



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, November 22, 2016

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

The invocation was given by Carrie Henson from the Last Frontier Freethinkers.

ROLL CALL

[Clerk's Note: Assembly Members Dunne and Holmdahl attended via 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 Welles stated the Lands Committee met and discussed its agenda items.

[Clerk's Note: The assembly adjourned into executive session for the purpose of discussing with the Borough Attorney and outside counsel a matter required to be kept confidential by law, specifically, legal advice and strategies in response to communications received regarding the legality of the adopted

invocation policy and proposed amendments to that policy.]

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

APPROVAL OF AGENDA AND CONSENT AGENDA

[2016-19-17](#) An Ordinance Appropriating Supplemental Funding in the Amount of \$75,000 for Legal Costs Relating to the Invocation Policy (Mayor, Knopp) (Hearing on 12/06/16)

Ordinance 2016-19-17 was withdrawn by the sponsor.

[2016-39](#) An Ordinance Amending the Effective Date of Amendments in Ordinance 2016-31, Relating to Sales Taxes on Non-Prepared Food by Certain Sellers in KPB 5.18.200(A)(15)(d) and Relating to Sales Taxes on Certain Nonprofit Sales in KPB 5.18.200(A)(20) (Cooper, Bagley, Holmdahl) (Shortened Hearing on 12/06/16)

Ordinance 2016-39 was withdrawn by the sponsors.

Copies have been made available to the public, Borough Clerk Johni Blankenship noted by title only the resolutions and ordinances on the consent agenda.

Ogle moved to approve the agenda and consent agenda.

[KPB-979](#) October 25, 2016 Regular Assembly Meeting Minutes approved.

[KPB-990](#) LAYDOWN A Resolution Commending Borough Clerk, Johni Blankenship, For Receiving the 2016 Alaska Association of Municipal Clerks' Award for "Clerk of the Year" (Cooper, Bagley, Gilman)

This Commending Resolution was adopted.

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

[2016-19-13](#) An Ordinance Accepting and Appropriating \$104,000 from the State of Alaska Department of Military and Veterans Affairs, Division of Homeland Security and Emergency Management to Purchase Radio Consoles (Mayor)

This Budget Ordinance was enacted.

[2016-19-14](#) An Ordinance Appropriating \$75,000 from the Seward/Bear Creek Flood Service Area Fund Balance to Complete Repair and Recovery Work on Box Canyon Creek, Sawmill Creek and Two Sites on Salmon Creek near Seward, Alaska (Mayor)

This Budget Ordinance was enacted.

[2016-19-15](#) An Ordinance Approving Construction and Accepting and Appropriating \$5,142,231.38 from the U.S. Department of Transportation, Western Federal Lands Highway Division to Extend a Portion of the Kenai Spur Highway within the Borough Right-of-Way (Mayor, Ogle)

[Clerk's Note: The last Whereas clause of Ordinance 2016-19-15 was amended to read, "WHEREAS, at its meeting of October 18, 2016 the Road Service Area board recommended approval by the passage of RSA Resolution 2016-09;"]

This Budget Ordinance was enacted as amended.

New Business

[2016-066](#) A Resolution Approving a Sole-Source Contract in the Amount of \$40,600 to McLane Consulting, Inc. for Review of Existing Plans and Permits, Road Design and Revisions, and Permit Assistance and Preparation of Final Bid Documents for the Kenai Spur Highway Extension Project (Mayor)

[Clerk's Note: The last Whereas clause of Resolution 2016-066 was amended to read, "WHEREAS, at its meeting of November 15, 2016 the Road Service Area board recommended approval by the passage of RSA Resolution 2016-10;"]

This Resolution was adopted as amended.

[2016-068](#) A Resolution Authorizing the Issuance and Sale of General Obligation Bonds of the Kenai Peninsula Borough in the Principal Amount Not to Exceed \$6,000,000 to Finance the Costs of Solid Waste Improvements in the Borough as Authorized by Ordinance No. 2016-14 of the Borough and Ratified by the Borough's Voters at an Election Held on October 4, 2016, Fixing Certain Details of Such Bonds, and Pledging the Full Faith and Credit of the Borough to the Payment Thereof (Mayor)

This Resolution was adopted.

