, Welles, Fischer, and Bagley

Abstain: 1 - Holmdahl

[2016-43](#) An Ordinance of Assessment Confirming the Assessment Roll for the Funny River East Utility Special Assessment District and Establishing the Method for Terminating Assessments and Making Refunds to Property Owners (Mayor)

Bagley moved to enact Ordinance 2016-43.

President Cooper called for public comment with none being offered.

Bagley moved to amend Ordinance 2016-43.

Amend Section 4 to read, "SECTION 4. Payment of Assessment. That the entire assessment may be prepaid without interest or penalty within thirty days of the date of mailing of the assessment statement. Thereafter, the assessment may be prepaid in whole or in part with interest to the payment date. Interest on the unpaid amount of the assessment shall accrue at the rate of ~~5.50~~ 5.75 percent per annum.

Assessments that are not prepaid shall be paid in ten equal annual installments on

March 31 of each year, commencing March 31, 2017. Installments shall include principal plus accrued interest."

The motion to amend carried by the following vote:

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

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

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

[2016-41](#)

An Ordinance Amending KPB 5.35.107(B), Regarding Deadlines to Collect Signatures on Petitions to Form Utility Special Assessment Districts (Mayor)

Knopp moved to enact Ordinance 2016-41.

President Cooper called for public comment with none being offered.

The motion to enact carried by the following vote:

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

[2016-42](#)

An Ordinance Adopting Imagine Kenai 2030 as the Official Comprehensive Plan for that Portion of the Borough within the Boundaries of the City of Kenai (Mayor)

Knopp moved to enact Ordinance 2016-42.

President Cooper called for public comments.

Matt Kelly, Kenai spoke in support of Ordinance 2016-42.

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

Knopp moved to amend Ordinance 2016-42.

Amend the final Whereas clause to read, "WHEREAS, the Kenai Peninsula Borough Planning Commission at its regularly scheduled meeting of November 28, 2016 recommended approval by unanimous consent of the revised comprehensive plan;"

The motion to amend carried by the following vote:

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

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

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

UNFINISHED BUSINESS

Postponed Item

[2016-073](#) A Resolution Approving a Management Agreement between the City of Seldovia and the Kenai Peninsula Borough on Behalf of the Seldovia Recreational Service Area to Manage the Sea Otter Community Center (Mayor)

[Clerk's Note: The motion to adopt was on the floor from the November 22, 2016 meeting.]

President Cooper called for public comment with none being offered.

Knopp moved to postpone Resolution 2016-073 to February 14, 2017.

The motion to postpone Resolution 2016-073 to February 14, 2017 carried by the following vote:

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

NEW BUSINESS

Resolutions

[2017-006](#) A Resolution Amending the Assembly Policy Regarding Invocations Before Borough Assembly Meetings (Cooper)

Knopp moved to adopt Resolution 2017-006.

President Cooper called for public comment.

The following people spoke in opposition to Resolution 2017-006:

Julie Ball, Soldotna
Duanne Bannock, Kenai
Joan Core, Poppy Ridge
George Pierce, Kasilof
Fred Sturman, Soldotna

The following people spoke in support of Resolution 2017-006:

Carrie Hensen, Soldotna
Shawn Rice, Kenai
Ryan Satorius, Kenai

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

Assembly Members Gilman and Welles spoke in opposition to Resolution 2017-006.

President Cooper passed the gavel to Vice President Ogle and spoke in support of Resolution 2017-006. Vice President Ogle returned the gavel to President Cooper.

This Resolution failed to adopt.

Yes: 3 - Cooper, Dunne, and Holmdahl

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

[2017-007](#)

A Resolution Supporting the Reappointment of Ted Spraker to the Board of Game, Alaska Department of Fish and Game (Knopp)

Knopp moved to adopt Resolution 2017-007.

President Cooper called for public comments.

