



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 3, 2018

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

[Clerk's Note: The invocation was given by President Ogle.]

ROLL CALL

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

Also present were:

Charlie Pierce, Borough Mayor

John Quick, Chief of Staff

Colette Thompson, Borough Attorney

Johni Blankneship, Borough Clerk

Michele Turner, Deputy Borough Clerk

COMMITTEE REPORTS

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

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

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

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

APPROVAL OF AGENDA AND CONSENT AGENDA

Bagley 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-1629 March 6, 2018 Regular Assembly Meeting Minutes

The following public hearing items met the required conditions of KPB 22.40.110 and were added to the consent agenda:

2017-19-18 An Ordinance Appropriating \$100,000 from the Solid Waste Capital Project Fund to Fund a Grant to Alaska Electric Energy Cooperative, Inc. for Landfill Gas to Energy Project and Enacting KPB 10.04.100 (Mayor)

[Clerk's Note: The third Whereas clause of Ordinance 2017-19-18 was amended to read, "pursuant to federal regulations the borough [MUST ALREADY] will be required to collect and "destroy" landfill gas through flaring, or burning, the gas; and"]

This Budget Ordinance was enacted as amended.

2017-19-19 An Ordinance Appropriating \$5,000.00 from the Seldovia Recreational Service Area Fund Balance for Payment of Prior Fiscal Year Invoices for Contract Services (Mayor)

[Clerk's Note: The final Whereas clause of Ordinance 2017-19-19 was deleted.]

This Budget Ordinance was enacted as amended.

2017-19-20 Authorizing the Purchase and Implementation of Tomosynthesis Equipment, Software, Installation, and Training and Appropriating \$587,100 from the CPGH, Inc. Plant Replacement and Expansion Fund for the Project (Mayor)

This Budget Ordinance was enacted.

2017-19-22 Appropriating the \$443,750 from the CPGH Inc. Plant Replacement and Expansion Fund for the Fiscal Year 2018 Semi-Annual Debt Payment on the 2003 Central Kenai Peninsula Hospital Service Area

Refunded General Obligation Bonds (Mayor)

This Budget Ordinance was enacted.

New Business

2018-014 A Resolution Approving Twenty-Seven Unincorporated Communities for Participation in the State's Fiscal Year 2019 Community Assistance Program (Mayor)

This Resolution was adopted.

2018-018 A Resolution Amending Resolution 2018-011 to Enable the Alaska Liquefied Natural Gasline Project Advisory Committee to Make Recommendations to the Assembly and/or the Administration Regarding the Alaska Liquefied Natural Gasline Project (Ogle)

This Resolution was adopted.

2017-19-23 An Ordinance Appropriating \$599,102.29 from the CPGH, Inc. Plant Replacement and Expansion Fund for the Fiscal Year 2018 Semi-Annual Debt Payment on the 2017 Central Kenai Peninsula Hospital Service Area Revenue Bonds (Mayor) (Hearing on 04/17/18)

This Budget Ordinance was introduced and set for public hearing.

2017-19-24 An Ordinance Appropriating Commercial Passenger Vessel Tax Proceeds Received from the State of Alaska in the Amount of \$489,697.50 and Allocating \$458,165 to the City of Seward and \$31,532.50 to the City of Homer (Mayor) (Hearing on 04/17/18)

This Budget Ordinance was introduced and set for public hearing.

2018-16 An Ordinance Amending KPB 16.08.010 and 16.24.010 to Move the Common Boundary Between the Central Kenai Peninsula Hospital Service Area and the South Kenai Peninsula Hospital Service Area South, Subject to Approval by the Voters Residing in the Central Kenai Peninsula Hospital Service Area and the Proposed New Area (Bagley)

This Ordinance was introduced and set for public hearing.

2018-17 An Ordinance Amending KPB 5.35.155 and KPB 14.31.145 to Authorize the Mayor to Accept Late-Filed Applications for a Deferred Payment of Principal for a Utility Special Assessment or Road Improvement Assessment District (Mayor)

This Ordinance was introduced and set for public hearing.

Approval of the Consent Agenda

President Ogle called for public comment with none being offered.

The motion to approve the agenda and consent agenda carried by the following vote:

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

COMMENDING RESOLUTIONS AND PROCLAMATIONS

KPB-1616 Mayor's Proclamation Declaring April, 2018 as "Safe Digging Month"

[Clerk's Note: The Mayor presented the proclamation to Robin Barry, ENSTAR Natural Gas Company Manager.]

