



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Draft

Assembly

Brent Johnson, President

Brent Hibbert, Vice President

Jesse Bjorkman

Lane Chesley

Tyson Cox

Richard Derkevorkian

Cindy Ecklund

Bill Elam

Mike Tupper

Tuesday, July 5, 2022

6:00 PM

Betty J. Glick Assembly Chambers

Meeting ID: 884 7373 9641 Passcode: 671108

CALL TO ORDER

A Regular Meeting of the Kenai Peninsula Borough Assembly was held on July 5, 2022, in the Borough Assembly Chambers, Soldotna, Alaska. President Johnson called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

INVOCATION

[Clerk's Note: The invocation was given by David Carey.]

ROLL CALL

Present: 8 - Jesse Bjorkman, Tyson Cox, Brent Hibbert, Brent Johnson, Bill Elam, Lane Chesley, Cindy Ecklund, and Mike Tupper

Excused: 1 - Richard Derkevorkian

Also present were:

Charlie Pierce, Borough Mayor

Aaron Rhoades, Chief of Staff

Sean Kelley, Borough Attorney

Brandi Harbaugh, Finance Director

Johni Blankenship, Borough Clerk

Michele Turner, Deputy Borough Clerk

COMMITTEE REPORTS

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

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

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

APPROVAL OF AGENDA AND CONSENT AGENDA

Hibbert 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-4401](#) June 21, 2022 Regular Assembly Meeting Minutes

Attachments: [062122 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:

[2022-19-01](#) An Ordinance Appropriating \$300,000 from the General Fund to Establish Temporary Firewise Slash Disposal Sites (Mayor) (Hearing on 07/05/22)

Attachments: [Ordinance 2022-19-01](#)

[Memo](#)

[Slash Site Locations Email](#)

This Budget Ordinance was enacted.

[2022-19-03](#) An Ordinance Appropriating Road Service Area Capital Project Funds from Previously-Appropriated Projects to the FY2021 Borough Road Improvement Project to Fund the Mansfield Avenue, Ferrin Road and Old Exit Glacier, Fish Passage Projects (Mayor) (Hearing on 07/05/22)

Attachments: [Ordinance 2022-19-03](#)

[Memo](#)

[Advisory Board Recommendations](#)

This Budget Ordinance was enacted.

[2022-19-04](#) An Ordinance Approving the Purchase of the Surgery Center of Kenai and Appropriating \$9,770,000 from the Central Peninsula Hospital

Plant Replacement and Expansion Fund to Support the Purchase
(Mayor) (Hearing on 07/05/22)

Attachments: [Ordinance 2022-19-04](#)

[Amendment Memo](#)

[Memo](#)

[CPH Resolution](#)

[Public Comment](#)

*[Clerk's Note: The title in Ordinance 2022-19-04 was amended to read, "APPROVING THE PURCHASE OF THE SURGERY CENTER OF KENAI AND APPROPRIATING [\$9,120,000] **\$9,770,000** FROM THE CENTRAL PENINSULA HOSPITAL PLANT REPLACEMENT AND EXPANSION FUND TO SUPPORT THE PURCHASE"; and the eighth Whereas clause was amended to read, "CPH has been presented the opportunity to purchase the Surgery Center of Kenai which will provide the hospital with two additional outpatient operating rooms for the purchase price of [\$9,120,000] **\$9,770,000**; and"; and the tenth Whereas clause was amended to read, 'CPGH Inc. administration has negotiated an agreement with the Surgery Center of Kenai to purchase one-hundred (100) percent of the shares, **while retiring all associated debt**, at a **total price of \$9,770,000** [\$9,120,000, ALONG WITH THE ASSUMPTION OF APPROXIMATELY \$650,000 OF DEBT], all of which falls within the Fair Market Value ranges calculated by Health Care Appraisers, Inc.; and"; and the eleventh Whereas clause was amended to read, "CPH Administration has determined that there are sufficient funds available in the Central Peninsula Hospital Plant Replacement and Expansion Fund (PREF) to fund the [\$9,120,000] **\$9,770,000** purchase of the surgery center and would like to utilize PREF funds for the purchase; and"; and the thirteenth Whereas clause was amended to read, "the CPGH, Inc. board, at its May 26, 2022, meeting requested approval from the Borough Assembly to approve the purchase of the Kenai Surgery Center utilizing [\$9,120,000 IN] PREF Funds; [AND]"; and Section 2 was amended to read, "The purchase price not to exceed [\$9,120,000 WITH] **\$9,770,000, which includes paying off [THE ASSUMPTION OF]** approximately \$650,000 in debt, is hereby approved."; and Section 5 was amended to read, "Funds in the amount up to [\$9,120,000] **\$9,770,000** are appropriated from the Central Peninsula Hospital Unobligated portion of the Plant Replacement and Expansion Fund account number 490.20602 to account 490.81110.22SUR.49999 for the Kenai Surgery Center Acquisition Project."; and Section 7 was amended to read, "Upon closing on the property described in Section 1, the mayor is authorized to execute an amendment to the Central Peninsula Hospital Operating Agreement with CPGH, Inc., amending Exhibit A to include the Surgery Center of Kenai on the list of Medical Facilities covered under the Operating Agreement. The understanding is that this is a business and asset-only purchase, which includes operation of the facility, and that the*

