



# Kenai Peninsula Borough

144 North Binkley Street  
Soldotna, AK 99669

## Meeting Minutes - Draft

### Assembly

*Dale Bagley, President*  
*Sue McClure, Vice President*  
*Kelly Cooper*  
*Blaine Gilman*  
*Mako Haggerty*  
*Brent Johnson*  
*Wayne Ogle*  
*Stan Welles*  
*Kelly Wolf*

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Tuesday, May 19, 2015

6:00 PM

Assembly Chambers

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### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### INVOCATION

The invocation was given by Pastor Alan Humphries of Soldotna Church of God.

### ROLL CALL

**Present:** 9 - Kelly Wolf, Wayne Ogle, President Dale Bagley, Brent Johnson, Mako Haggerty, Vice President Sue McClure, Blaine Gilman, Stan Welles, and Kelly Cooper

Also present were:

Colette Thompson, Borough Attorney

Johni Blankenship, Borough Clerk

Michele Turner, Deputy Borough Clerk

### COMMITTEE REPORTS

Assembly Member Johnson stated that Budget Work Session #2 was conducted and both department and non-departmental presentations were given.

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

Assembly Member Haggerty stated the Lands Committee met and discussed its agenda item.

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

Assembly Member Wolf stated the Legislative Committee met and discussed its agenda item.

President Bagley stated the Committee of the Whole met and discussed its agenda item.

**McClure moved to increase the Borough Clerk's salary by 2.5% and to authorize a one-time merit adjustment of \$1,500 effective July 1, 2015 for Fiscal Year 2016.**

**Yes:** 9 - Wolf, Ogle, Bagley, Johnson, Haggerty, McClure, Gilman, Welles, and Cooper

## **APPROVAL OF AGENDA AND CONSENT AGENDA**

**McClure 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-0323](#) May 5, 2015 Regular Assembly Meeting Minutes

*Attachments:* [050515 Regular Assembly Meeting Minutes](#)

**approved.**

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

[2014-19-57](#) An Ordinance Expanding the Scope of a Project Previously Authorized by Ordinance 2012-19-54 for Improvements to School Facilities to Include Teacher Housing (Mayor)(Hearing on 05/19/15)

*Attachments:* [O2014-19-57](#)

[Memo](#)

[KPBSD letter teacher housing scope expansion](#)

**This Budget Ordinance was enacted.**

New Business

[2015-025](#) A Resolution Urging Congress to Apply Demographic Adjustments to Calculations for the Affordable Care Act Excise Tax Thresholds (Mayor)

*Attachments:* [R2015-025](#)

[Memo](#)

**This Resolution was adopted.**

[2015-026](#) A Resolution Establishing Grant Criteria for the Promotion of Tourism Pursuant to KPB 19.10.040 (Mayor)

**Attachments:** [R2015-026](#)

[Memo](#)

**This Resolution was adopted.**

[2014-19-58](#) An Ordinance Accepting and Appropriating \$7,000 on Behalf of Nikiski Fire Service Area From Hilcorp Alaska LLC and XTO Energy Inc. to Purchase Two Rescue Rafts (Mayor)

**Attachments:** [2014-19-58](#)

[Memo](#)

[Nikiski Fire Service Area Rescue Raft Backup](#)

**This Budget Ordinance was introduced and set for public hearing.**

[2015-12](#) An Ordinance Amending KPB Chapter 5.35, Regarding Utility Special Assessment Districts (Bagley, Cooper, Mayor) (Hearing on 06/16/15)

**Attachments:** [O2015-12](#)

[Memo](#)

[5.35 USAD Sectional Analysis](#)

[5.35 Comparison Chart Assembly Review](#)

**This Ordinance was introduced and set for public hearing.**

[2015-13](#) An Ordinance Amending KPB Chapter 14.31, Regarding Road Improvement Assessment Districts (Bagley, Cooper, Mayor) (Hearing on 06/16/15)

**Attachments:** [O2015-13](#)

[Memo](#)

[14.31 RIAD Sectional Analysis](#)

[14.31 Comparison Chart Assembly Review](#)

**This Ordinance was introduced and set for public hearing.**

[KPB-0316](#) Authorizing an Application for Transfer of Stock and Relocation Filed by Irini, Inc. dba Big John's (previously no premise)

**Attachments:** [Memo](#)

[Transfer of Stock and Relocation Liquor License - Big John's](#)

*[Clerk's Note: Assembly Member Gilman declared a conflict, as the applicant was*

*his client. President Bagley ruled that a conflict did exist and Assembly Member Gilman abstained from discussion and voting on the application.]*

*[Clerk's Note: Assembly Member Wolf declared a conflict, as his daughter works for the applicant. President Bagley ruled that a conflict did not exist as his daughter was no longer his dependant.]*

approved.