KPB-1627 Mayor's Proclamation declaring April 2018 as "Sexual Assault Awareness Month"

[Clerk's Note: The Mayor presented the proclamation to Ashley Blanchford, LeeShore Center.]

PRESENTATIONS WITH PRIOR NOTICE

KPB-1617 "Person Factors and their Relationship with Marijuana Use", Eric Gordon and Yan Li, Kenai Peninsula College Student Group and Dr. Kristie Sellers (10 Minutes)

[Clerk's Note: This presentation was rescheduled for the June 22, 2018 meeting.]

KPB-1618 "Safe Digging Month", Robin Barry, Manager, ENSTAR Natural Gas Company (10 Minutes)

[Clerk's Note: Robin Barry, Manager of ENSTAR Natural Gas Company gave a presentation to the assembly.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Ogle called for public comment.

The following people spoke in support of school funding:

Leslie Morton, Soldotna
John Sandborne, Soldotna
Daniel Bowen, Kenai
Minor Child, Kasilof
Tannara Wier, Soldotna
Carrie Henson, Soldotna

Brian Olson, Soldotna spoke in opposition to the City of Soldotna annexation.

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-1633 Authorizing to award a Contract for ITB18-010 Central Peninsula Landfill C&D Disposal Area – Phase 3 Expansion to Anchor Trucking, Anchor Point, Alaska
3. Other
 - a. KPB-1634 Revenue - Expenditure Report February 2018
 - b. KPB-1635 Budget Revisions February 2018
 - c. KPB-1636 Certification of the 2017 Real Property Supplemental Assessment Roll

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

2017-19-21 An Ordinance Providing for an Exception to KPB 5.20.080 Authorizing the Transfer of \$3,000,000 from the Land Trust Fund to the General Fund as a part of the Fiscal Year 2019 Budget Appropriation (Mayor)

Cooper moved to enact.

President Ogle called for public comment.

Linda Hutchings, Soldotna spoke in opposition to Ordinance 2017-19-21.

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

Cooper moved to amend Ordinance 2017-19-21.

Amend the title to read, "An Ordinance Providing for an Exception to KPB 5.20.080 [AUTHORIZING THE] Transferring [OF] \$3,000,000 From the Land Trust Fund to the General Fund as a Part of the Fiscal Year 2019 Budget Appropriation"; and

Amend the ninth Whereas clause to read, "the best interests of the borough would be served by authorizing and appropriating this one-time transfer of funds from the land trust fund to the general fund;" and

Amend Section 1 to read, "That, notwithstanding the restrictions in KPB 5.20.080 limiting the amount of land trust funds that may be available for appropriation to the general fund, the sum of up to \$3,000,000.00 may be [TRANSFERRED FROM THE LAND TRUST FUND BALANCE THROUGH] appropriated to account 250.21210.00000.50100 to be transferred to the general fund [ACCOUNT 100.00000.00000.38250]." and

Add a new Section 2 to read, "That the sum of \$3,000,000 is hereby appropriated from the land trust fund balance to account 250.21210.00000.50100 to be transferred to the general fund." and

Renumber old Section 2 to Section 3.

The motion to amend Ordinance 2017-19-21 carried by the following vote:

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

Cooper moved to postpone to May 1, 2018.

The motion to postpone Ordinance 2017-19-21 to May 1, 2018 carried by the following vote:

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

2018-12

An Ordinance Increasing the Borough Sales Tax Rate from 3.0 Percent to 3.5 Percent by Amending KPB 5.18.100, Subject to Approval by the Voters in the Regular Election on October 2, 2018 (Cooper, Smalley) (Postponed to 05/01/18)

Cooper moved to enact Ordinance 2018-12.

President Ogle called for public comment.

The following people spoke in support of Ordinance 2018-12:

Linda Hutchings, Soldotna

George Pierce, Kasilof

Lara McGinnis, Ninilchik

Carrie Henson, Soldotna

David Brighton, Kenai

Daniel Bowen, Kenai

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

Blakeley moved to amend Ordinance 2018-12.