[2016-069](#) A Resolution Approving a Quarterly Update to the Borough Retention Schedule (Cooper at the Request of the Borough Clerk)

This Resolution was adopted.

[2016-071](#) A Resolution Authorizing an Ambulance Gurney & Load Systems Standardization Policy for the Fire Service Areas (Mayor)

This Resolution was adopted.

[2016-19-16](#) An Ordinance Appropriating \$1,000,000 from the School Fund, Fund Balance to the Kenai Peninsula Borough School District (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2016-40](#) An Ordinance Amending KPB 5.18.200(A)(11) and KPB 5.18.900(Q) to Exempt Flightseeing from Sales Taxes (Bagley) (Hearing on 01/03/17)

[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.]

This Ordinance was introduced and set for public hearing.

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

Abstain: 1 - Holmdahl

[2016-41](#) An Ordinance Amending KPB 5.35.107(B), Regarding Deadlines to Collect Signatures on Petitions to Form Utility Special Assessment Districts (Mayor) (Hearing on 01/03/17)

This Ordinance was introduced and set for public hearing.

[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) (Hearing 01/03/17)

This Ordinance was introduced and set for public hearing.

[KPB-961](#) Approval of the 2017 Assembly Meeting Schedule (Cooper)
approved.

[KPB-962](#) Confirming Appointments to the Bear Creek Fire Service Area Board (Mayor)

Earl Kloster, Seat A, Term Expires October, 2017

Dan Logan, Seat D, Term Expires October, 2017

confirmed.

[KPB-963](#) Confirming Appointments to the Road Service Area Board (Mayor)

Larry L. Smith, Seat At-Large, Term Expires September 30, 2019

Sam McLane, Seat At-Large, Term Expires September 30, 2019

confirmed.

Approval of the Agenda and Consent Agenda as Amended

President Cooper called for public comment with none being offered.

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

[KPB-990](#) LAYDOWN A Resolution Commending Borough Clerk, Johni Blankenship, For Receiving the 2016 Alaska Association of Municipal Clerks' Award for "Clerk of the Year" (Cooper, Bagley, Gilman)

[Clerk's Note: Assembly Member Bagley presented Borough Clerk Johni Blankenship with the commending resolution. Mayor Navarre also presented Borough Clerk Johni Blankenship with a signed gift from the administration.]

This Commending Resolution was adopted.

PRESENTATIONS WITH PRIOR NOTICE

[KPB-976](#) Central Peninsula Hospital Quarterly Report (10 minutes)

[Clerk's Note: Rick Davis, CEO of Central Peninsula Hospital, Inc. presented their quarterly report to the assembly.]

[KPB-977](#) "Project Homeless Connect", Kathy Gensel and Jodi Stuart (10 minutes)

[Clerk's Note: Jodi Stuart, PR Chair from Kenai Peninsula Continuum of Care and Kenai Peninsula Project Homeless Connect Sub-Committee gave a presentation to the assembly.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Cooper called for public comment.

George Pierce, Kasilof addressed the assembly regarding the borough's efforts to continue encouraging the board of fish to schedule board meetings in the

Soldotna/Kenai area.

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-964](#) Authorization to Award Contract for RFP17-003, Professional Design Services for Eddy Hill Drive RIAD Paving Project – Ridgeway, Project No. EDDYH to McLane Consulting, Soldotna, Alaska
 - b. [KPB-965](#) Sole Source Request – Magellan
 - c. [KPB-966](#) Authorization to Award Contract for RFP17-002 - Custody and Safekeeping of Marketable Debt Securities to Wells Fargo Bank N.A., Minneapolis Minnesota
3. Other
 - a. [KPB-967](#) Kenai Peninsula Borough Healthcare Task Force 2016 Report and Recommendations
 - b. [KPB-968](#) Investment Portfolio Report
 - c. [KPB-969](#) Alaska Department of Transportation Sterling Highway MP45-60 Project Comments
 - d. [KPB-970](#) Project Reports – June 30, 2016
 - e. [KPB-971](#) Revenue – Expenditure Report – October 2016
 - f. [KPB-972](#) Budget Revisions – October 2016
 - g. [KPB-973](#) FY17- 1st Quarter Senior Grant Narrative Reports
 - h. [KPB-974](#) FY17- 1st Quarter Non-Department Grant Reports

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

[2016-38](#) An Ordinance Amending KPB 5.12.245 Allowing for Permanent Motor Vehicle Registration Tax for Non-Commercial Motor Vehicles and Non-Commercial Trailers that are at Least Eight Years Old (Bagley) (Hearing on 11/22/16)

Knopp moved to enact Ordinance 2016-38.