[KPB-0315](#) Amendment to 2015 Assembly Meeting Schedule

Attachments: [Amendment to 2015 Meeting Schedule](#)

approved.

Approval of the Consent Agenda

President Bagley called for public comments with none being offered.

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

**Yes:** 9 - Wolf, Ogle, Bagley, Johnson, Haggerty, McClure, Gilman, Welles, and Cooper

## COMMENDING RESOLUTIONS AND PROCLAMATIONS

None.

## PRESENTATIONS WITH PRIOR NOTICE

[KPB-0329](#) “Cosmopolitan Development Project”, Larry Burgess, Health, Safety and Environmental Manager (10 minutes)

Attachments: [BlueCrest Energy Presentation](#)

presented.

## PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Bagley called for public comments with none being offered.

## MAYOR’S REPORT

1. Assembly Requests/Responses - None.
2. Agreements and Contracts
  - a. [KPB-0326](#) Authorizing Award of Contract for Road Service Area Capital Improvement Project: Rose Avenue and Baseball Street #S3ROS to JC

## Johnson &amp; Sons

Attachments: [Authorizing Award of Contract - JC Johnson & Sons](#)

presented.

- b. [KPB-0327](#) Authorizing Award of Contract for Road Service Area Capital Improvement Project: Northern Lights Boulevard, Delta Avenue, Parkway Avenue, Sunrise Avenue, Pero Street and Southern Boulevard #C5NLI to G & H Construction

Attachments: [Authorizing Award of Contract - G & H Construction](#)

presented.

- c. [KPB-0328](#) Authorization to Award Contract for Seldovia School Shop fire Restoration Professional Design Services to Architects Alaska

Attachments: [Authorization to Award Contract - Architects Alaska](#)

presented.

## 3. Other

- a. [KPB-0331](#) K-Beach Area Water Table Observations

Attachments: [K-Beach Area Water Table Observations](#)

presented.

**ITEMS NOT COMPLETED FROM PRIOR AGENDA**

None.

**PUBLIC HEARINGS ON ORDINANCES**

[2015-10](#) An Ordinance Amending KPB 2.60.030 and 2.60.035 Authorizing an Increase in the E911 Surcharge from \$1.80 to \$2.00 Per Month (Mayor)

Attachments: [O2015-10](#)

[Memo](#)

**Johnson moved to enact Ordinance 2015-10.**

President Bagley called for public comments with none being offered.

Assembly Member Wolf spoke in opposition to Ordinance 2015-10.

**The motion to enact Ordinance 2015-10 carried by the following vote:**

**Yes:** 6 - Bagley, Johnson, Haggerty, McClure, Gilman, and Cooper

**No:** 3 - Wolf, Ogle, and Welles

## 2015-19 An Ordinance Appropriating Funds for Fiscal Year 2016 (Mayor)

Attachments: [O2015-19](#)

[Finance Amendment](#)

[Welles Amendment Memo for K-Beach Flooding](#)

[Memo](#)

[FY2016 KPB Mayor Proposed Budget](#)

[FY16 Budget Presentation](#)

[Welles K-Beach Power Point Presentation](#)

[Ogle FY2016 Proposed Budget Change Form](#)

[Gilman FY2016 Proposed Budget Change Form](#)

**Johnson moved to enact Ordinance 2015-19.**

President Bagley called for public comments.

*[Clerk's Note: The teleconference sites in Homer and Seward were contacted for public comments with none being offered.]*

**Sharon Collins**, Kenai spoke in support of the Welles amendment.

The following people spoke in support of continued funding for tourism:

**Tammy Murray**, Soldotna

**Eric Dalman**, Soldotna

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

**Gilman moved to amend the FY2016 budget document as follows:**

Page 136, Non Departmental, decrease line item 100.94910.00000.43009 "Contractual Services - EDD" to \$0

Assembly Members Haggerty and Johnson spoke in opposition to the amendment.

Assembly Member Welles spoke in support of the amendment.