Add two new Whereas clauses after the last Whereas clause to read,

"WHEREAS, as the economy may rebound within the next few years eliminating the need for this increase, the borough's best interest would be served by limiting this increase to four years such that it would expire December 31, 2022 unless extended or reinstated through voter approval; and

WHEREAS, voter approval would be required to continue or reinstate this increase after December 31, 2022;" and

Amend Section 1 to read, "That KPB 5.18.100 (A) is hereby amended as follows:

5.18.100. General-Levied-Amount.

A. There is levied by the borough a consumer's sales tax of up to 3.5 percent maximum rate on all retail sales, on all rents, and on all services made or rendered within the borough, measured by the gross sales price of the seller. The 3.5 percent maximum rate shall be reduced by 0.5 percent to 3.0 percent maximum rate effective January 1, 2023." and

Amend Section 2 to read, "That a ballot proposition shall be placed before borough voters at the regular election on October 2, 2018 to read as follows:

Shall Ordinance 2018-12, providing for an increase of 0.5 percent to the maximum borough sales tax rate to 3.5 percent through December 31, 2022, be ratified?

Yes ____ A "yes" vote means you approve of increasing borough's maximum sales tax rate from 3.0 percent to 3.5 percent expiring on December 31, 2022.

No ____ A "no" vote means you oppose increasing borough's maximum sales tax rate from 3.0 percent to 3.5 percent expiring on December 31, 2022."

The motion to amend failed by the following vote:

Yes: 3 - Fischer, Blakeley, and Ogle

No: 6 - Dunne, Bagley, Hibbert, Carpenter, Cooper, and Smalley

Hibbert moved to postpone Ordinance 2018-12 to May 1, 2018.

The motion to postpone Ordinance 2018-12 to May 1, 2018 carried by the following vote:

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

Bagley moved to suspend the rules and move Agenda Item O.1.b. Resolution 2018-017 before Agenda Item M.7 Ordinance 2018-13.

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

2018-017

A Resolution Classifying Certain Parcels of Borough Owned Land in the Nikiski, North Kenai, Ciechanski, Kalifornsky, Ninilchik, Happy Valley and Beluga Areas (Mayor)

Carpenter moved to adopt Resolution 2018-017.

President Ogle called for public comment.

The following people spoke in opposition to Resolution 2018-017:

Gene Moyer, Soldotna

Steve Judge, Soldotna

Shirley Henley, Kenai

Patricia Faulkenberg, Kenai

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

Carpenter moved to amend Resolution 2018-017.

Amend the final Whereas clause to read, "the Kenai Peninsula Borough Planning Commission at its regularly scheduled meeting of March 26, 2018, failed to recommend approval of the resolution by unanimous consent."

The motion to amend Resolution 2018-017 carried by the following vote:

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

Cooper moved to amend Resolution 2018-017.

Amend the table in Section 1 by deleting the following parcels, "[017-130-63 AND 017-130-64, NORTH KENAI, GOVERNMENT LOTS 5, 6, 18 AND W½W½NW¼SW¼SE¼, SECTION 23, T6N, R12W, SEWARD MERIDIAN, ALASKA, 6.04 ACRES, RESIDENTIAL; 055-010-16, CIECHANSKI, S½SW¼SE¼, SECTION 12, T5N, R11W, SEWARD MERIDIAN, ALASKA, 20.00 ACRES, RESIDENTIAL PORTION OF 131-010-16, KALIFORNSKY, S½S½ OF GOVERNMENT LOT 2, SECTION 1, T4N, R12W, SEWARD MERIDIAN, ALASKA LYING EAST OF KALIFORNSKY BEACH ROAD RIGHT-OF-WAY, 1.6 ACRES, PRESERVATION; 157-062-15, NINILCHIK, N¼NE¼NW¼, SECTION 35, T1S, R14W, SEWARD MERIDIAN, ALASKA, 10.00 ACRES, RURAL; 159-142-22, HAPPY VALLEY LOT 5-A, HAWK'S BEACH SUBDIVISION, CHARLEY'S 1999 ADDITION, AS SHOWN ON PLAT NO. 2000-5, HOMER RECORDING DISTRICT, 4.54 ACRES, RESIDENTIAL; 159-142-23, HAPPY VALLEY, GOVERNMENT LOTS 6, 7, 8,

9, 11, AND 12, SECTION 24, T3S, R15W, SEWARD MERIDIAN, ALASKA, 28.00 ACRES, RESIDENTIAL; 159-471-09, HAPPY VALLEY, GOVERNMENT LOT 7, SECTION 20, T2S, R14W, SEWARD MERIDIAN, ALASKA, LYING EAST OF THE STERLING HIGHWAY RIGHT-OF-WAY, 4.00 ACRES, RURAL]"