*Borough will not own the real property [WHICH IS CURRENTLY OWNED BY THE CITY OF KENAI]. **The building and real property are owned by Schilling Rentals, an Alaska partnership.***

This Budget Ordinance was enacted as amended.

[2022-24](#)

An Ordinance Providing for the Submission to the Qualified Voters of the Central Emergency Service Area in the Kenai Peninsula Borough at the Regular Election on October 4, 2022, the Question of the Issuance of Not-To-Exceed Sixteen Million Five Hundred Thousand Dollars (\$16,500,000) of General Obligation Bonds of the Central Emergency Service Area to Pay the Cost of Replacing Central Emergency Services Fire Station #1 in and for the Service Area (Mayor) (Hearing on 07/05/22)

Attachments: [Ordinance 2022-24](#)

[Memo](#)

This Ordinance was enacted.

[2022-19-02](#)

An Ordinance Appropriating Funds for the Costs of Distributing Information about the Ballot Proposition Seeking Voter Approval for the Issuance of Bonds to Pay for the Central Emergency Service Area Fire Station #1 Project to Ensure Compliance with Legal Restrictions on the Use of Borough Funds and Assets Related to Ballot Propositions (Mayor) (Hearing on 07/05/22)

Attachments: [Ordinance 2022-19-02](#)

[Amendment Memo](#)

[Memo](#)

[Clerk's Note: The final Whereas clause in Ordinance 2022-19-02 was deleted, [AT ITS MEETING HELD ON _____, 2022, THE CENTRAL EMERGENCY SERVICE AREA BOARD RECOMMENDED _____ OF THIS ORDINANCE;]

This Budget Ordinance was enacted as amended.

[2022-042](#)

A Resolution Approving a Modification to the Spending Plan for the Remaining Balance of \$100,000 from the State of Alaska for the Healthy and Equitable Communities Program, a Federal Pass-thru Award Under the Centers for Disease Control and Prevention (Mayor)

Attachments: [Resolution 2022-042](#)

[Memo](#)

This Resolution was adopted.

[2022-043](#) A Resolution Approving an Increase to the Limitation on the Total Cumulative Annual Cost of Real Property Leases in Which CPGH, Inc. is the Sole Lessee (Mayor)

Attachments: [Resolution 2022-043](#)

[Memo](#)

This Resolution was adopted.

[2022-044](#) A Resolution Authorizing the Mayor to Execute an Agreement with the City of Soldotna for Services Provided by the Borough through the Soldotna Public Safety Communications Center (Mayor)

Attachments: [Resolution 2022-044](#)

[Memo](#)

[City of Soldotna Final Agreement](#)

This Resolution was adopted.

[2022-19-05](#) An Ordinance Appropriating \$20,000 from the General Fund to Cover Unexpected Election Expenses (Johnson) (Hearing on 08/09/22)

Attachments: [Ordinance 2022-19-05](#)

[Memo](#)

[Clerk's Note: Assembly Member Elam disclosed he served as an election official and abstained from discussion and vote.]

Ordinance 2022-19-05 was introduced and set for public hearing.

Yes: 7 - Bjorkman, Cox, Hibbert, Johnson, Chesley, Ecklund, and Tupper

Excused: 1 - Derkevorkian

Abstain: 1 - Elam

[2022-19-06](#) An Ordinance Changing the Print Shop Administrative Assistant/Multidisciplinary Position from a Part-Time Position to a Full-Time Position and Appropriating Necessary Funds for the Position (Mayor) (Hearing on 08/09/22)

Attachments: [Ordinance 2022-19-06](#)

[Memo](#)

This Budget Ordinance was introduced and set for public hearing.