**Wolf moved a secondary amendment as follows:**

Page 136, Non Departmental, decrease line item 100.94910.00000.43009 "Contractual Services - EDD" to \$67,500

**The secondary amendment carried by the following vote:**

**Yes:** 7 - Wolf, Ogle, Bagley, Johnson, Haggerty, Welles, and Cooper

**No:** 2 - McClure, and Gilman

**The main motion as amended carried by the following vote:**

**Yes:** 5 - Wolf, Ogle, Gilman, Welles, and Cooper

**No:** 4 - Bagley, Johnson, Haggerty, and McClure

**Gilman moved to amend the FY2016 budget document as follows:**

Page 136, Non Departmental, decrease line 100.94910.00000.43011 "Contractual Services - SBDC" to \$0

**Ogle moved a secondary amendment as follows:**

Page 136, Non Departmental, decrease line 100.94910.00000.43011 "Contractual Services - SBDC" to \$94,500

**The secondary amendment FAILED by the following vote:**

**Yes:** 3 - Ogle, Bagley, and Johnson

**No:** 6 - Wolf, Haggerty, McClure, Gilman, Welles, and Cooper

Assembly Members Haggerty and McClure spoke in opposition to the amendment.

**The main motion to amend FAILED by the following vote:**

**Yes:** 2 - Wolf, and Gilman

**No:** 7 - Ogle, Bagley, Johnson, Haggerty, McClure, Welles, and Cooper

**Gilman moved to amend the FY2016 budget document as follows:**

Page 136, Non Departmental, decrease line 100.94910.00000.43021 "Contractual Services - KPTMC" to \$0

Assembly Member Welles spoke in support of the amendment.

**Ogle moved a secondary amendment as follows:**

Page 136, Non Departmental, decrease line 100.94910.00000.43021 "Contractual Servcies - KPTMC" to \$270,000

Assembly Member Wolf spoke in support of the amendment to the amendment.

Assembly Members Haggerty, Johnson, Welles and Gilman spoke in opposition of the amendment to the amendment.

**The secondary amendment FAILED by the following vote:**

**Yes:** 2 - Wolf, and Ogle

**No:** 7 - Bagley, Johnson, Haggerty, McClure, Gilman, Welles, and Cooper

**The main motion to amend FAILED by the following vote:**

**Yes:** 4 - Wolf, Ogle, Gilman, and Welles

**No:** 5 - Bagley, Johnson, Haggerty, McClure, and Cooper

**Ogle moved to amend the FY2015 budget document as follows:**

Page 68, Assembly Administration, decrease line 100.11110.00000.43215 "Travel Out of State" to \$2,500

Assembly Member Haggerty spoke in opposition to the amendment.

**The motion to amend FAILED by the following vote:**

**Yes:** 3 - Wolf, Ogle, and Welles

**No:** 6 - Bagley, Johnson, Haggerty, McClure, Gilman, and Cooper

*[Clerk's Note: Assembly Member Welles withdrew his amendment to the FY2016 budget document to add funding for a K-Beach Area High-Water Relief and Prevention Feasibility Study to be considered at the second public hearing, pending further research from legal counsel.]*

**McClure moved to postpone Budget Ordinance 2015-19 to June 2, 2015.**

**Yes:** 9 - Wolf, Ogle, Bagley, Johnson, Haggerty, McClure, Gilman, Welles, and Cooper

## **UNFINISHED BUSINESS**

None.



**NEW BUSINESS**

## 1. Resolutions

[2015-024](#) A Resolution Authorizing the Assessor to Assess the Conifer Woods, Laurawood Arms and Woodridge Apartments Low-Income Housing Tax Credit (LIHTC) Properties Based Upon Restricted Rents (Mayor)

Attachments: [R2014-024](#)

[Memo](#)

**Johnson moved to adopt Resolution 2015-024.**

President Bagley called for public comments with none being offered.

Assembly Member Welles spoke in support of Resolution 2015-024.

Assembly Members Haggerty, Johnson and Gilman spoke in opposition to Resolution 2015-024.

**The motion to adopt FAILED by the following vote:**

**Yes:** 1 - Welles

**No:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, McClure, Gilman, and Cooper

[2015-027](#) A Resolution Acknowledging the Community-Formed K-Beach High-Water Drainage Task Force, the Support of the Department of Natural Resources Commissioner, and Requesting Regular Updates to the Assembly (Wolf)

Attachments: [R2015-027](#)

[Memo](#)

[Department of Natural Resources Letter](#)

**McClure moved to adopt Resolution 2015-027.**

President Bagley called for public comments.