The motion to amend Resolution 2018-017 carried by the following vote:

Yes: 6 - Dunne, Fischer, Blakeley, Cooper, Smalley, and Ogle

No: 3 - Bagley, Hibbert, and Carpenter

The motion to adopt Resolution 2018-017 as amended carried by the following vote:

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

2018-13

An Ordinance Authorizing the Sale of Certain Parcels of Borough Land by Sealed Bid Followed by an Over-The-Counter Sale (Mayor)

Carpenter moved to enact Ordinance 2018-13.

President Ogle called for public comment.

Gene Moyer, Soldotna spoke in support of Ordinance 2018-13.

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

Carpenter moved to amend Ordinance 2018-13.

Amend the final Whereas clause to read, "the Planning Commission at its regularly scheduled meeting of March 26, 2018, recommended approval as amended by unanimous consent;" and

Amend the table in Section 1 by deleting the following parcels, [017-130-63 AND 017-130-64, NORTH KENAI, GOVERNMENT LOTS 5, 6, 18 AND W½W½NW¼SW¼SE¼, SECTION 23, T6N, R12W, SEWARD MERIDIAN, ALASKA, 6.04 ACRES, \$118,000 MINIMUM BID; 055-010-16, CIECHANSKI, S½SW¼SE¼, SECTION 12, T5N, R11W, SEWARD MERIDIAN, ALASKA, 20.00 ACRES, \$195,000 MINIMUM BID; PORTION OF 131-010-16, KALIFORNISKY, S½S½ OF GOVERNMENT LOT 2, SECTION 1, T4N, R12W, SEWARD MERIDIAN, ALASKA LYING EAST OF KALIFORNISKY BEACH ROAD RIGHT-OF-WAY, 1.6 ACRES, \$19,000 MINIMUM BID; 157-062-15, NINILCHIK, N¼NE¼NW¼, SECTION 35, T1S, R14W, SEWARD MERIDIAN, ALASKA, 10.00 ACRES, \$20,000 MINIMUM BID; 159-142-22, HAPPY VALLEY LOT 5-A, HAWK'S BEACH SUBDIVISION, CHARLEY'S 1999 ADDITION, AS SHOWN ON PLAT NO. 2000-5, HOMER RECORDING DISTRICT, 4.54 ACRES, \$30,000 MINIMUM

BID; 159-142-23, HAPPY VALLEY, GOVERNMENT LOTS 6, 7, 8, 9, 11, AND 12, SECTION 24, T3S, R15W, SEWARD MERIDIAN, ALASKA, 28.00 ACRES, \$125,000 MINIMUM BID; 159-471-09, HAPPY VALLEY, GOVERNMENT LOT 7, SECTION 20, T2S, R14W, SEWARD MERIDIAN, ALASKA, LYING EAST OF THE STERLING HIGHWAY RIGHT-OF-WAY, 4.00 ACRES, \$21,800 MINIMUM BID]

The motion to amend Ordinance 2018-13 carried by the following vote:

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

The motion to enact Ordinance 2018-13 as amended carried by the following vote:

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

2018-11 An Ordinance Amending KPB 5.12.116 and KPB 19.30.060(B) to Reflect Changes to Alaska Statute 29.45.050 Economic Development Property Tax Exemption (Mayor)

Hibbert moved to enact Ordinance 2018-11.

President Ogle called for public comment with none being offered.

Hibbert moved to amend Ordinance 2018-11 as follows:

Amend Section 1 to read, That KPB 5.12.116 is amended as follows:

C. The exemption shall be for a designated amount at the assembly's discretion up to fifty percent (50%) of the assessed value of the property, for a designated period up to five consecutive years at the assembly's discretion." and

Add a new Section 2 to read, "SPECIAL NOTICE. Pursuant to AS 29.45.050(m), notice is hereby given that this ordinance, if passed, may be repealed by the voters through referendum."

Re-number old Section 2 to Section 3.

Re-number old Section 3 to Section 4.

The motion to amend Ordinance 2018-11 carried by the following vote:

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

The motion to enact Ordinance 2018-11 as amended carried by the following vote:

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

2018-14 An Ordinance Amending KPB Chapter 16.60 to Provide for Appointed Members to Serve on the Anchor Point Fire and Emergency Medical Service Area Board (Dunne)

Hibber moved to enact Ordinance 2018-14.