President Cooper called for public comment.

Debbie Carey, Ninilchik addressed the assembly regarding various questions pertaining to Ordinance 2016-38.

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

Knopp moved to amend Ordinance 2016-38.

Amend the seventh Whereas clause to read,

"WHEREAS, if the borough implements a permanent registration tax of ~~\$75.00~~ **\$125.00** for non-commercial motor vehicles that are at least eight years old and ~~25~~ **50** percent of eligible vehicles participate in the program, the non-commercial motor vehicle tax revenue over a ten year period is estimated to be ~~\$6.3~~ **\$7.3** million compared to estimated revenues of \$6.9 million under the current tax system; and"
and

Amend Section 1 to read,

"B. Optional permanent motor vehicles registration tax for non-commercial motor vehicles and trailers that are at least eight years old.

1. Owners of non-commercial motor vehicles and trailers that are at least eight years old may elect to permanently register their non-commercial motor vehicles and non-commercial trailers.

2. The permanent registration expires when the owner transfers or assigns the owner's title or interest in the motor vehicle or trailer and may not be renewed.

3. The optional permanent motor vehicle registration tax for non-commercial motor vehicles is ~~\$75.00~~ **\$125.00** and for non-commercial trailers is \$25.00."

Assembly Member Welles spoke in opposition to the amendment.

[Clerk's Note: Assembly Member Dunne lost phone connection and was unable to vote on the amendment.]

The motion to amend carried by the following vote:

Yes: 5 - Gilman, Holmdahl, Knopp, Fischer, and Bagley

No: 3 - Cooper, Ogle, and Welles

Absent: 1 - Dunne

[Clerk's Note: Assembly Member Dunne was able to remain connected via phone for the remainder of the meeting.]

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

Yes: 5 - Gilman, Holmdahl, Knopp, Fischer, and Bagley

No: 4 - Cooper, Dunne, Ogle, and Welles

UNFINISHED BUSINESS

None.

NEW BUSINESS

[2016-067](#)

A Resolution Authorizing the Issuance and Sale of General Obligation Bonds, in One or More Series, of the South Kenai Peninsula Hospital Service Area in the Principal Amount Not to Exceed \$4,800,000 to Finance the Costs of Certain Capital Improvements to the South Kenai Peninsula Hospital and Homer Medical Center in the Borough as Authorized By Ordinance No. 2016-15 of the Borough and Ratified by the Borough's Voters at an Election Held on October 4, 2016, Fixing Certain Details of Such Bonds, and Pledging the Full Faith and Credit of the South Kenai Peninsula Hospital Service Area to the Payment Thereof (Mayor)

Bagley moved to adopt Resolution 2016-067.

President Cooper called for public comment.

George Pierce, Kasilof spoke in opposition to Resolution 2016-067.

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

Assembly Members Knopp and Ogle spoke in support of Resolution 2016-067.

Assembly Member Welles spoke in opposition to Resolution 2016-067.

The motion to adopt carried by the following vote:

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

No: 1 - Welles

[2016-070](#)

A Resolution Approving an Automatic Aid Agreement and Operational Plan Between Kachemak Emergency Service Area and the City of Homer Volunteer Fire Department for Fire Apparatus and Personnel (Mayor)

Knopp moved to adopt Resolution 2016-070.

President Cooper called for public comment with none being offered.

Knopp moved to postpone Resolution 2016-070 to January 17, 2017.

The motion to postpone Resolution 2016-070 to January 17, 2017 carried by the following vote:

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

[2016-072](#)

A Resolution Amending the Assembly Policy Regarding Invocations before Borough Assembly Meetings (Cooper) [Notice of Reconsideration given by Gilman]

[Clerks Note: A teleconference site will be established at the Borough Office in Homer in order to take public testimony if Resolution 2016-072 is reconsidered]

Knopp moved to adopt Resolution 2016-072.