**Sharon Collins**, Kenai spoke in support of Resolution 2015-027.

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

Assembly Members Wolf, Johnson, Welles and Ogle spoke in support of Resolution

2015-027.

Assembly Members Haggerty, Cooper, McClure and Gilman spoke in opposition to Resolution 2015-027.

**The motion to adopt FAILED by the following vote:**

**Yes:** 4 - Wolf, Ogle, Johnson, and Welles

**No:** 5 - Bagley, Haggerty, McClure, Gilman, and Cooper

## 2. Ordinances

[2015-14](#) An Ordinance Amending KPB Chapter 21.18 to Repeal the Kenai River, Major Waters, West, South, and North Districts and Add the Kenai River Watershed District and Kasilof River Watershed District (Bagley, Ogle, Wolf) (Hearing on 06/16/15)

Attachments: [O2015-14](#)

[Memo](#)

[21.18 Watersheds Maps](#)

[21.18 Appendix 5-7-15](#)

[River Center Memo](#)

[Public Comment](#)

**McClure moved to introduce Ordinance 2015-14 and set for public hearing on June 16, 2015.**

President Bagley called for public comments.

**Laura Siebert**, Kenai spoke in opposition to the introduction of Ordinance 2015-14.

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

Assembly Members Wolf, Ogle and Gilman spoke in support of the introduction of Ordinance 2015-14.

Assembly Members Cooper, Johnson and Haggerty spoke in opposition to the introduction of Ordinance 2015-14.

**The motion to introduce and set for public hearing carried by the following vote:**

**Yes:** 6 - Wolf, Ogle, Bagley, McClure, Gilman, and Welles

**No:** 3 - Johnson, Haggerty, and Cooper

## 3. Other

[KPB-0314](#) Authorization for Assembly Member Travel to Akita, Japan

*Attachments:* [Authorization for Assembly Member Travel](#)

**Johnson moved to approve Assembly member travel to Akita, Japan.**

Assembly Members Wolf and Welles spoke in opposition to Assembly member travel to Akita, Japan.

Assembly Members Gilman and Ogle spoke in support of Assembly member travel to Akita, Japan.

**The motion to approve Assembly member travel to Akita, Japan carried by the following vote:**

**Yes:** 7 - Ogle, Bagley, Johnson, Haggerty, McClure, Gilman, and Cooper

**No:** 2 - Wolf, and Welles

## **PUBLIC COMMENTS AND PUBLIC PRESENTATIONS**

President Bagley called for public comments with none being offered.

## **ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS**

1. June 2, 2015 Regular Assembly Meeting 6:00PM Soldotna
2. June 4, 2015 Public Hearing (Proposed Nikiski Law Enforcement Service Area) 6:00 p.m. Nikiski Community Recreation Center, Nikiski

## **ASSEMBLY COMMENTS**

Assembly Member Johnson congratulated the 2015 graduates and thanked the teachers who helped them.

Assembly Member Cooper congratulated the Homer graduates. She welcomed the Alaska Dental Association to Homer on May 27 - 28, 2015.

Assembly Member Haggerty reminded everyone to be safe this memorial weekend.

Assembly Member Welles wished everyone a great rest of the week.

Assembly Member Gilman congratulated the 2015 graduates. He stated unfortunately he was not able to attend Kenai's graduation, but was able watch it on line. He stated he did however attend the awards ceremony. Mr. Gilman stated it was impressive to see what our students were doing. Mr. Gilman stated that he wanted to clarify his earlier comments, that

it's not that he thought the non-profits were not doing a good job; he did not feel the borough should be funding them. He stated the borough should focus on providing core services.

Assembly Member Ogle congratulated the 2015 graduates and stated it was a great achievement and something to be proud of. He stated he agreed with Mr. Gilman about non-profits and felt that they needed to be weined off of borough funding.

Assembly Member McClure stated she was trying to keep a fresh perspective on funding the non-profits, as it was something that seemed to be discussed every budget cycle. She stated she was happy that she would be able to attend Seward's graduation.

## **INFORMATIONAL MATERIALS AND REPORTS**

### **NOTICE OF NEXT MEETING AND ADJOURNMENT**

With no further business to come before the assembly, President Bagley adjourned the meeting at 9:20 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of May 19, 2015.

\_\_\_\_\_  
Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: \_\_\_\_\_