



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, May 15, 2018

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

The invocation was given by Dr. Jim Hamilton, from Arctic Barnabas Ministries.

ROLL CALL

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

COMMITTEE REPORTS

APPROVAL OF AGENDA AND CONSENT AGENDA

A motion was made by Bagley that this be approved as amended. The motion carried by the following vote:

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

G. APPROVAL OF MINUTES

[KPB-1715](#) May 1, 2018 Regular Assembly Meeting Minutes

COMMENDING RESOLUTIONS AND PROCLAMATIONS

[KPB-1721](#) Mayor's Proclamation Declaring the week of May 19-25, 2018 as "National Safe Boating Week"

PRESENTATIONS WITH PRIOR NOTICE

[KPB-1722](#) South Peninsula Hospital Quarterly Report (10 Minutes)

[KPB-1723](#) Kenai Peninsula Economic Development District Quarterly Report (10 Minutes)

Meeting went into Recess

Meeting Reconvened

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

MAYOR'S REPORT

Mayor's Report Cover Memo

[KPB-1716](#) Mayor's Report Cover Memo

1. Assembly Requests/Responses - None.
2. Agreements and Contracts
 - a. [KPB-1717](#) Authorization to Award a Contract for ITB 18-009 Central Peninsula Hospital Phase VI Obstetrics/Catheterization Lab
 - b. [KPB-1718](#) Authorization to Award a Contract for ITB 18-016 Kilcher Road Project No. S7KIL to JC Johnson & Sons, Anchor Point, Alaska
 - c. [KPB-1719](#) Authorization to Award a Contract for ITB 18-017 Morrison Drive Project No. S8MOD to Arno Construction, Homer, Alaska.
3. Other
 - a. [KPB-1720](#) Investment Portfolio Report

ITEMS NOT COMPLETED FROM PRIOR AGENDA

PUBLIC HEARINGS ON ORDINANCES

Ordinances referred to Finance Committee

[2017-19-26](#) An Ordinance Approving and Appropriating Grant Funds Totaling \$14,179.14 from the Alaska Department of Natural Resource for the Volunteer Fire Assistance Program on Behalf of Kachemak Emergency Services and Nikiski Fire Service Area (Mayor)

[2018-19](#) An Ordinance Appropriating Funds for Fiscal Year 2019 (Mayor)

[Clerk's Note: A teleconference site will be established at the Borough Office in Homer in order to take public testimony on the above referenced Ordinance.]

Meeting went into Recess

Meeting Reconvened

A motion was made by Smalley that this Budget Ordinance be amended. The motion carried by the following vote:

Yes: 5 - Dunne, Bagley, Hibbert, Cooper, and Smalley

No: 4 - Fischer, Carpenter, Blakeley, and Ogle

UNFINISHED BUSINESS

Postponed Items

[2018-021](#) A Resolution Requesting the Department of Transportation and Public Facilities Reduce the Speed Limit Between Mileposts 50.8 and 52.8 of the Sterling Highway to 35 Miles Per Hour (Carpenter)

[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)

A motion was made by Cooper that this Ordinance be amended. The motion failed by the following vote:

Yes: 4 - Dunne, Cooper, Smalley, and Ogle

No: 5 - Fischer, Bagley, Hibbert, Carpenter, and Blakeley

Notices to Reconsider

[2017-19-21](#) An Ordinance Providing for an Exception to KPB 5.20.080 and Transferring \$3,000,000 from the Land Trust Fund to the General Fund (Mayor) (Reconsideration Given by Fischer)

A motion was made by Fischer that this Budget Ordinance be reconsider. The motion failed by the following vote:

Yes: 4 - Fischer, Carpenter, Blakeley, and Ogle

No: 5 - Dunne, Bagley, Hibbert, Cooper, and Smalley

O. NEW BUSINESS

1. Resolutions

Resolutions referred to Policies and Procedures Committee

[2018-025](#) A Resolution Extending the Deadline for Submission of the Material Site Working Group's Final Report (Ogle)