President Cooper called for public comment.

The following people addressed the assembly regarding Resolution 2016-072:

- Carrie Henson**, Soldotna
- Ruth Lawler**, Kasilof
- Eric Glatt**, ACLU Attorney, Anchorage
- Meldonna Cody**, Soldotna
- Peggy Peterson**, Sterling
- Krista Schooley**, Kasilof
- George Pierce**, Kasilof
- Nancy Hendrickson**, Kenai
- Lance Hunt**, Kenai
- Jason Ross**, Nikiski

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

Knopp moved to amend Resolution 2016-072.

Amend Section 1 to read, "That Section IX paragraph D. Invocations. of the Kenai Peninsula Borough Assembly Manual is deleted in its entirety [AMENDED AS FOLLOWS].

[D. INVOCATIONS. . .]"

Assembly Members Bagley, Welles and Gilman spoke in opposition to the amendment.

Assembly Member Dunne spoke in support of the amendment.

President Cooper passed the gavel to Vice President Ogle and spoke in support of the amendment. Vice President Ogle returned the gavel to President Cooper.

The motion to amend Resolution 2016-072 carried by the following vote:

Yes: 5 - Cooper, Dunne, Holmdahl, Knopp, and Fischer

No: 4 - Gilman, Ogle, Welles, and Bagley

The motion to adopt Resolution 2016-072 as amended carried by the following vote:

Yes: 5 - Cooper, Dunne, Holmdahl, Knopp, and Fischer

No: 4 - Gilman, Ogle, Welles, and Bagley

[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)

Knopp moved to adopt Resolution 2016-073.

President Cooper called for public comments with none being offered.

Knopp moved to postpone Resolution 2016-073 to January 3, 2017.

The motion to postpone Resolution 2016-073 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 comment.

The following people thanked the assembly for adopting Resolution 2016-072 as amended:

Carrie Henson, Soldotna

Meldonna Cody, Soldotna
Jason Ross, Nikiski

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

December 6, 2016 Regular Assembly Meeting 6:00 PM Assembly Chambers, Borough Administration Building

ASSEMBLY COMMENTS

Assembly Member Ogle stated he felt he was on the short end of the stick regarding Resolution 2016-072, but was glad it was over. Mr. Ogle thanked Margaret Gilman for her invitation to attend the Veteran's Day celebration at North Star Elementary School in Nikiski. He stated it was important for our children to learn and be aware of our civic processes. Mr. Ogle thanked Mayor Navarre for the administration's work on the north road extension project.

Assembly Member Holmdahl stated she was also glad that the assembly had appeared to reach a conclusion regarding the invocation issue, but was still frustraighted on how much time had been spent on the matter.

Assembly Member Dunne stated he was looking forward to the invocations from folks in the months to come.

Assembly Member Knopp wished everyone Happy Thanksgiving. Mr. Knopp stated he would be resigning his District 1 seat within the next 30 - 40 days and encouraged those who had an interest in public service to consider applying for the assembly seat.

Assembly Member Welles wished everyone a good evening and Happy Thanksgiving.

Assembly Member Gilman gave notice of reconsideration of Resolution 2016-072. Mr. Gilman wished everyone a Happy Thanksgiving.

Assembly Member Bagley stated Borough Clerk Blankenship won the 2016 Clerk of the Year award with nine other applicants and stated it was an award well deserved to her. Mr. Bagley wished everyone Happy Thanksgiving.

Assembly Member Fischer stated things had certainly changed on the assembly within the six years since he last served. He stated he was glad Gilman gave notice of reconsideration on Resolution 206-072. He stated after listening to public testimony, he believed he voted the wrong way as people had the wrong idea what an invocation

was. Mr. Fischer wished everyone a Happy Thanksgiving.

President Cooper thanked everyone for their patience and wished everyone a Happy Thanksgiving.

PENDING LEGISLATION

None.

INFORMATIONAL MATERIALS AND REPORTS

None.

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Cooper adjourned the meeting at 9:13 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of November 22, 2016.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____