The following people spoke in opposition to Resolution 2017-007:

Edward Schmitt, Soldotna

George Pierce, Kasilof

The following people spoke in support of Resolution 2017-007:

Ted Spraker, Kasilof

Mike Crawford, Soldotna

David Martin, Clam Gulch

Jason Ross, Ninilchik

Joan Core, Poppy Ridge

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

Assembly Members Knopp, Ogle, Bagley and Welles spoke in support of Resolution 2017-007.

Assembly Member Dunne spoke in opposition to Resolution 2017-007.

This Resolution was adopted.

Yes: 7 - Gilman, Holmdahl, Knopp, Ogle, Welles, Fischer, and Bagley

No: 2 - Cooper, and Dunne

3. Other

[KPB-1009](#)

Confirming Appointments to the Bear Creek Fire Service Area (Mayor)

Knopp moved to approve the appointments to Bear Creek Fire Service Area.

President Cooper called for public comment with none being offered.

Knopp moved to postpone the appointments to Bear Creek Fire Service Area to February 14, 2017.

The motion to postpone carried by the following vote:

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

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Cooper called for public comments.

Carrie Henson, Soldotna addressed the assembly regarding invocations at the assembly meetings.

Fred Sturman, Soldotna addressed the assembly regarding the need for budget cuts, not only at the state level, but also at the local level.

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

January 17, 2017 Regular Assembly Meeting 6:00 PM Assembly Chambers, Borough Administration Building

ASSEMBLY COMMENTS

Assembly Member Bagley stated he looked forward to working with Mr. Hibbert on the assembly. He wished Mr. Knopp well in his new endeavors in Juneau. Mr. Bagley wished everyone a Happy New Year.

Assembly Member Fischer wished Mr. Knopp the best of luck in Juneau.

Assembly Member Holmdahl wished Mr. Knopp well and stated she was sad she was not there for his last meeting. She welcomed Mr. Hibbert to the assembly and looked forward to working with him. Ms. Holmdahl wished everyone a Happy New Year.

Assembly Member Gilman welcomed Mr. Hibbert to the assembly and wished Mr. Knopp well. He stated he appreciated working with this body and was honored to serve with them. He stated there had been some very hard issues before them in the past two years. Mr. Gilman wished everyone a good new year.

Assembly Member Welles welcomed Mr. Hibbert to the assembly and wished Mr. Knopp well. He wished everyone a Happy New Year.

Assembly Member Dunne congratulated Mr. Hibbert and stated he looked forward to working with him. He wished Mr. Knopp well and appreciated working with him. Mr. Dunne reminded everyone that public testimony was not only given to the assembly during the meetings, but was also submitted in writing as well as by telephone and in person conversations. He stated assembly members talk to their constituents on an almost daily basis. Mr. Dunne wished everyone a Happy New Year.

Assembly Member Knopp thanked the assembly for their support of Resolution 2017-007 and Resolution 2017-008. He congratulated Mr. Hibbert on his appointment to the assembly. He stated he looked forward to working with everyone from Juneau. Mr. Knopp stated he had really enjoyed his time on the Assembly and Board of Equalization over the last ten years. He wished everyone a Happy New Year.

Assembly Member Ogle congratulated Mr. Hibbert on his appointment to the assembly. Mr. Ogle stated all eight applicants were impressive people and appreciated that many coming out to apply. He congratulated Mr. Persily on his appointment as Chief of Staff. Mr. Ogle wished Mr. Knopp well in Juneau and stated he was going to miss his presence on the assembly. He stated there was great discussion regarding Resolution 2017-007 and thanked Mr. Spraker for attending as well. He stated Ms. Pitney's presentation regarding the economy was very interesting. Mr. Ogle wished everyone a Happy New Year.

President Cooper shared a "Homer Highlight" that the Homer Middle School girls beat Nikiski and won the regional basketball championship. She congratulated Mr. Hibbert on his appointment to the assembly and thanked all the applicants. Ms. Cooper stated the assembly was going to miss Mr. Knopp as he was a great asset to the membership. Ms. Cooper presented Mr. Knopp with a plaque of appreciation for his service.

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 9:05 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of January 3, 2017.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____