2. Ordinances for Introduction

Ordinances for Introduction and referred to the Finance Committee

[2018-21](#) An Ordinance Providing for the Submission to the Qualified Voters of the Kenai Peninsula Borough the Question of the Issuance of Not to Exceed Five Million Four Hundred Fifty Thousand Dollars (\$5,450,000) of General Obligation Bonds of the Kenai Peninsula Borough to Pay the Local Required Match Portion of the Costs of the Kachemak-Selo New K-12 School Construction Project at an Election in and for the Kenai Peninsula Borough on October 2, 2018 (Mayor)

Ordinances for Introduction and referred to the Lands Committee

[2018-22](#) An Ordinance Authorizing a Community Trail Management Agreement with Kachemak Nordic Ski Club (Mayor, Dunne)

Ordinances for Introduction and referred to the Policies and Procedures Committee

[2018-23](#) An Ordinance Amending KPBB 7.20 and KPBB 7.30 Regarding Borough Comments on State Marijuana Licenses (Ogle) (Hearing on 06/19/18)

Ordinances for Introduction and referred to Finance Committee

[2018-24](#) An Ordinance Amending the Borough's Sales Tax Code to Levy a 12 Percent Temporary Lodging Tax, Exempt Temporary Lodging Rentals from the General Sales Tax, and Allow Cities that Levy a Similar Separate Sales Tax on Temporary Lodging to Exempt up to One-Half of the Borough Temporary Lodging Tax, Subject to Voter Approval (Bagley, Dunne)

4. Other

Other Items referred to Finance Committee

[KPBB-1662](#) Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Limited Marijuana Cultivation Facility, License No. 13615 Filed by Volcano Flower. Subject to the

following Standard Conditions

[Clerk's Note: Standard Conditions for Marijuana Facilities are as follows:

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 the 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).]

Other Items referred to Policies and Procedures Committee

[KPB-1724](#) Assembly Meeting Schedule Amendment (Bagley)

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. June 5, 2018 Regular Assembly Meeting
6:00 PM Assembly Chambers, Soldotna, Alaska

ASSEMBLY COMMENTS

S. PENDING LEGISLATION

1. [2017-31](#) An Ordinance Approving McKinley Single-Family Residential R-1 Local Option Zoning District and Amending KPB 21.46.040 (Mayor) [Tabled on 01/16/18]
2. [2018-19](#) An Ordinance Appropriating Funds for Fiscal Year 2019 (Mayor)

[Clerk's Note: A teleconference site will be established at the Borough Office in Homer in order to take public testimony on the above referenced Ordinance.]
3. [2018-20](#) An Ordinance Amending KPB 5.18.200 to Amend the Seasonal Exemption from Sales Taxes of Nonprepared Food Items to Apply from October 1 to March 31 of Each Year (Bagley)
4. [2018-16](#) (Bagley) Substitute: An Ordinance Amending the Code 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 Voters in the Central Kenai Peninsula

Hospital Service Area and the Proposed New Area, and to Expand the South Kenai Peninsula Hospital Service Area to Include the Land South Of Kachemak Bay Excluding the City Of Seldovia, Subject to Voter Approval

INFORMATIONAL MATERIALS AND REPORTS

NOTICE OF NEXT MEETING AND ADJOURNMENT

[2018-19](#) An Ordinance Appropriating Funds for Fiscal Year 2019 (Mayor)

[Clerk's Note: A teleconference site will be established at the Borough Office in Homer in order to take public testimony on the above referenced Ordinance.]

A motion was made by Bagley that this Budget Ordinance be amended. The motion carried by the following vote:

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

No: 2 - Fischer, and Blakeley

A motion was made by Bagley that this Budget Ordinance be amended. The motion carried by the following vote:

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

A motion was made by Bagley that this Budget Ordinance be amended. The motion carried by the following vote:

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

A motion was made by Cooper that this Budget Ordinance be postponed. The motion 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)

A motion was made by Cooper that this Ordinance be amended. The motion carried by the following vote:

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

A motion was made by Cooper that this Ordinance be postponed. The motion carried by the following vote:

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

No: 3 - Bagley, Hibbert, and Carpenter