[2022-29](#) An Ordinance Authorizing the Assessor to Accept One Late-Filed Senior Citizen Exemption Application Filed After March 31 and Two Late-Filed Disabled Veteran Applications and Providing an Exception to

KPB 5.12.040(B) (Mayor, Tupper) (Hearing on 08/09/22)

Attachments: [Ordinance 2022-29](#)

[Memo](#)

This Ordinance was introduced and set for public hearing.

[2022-25](#) An Ordinance Amending KPB Chapter 21.50 Relating to Stop-Work Orders and Fine Amounts in Stipulated Agreements (Mayor) (Hearing on 08/09/22)

Attachments: [Ordinance 2022-25](#)

[Memo](#)

This Ordinance was introduced and set for public hearing.

[2022-26](#) An Ordinance Amending KPB Chapters 7.20, 7.30 and 21.44 Relating to Marijuana Establishments and Processing Applications for Marijuana Establishments (Mayor) (Hearing on 08/09/22)

Attachments: [Ordinance 2022-26](#)

[Memo](#)

This Ordinance was introduced and set for public hearing.

[2022-27](#) An Ordinance Amending KPB 21.25 to Add Definition of “Aggrieved Party” and Amending KPB 21.29 to Remove the Term “Impartial”, to Clarify the Well-Monitoring Timeline, to Define “Quarterly”, and to Add a “Definitions” Section (Mayor) (Hearing on 08/09/22)

Attachments: [Ordinance 2022-27](#)

[Memo](#)

[Advisory Board Recommendations](#)

This Ordinance was introduced and set for public hearing.

[2022-30](#) An Ordinance Approving Stephenkie Alaska Sub Block 8 Residential Waterfront (R-W) Local Option Zoning District and Amending KPB 21.46.110 (Mayor) (Hearing on 08/09/22)

Attachments: [Ordinance 2022-30](#)

[Memo](#)

This Ordinance was introduced and set for public hearing.

[2022-28](#) An Ordinance Providing for Necessary Code Updates Relating to Declaration of Disaster Emergency and the Administration of the Borough’s Emergency Powers and Duties (Mayor) (Hearing on

08/09/22)

Attachments: [Ordinance 2022-28](#)
[Memo](#)
[KPB Code Revision Report](#)

This Ordinance was introduced and set for public hearing.

[KPB-4362](#) Approving the Issuance of a Letter of Non-Objection for the transfer of ownership and location of a Liquor License no. 976 filed by Three Bears Alaska DBA Bears Den Liquor

Attachments: [Recommendation Memo to Assembly](#)
[Transfer Ownership and Location Application 976](#)
[Map Layout3](#)
[Map Layout2](#)
[Map Layout](#)

Approved.

[KPB-4383](#) Petition to Vacate Section Line Easements Associated with Tracts A, B, & C of Quartz Creek Subdivision Plat No. SW 94-11; KPB File 2022-060V (Mayor)

[Clerk's Note: At its regularly scheduled meeting of June 13, 2022 the Kenai Peninsula Borough Planning Commission approved the proposed vacation by unanimous vote.]

Attachments: [Petition to Vacate Section Line Easements, Quartz Creek Sub](#)

Approved

[KPB-4399](#) Petition to Vacate a Portion of Hanks Mill Road (formerly Old Sterling Highway), Happy Valley KPB 2022-077V (Mayor) (Referred to Lands Committee)

[Clerk's Note: At its regularly scheduled meeting of June 27, 2022 the Kenai Peninsula Borough Planning Commission approved the proposed vacation by unanimous vote.]

Attachments: [Hank's Mill Right of Way Vacation Packet](#)
[Planning Commission Memo](#)
[Planning Commission Minutes 06/27/22](#)
[Public Comment](#)

Approved

[KPB-4384](#) Confirming Appointments to the KPB Planning Commission:

Diane Fikes, City of Kenai Seat, Term Expires July 31, 2025
Franco Venuti, City of Homer Seat, Term Expires July 31, 2025

Attachments: [Planning Commission Appointments](#)

Approved.

[KPB-4385](#) Confirming an Appointment to the Nikiski Senior Service Board:

Hala Allam, Board Seat D, Term Expires October 2023

Attachments: [Nikiski Senior Service Area Board Appointment](#)

Approved.