President Smalley called for public comment with none being offered.

The motion to enact Ordinance 2018-14 carried by the following vote:

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

2018-15

Amending KPB 2.45.010 to Replace the Emergency Management Director Position with a Senior Manager of the Office of Emergency Management Position (Mayor)

Hibbert moved to enact Ordinance 2018-15.

President Ogle called for public comment with none being offered.

The motion to enact Ordinance 2018-15 carried by the following vote:

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

No: 2 - Dunne, and Smalley

UNFINISHED BUSINESS

None.

NEW BUSINESS

Resolutions

2018-015

A Resolution Recognizing 2018 as "The Year of the Bird" (Dunne)

Dunne moved to adopt Resolution 2018-015.

President Ogle called for public comment with none being offered.

Blakeley spoke in opposition to Resolution 2018-015.

The motion to adopt Resolution 2018-015 carried by the following vote:

Yes: 8 - Dunne, Fischer, Bagley, Hibbert, Carpenter, Cooper, Smalley, and Ogle

No: 1 - Blakeley

2018-016

A Resolution Requesting the Alaska Alcohol and Marijuana Control Office Expeditiously Work with the Elks Lodge #2425 to Reinstate or Renew its Liquor License and Provide Improved Public Outreach and Communication Services (Smalley)

This Resolution was withdrawn by the sponsor.

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Ogle called for public comment.

Brent Johnson, Kasilof spoke in support of Ordinance 2018-16.

Carrie Henson, Soldotna shared an Aaron Hanson poem.

Jesse Bjorkman, Soldotna spoke in support of an invocation and school funding.

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. April 2, 2018 AK LNG Project Advisory Committee
7:00 PM Nikiski Community Recreation Center
2. April 5, 2018 Material Site Work Group Public Hearing
6:00 PM Assembly Chambers, Soldotna, Alaska
3. April 7, 2018 Material Site Work Group Public Hearing
1:00 PM Chapman Elementary, Anchor Point, Alaska
4. April 11, 2018 Material Site Work Group meeting
2:00 PM Assembly Chambers, Soldotna, Alaska
5. April 17, 2018 Regular Assembly Meeting
6:00 PM Seward City Council Chambers, Seward, Alaska

ASSEMBLY COMMENTS

Assembly Member Fischer wished everyone a good evening.

Assembly Member Dunne thanked everyone for their testimony. He stated he really appreciated the hard work of the Planning Commission. He invited everyone to attend the Homer Library's Celebration of Lifelong Learning on Saturday, April 7, 2018 at 7:00 p.m. He stated Lee Post was the 2018 Celebration of Lifelong Learning award recipient, and the Youth Learner award went to Ben Kettle.

Assembly Member Blakeley wished everyone a good evening.

Assembly Member Cooper stated it was a good evening with good comments and testimony. Ms. Cooper proposed a townhall-type meeting with the community to get feed back and input regarding this year's budget. She wished everyone a good evening.

Assembly Member Smalley congratulated Vern Schuetzler of the Maintenance Department on his retirement and thanked him for his many years of service at the borough. He stated there was good public testimony and hoped it continued throughout the budget process.

Assembly Member Hibbert stated there was great public testimony. Mr. Hibbert stated the assembly had a big job ahead of them with funding schools and approving the budget.

Assembly Member Carpenter thanked everyone for their testimony. He invited everyone to Seward for the Mermaid Festival on May 18 through 20, 2018. Mr. Carpenter stated the budget process was a challenge.

Assembly Member Bagley reminded everyone of the next assembly meeting on April 17, 2018 in Seward.

President Ogle thanked everyone for their testimony and those who attended the entire meeting. Mr. Ogle reminded everyone of the upcoming Material Site Working Group meetings and invited the public to attend. He also reminded everyone of the Alaska LNG Advisory Committee Meeting.

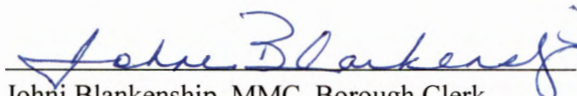
INFORMATIONAL MATERIALS AND REPORTS

None.

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Ogle adjourned the meeting at 9:32 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of April 3, 2018.


John Blankenship, MMC, Borough Clerk

Approved by the Assembly: 4-17-18