[2022-23](#) An Ordinance Amending KPB 5.18.200 and KPB 5.18.430 Relating to Borough Sales Tax to Provide an Exemption for Residential Rentals in Excess of 30 Consecutive Days to Increase the Maximum Amount of a Sale Subject to Borough Sales Tax to \$1,000, Subject to Voter Approval (Johnson, Hibbert, Chesley) (Hearing on 07/05/22)

Attachments: [Ordinance 2022-23](#)

[Memo](#)

[Fiscal Note](#)

This ordinance was withdrawn by the sponsor.

Approval of the Agenda and Consent Agenda

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

Yes: 8 - Bjorkman, Cox, Hibbert, Johnson, Elam, Chesley, Ecklund, and Tupper

Excused: 1 - Derkevorkian

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Johnson called for public comment with none being offered.

MAYOR'S REPORT

1. Assembly Requests/Responses

2. Agreements and Contracts

a. [KPB-4394](#) Authorization to Award a Contract for FRP22-017 South Bend RIAD

Engineering Design to McLane Consulting, Inc., Soldotna, AK

Attachments: [Auth to Award a Contract for RFP22-017 South Bend RIAD Engineering Design](#)

- b. [KPB-4395](#) Authorization to Award a Contract for RFP22-022 Ready, Set, Go! Preparedness Campaign to FEA (Facility Engineering Associates, PC) Lakewood, Colorado

Attachments: [Auth to Award a Contract for RFP22-022 Ready, Set, Go! Preparedness Campaign](#)

- c. [KPB-4396](#) Authorization to Award a Contract for RFP22-024 Hazardous Waste Collection Program to US Ecology Alaska, LLC, Kenai, AK

Attachments: [Auth to Award a Contract for RFP22-024 Hazardous Waste Collection Program](#)

- d. [KPB-4397](#) Authorization to Award a Contract for RFP22-023 Volunteer Firefighter Campaign to Agnew::Beck Consulting, Anchorage, AK

Attachments: [Auth to Award a Contract for RFP22-023 Volunteer Firefighter Campaign](#)

3. Other

- a. [KPB-4398](#) Tax Adjustment Request Approval

Attachments: [Tax Adjustment Request Approval](#)

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Johnson called for public comment with none being offered.

ASSEMBLY COMMENTS

Vice President Hibbert stated we had a great local hospital and spoke in support of Ordinance 2022-19-04. He wished everyone a good night.

Assembly Member Ecklund stated the assembly was moving in the right direction. She spoke in support of all of the local hospitals. She reminded everyone of the fire dangers on the peninsula.

Assembly Member Chesley reminded everyone to pray for the salmon harvesters safe travels and good harvests.

Assembly Member Bjorkman thanked the first responders from Central Emergency Services for attending the meeting and supporting Ordinance 2022-24. He stated it was important to talk about the infrastructure in our communities. Mr. Bjorkman echoed Ms. Ecklund's comments and reminded everyone of the fire dangers on the

peninsula. He reminded everyone of boater's safety and ATV riders to wear helmets. Mr. Bjorkman extended his condolences to the family of the young girl in Ninilchik who lost her life in an ATV accident. He wished everyone a good evening.

Assembly Member Tupper congratulated the City of Seldovia on their 60-years as a first class city. He echoed everyone's previous statements regarding the Central Emergency Services bond package. Mr. Tupper also spoke in support of the Nikiski Fire Department's efforts regarding Resolution 2022-042.

Assembly Member Cox hoped everyone had a great fourth of July holiday weekend. He shared that he attended several local events. He encouraged everyone to celebrate their independence everyday and not just on Independence Day. Mr. Cox reminded everyone of the Wednesday market and music in the park at Soldotna City Park.

Assembly Member Elam thanked Ms. Ecklund for chairing the Lands Committee. He thanked everyone for attending the meeting. Mr. Elam spoke in support of Ordinance 2022-24.

President Johnson provided a brief history of the hospitals on the peninsula. Mr. Johnson stated Ordinance 2022-23 was withdrawn from the agenda and voiced his concerns regarding upcoming funding issues for schools. He also stated his concerns regarding teachers. Mr. Johnson stated his support of the bond measure for repairing school and borough buildings.

INFORMATIONAL MATERIALS AND REPORTS

None.

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

August 9, 2022 Regular Assembly Meeting
6:00 PM Betty J. Glick Assembly Chambers
Borough Administration Building
Remote participation available through Zoom
Meeting ID: 884 7373 9641 Passcode: 671108

ADJOURNMENT

With no further business to come before the assembly, President Johnson adjourned the meeting at 6:53 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of July 5, 2022.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____