



# 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, September 15, 2015

6:00 PM

Homer City Hall - Council Chambers

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### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### INVOCATION

The invocation was given by Pastor Lisa Talbott from the Homer United Methodist Church

### ROLL CALL

**Present:** 8 - Kelly Wolf, Wayne Ogle, President Dale Bagley, Brent Johnson, Mako Haggerty, Blaine Gilman, Stan Welles, and Kelly Cooper

**Absent:** 1 - Vice President Sue McClure

Also present were:

Colette Thomsson, Borough Attorney

Johni Blankenship, Borough Clerk

Michele Turner, Deputy Borough Clerk

### COMMITTEE REPORTS

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

Assembly Member Haggerty 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.

### APPROVAL OF AGENDA AND CONSENT AGENDA

Haggerty 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-0469](#) September 1, 2015 Regular Assembly Meeting Minutes

**Attachments:** [090115 Regular Assembly Meeting Minutes](#)

**Approved.**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

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

[2014-19-62](#) An Ordinance to Record Expenditures of \$9,532,675.35 paid by the State of Alaska Department of Administration, Division of Retirement and Benefits on Behalf of the Kenai Peninsula Borough Toward the Borough's Unfunded PERS Liability (Mayor)

**Attachments:** [2014-19-62](#)

[Memo](#)

[FY15 PERS State of Alaska Letter](#)

**Budget Ordinance 2014-19-62 was enacted.**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

[2015-19-10](#) An Ordinance Accepting and Appropriating Funds in the Amount of \$66,700 from the State of Alaska Department of Natural Resources to Provide E911 Dispatch Services and Authorizing the Addition of One Dispatch Position in the Emergency Communications Division of the Office of Emergency Management During the Period of Time Funds are Provided by the State of Alaska Department of Natural Resources (Mayor)

**Attachments:** [O2015-19-10](#)

[Memo](#)

[Memorandum of Agreement](#)

[Public Comment](#)

[Amendment Memo](#)

*[Clerk's Note: Ordinance 2015-19-10 was amended as follows: Title to read, "An*

*Ordinance Accepting and Appropriating Funds in the Amount of \$66,700 from the State of Alaska Department of Natural Resources to Provide Dispatch Services and Authorizing the Addition of One Dispatch Position [IN THE EMERGENCY COMMUNICATIONS DIVISION OF THE OFFICE OF EMERGENCY MANAGEMENT] at the Soldotna Public Safety Communication Center During the Period of Time Funds are Provided by the State of Alaska Department of Natural Resources" and Section 2 to read, "That one Public Safety Dispatch, grade M, position is added to the [EMERGENCY COMMUNICATION DIVISION OF THE OFFICE OF EMERGENCY MANAGEMENT] Soldotna Public Safety Communication Center (SPSCC)."*

**The motion to amend Budget Ordinance 2015-19-10 carried by the following vote:**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

**Budget Ordinance 2015-19-10 was enacted as amended.**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

[2015-19-11](#) An Ordinance Appropriating \$30,000 from the Nikiski Senior Service Area Fund for External Accounting Services (Mayor, Ogle)

**Attachments:** [O2015-19-11](#)

[Memo](#)

[Service Area Board Recommendations \(dealt with on 9/15/15\)](#)

*[Clerk's Note: Ordinance 2015-19-11 was amended as follows: Final Whereas to read, "at its meeting of September 9, 2015, the Nikiski Senior Service Area board recommended approval;"*

**The motion to amend Budget Ordinance 2015-19-11 carried by the following vote:**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

**Budget Ordinance 2015-19-11 was enacted as amended.**

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

**No:** 1 - Welles

**Absent:** 1 - McClure

New Business

[2015-19-13](#) An Ordinance Appropriating \$654,807 from the CPGH, Inc. Plant Replacement and Expansion Fund to Replace and Upgrade Equipment in Three Operating Rooms at Central Peninsula Hospital (Mayor)

**Attachments:** [2015-19-13](#)

[Memo](#)

[CPH Reso 2015-38 and Proposal](#)

**Ordinance 2015-19-13 was introduced and set for public hearing.**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

[2015-19-14](#) An Ordinance Accepting and Appropriating \$51,114 from the State of Alaska Department of Military and Veterans Affairs, Division of Homeland Security and Emergency Management for Portable Radios and Travel Reimbursement (Mayor)

**Attachments:** [O2015-19-14](#)

[Service Area Board Recommendations](#)

[Memo](#)

[Grant Award Letter](#)

**Budget Ordinance 2015-19-14 was introduced and set for public hearing.**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

[KPB-0468](#) Approval of the Precinct Boards, Canvass Board and Absentee Voting Officials for the October 6, 2015 Regular Municipal Election

**Attachments:** [2015 Election Workers REVISED](#)

*[Clerk's Note: President Bagley stated he would abstain from voting on this agenda item as his mother was listed as an election worker. Assembly Member Cooper stated she would abstain from voting on this agenda item as she was volunteering as an election worker.]*

**Approved.**

**Yes:** 6 - Wolf, Ogle, Johnson, Haggerty, Gilman, and Welles

**Absent:** 1 - McClure

**Abstain:** 2 - Bagley, and Cooper

[KPB-0457](#) Confirming Appointments to the Road Service Area Board (Mayor)

Ed Holsten, East Region, Term Expires September 30, 2018  
Jake Denbrock, Central Region, Term Expires September 30, 2018  
Cam Shafer, South Region, Term Expires September 30, 2018

Attachments: [Memo](#)

[Appointments](#)

**Approved.**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

President Bagley called for public comments with none being offered.

**The motion to approve the Agenda and Consent Agneda as amended carried by the following vote:**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

## COMMENDING RESOLUTIONS AND PROCLAMATIONS

None.

## PRESENTATIONS WITH PRIOR NOTICE

[TMP-0140](#) South Peninsula Hospital Quarterly Report (10 minutes)

Attachments: [South Peninsula Hospital Quarterly Report](#)

*[Clerk's Note: Bob Letson, CEO and Lori Skaggs, CFO presented South Peninsula Hospital's quarterly report to the assembly.]*

**Presented.**

## PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Bagley called for public comments.

**Peter Zuyus**, Homer spoke regarding the establishment of a Senior Advisory Commission.

**Milli Martin**, Homer thanked assembly members Mako Haggerty and Sue McClure for their public service.

**Bill Smith**, Homer stated it was a very difficult task to categorize everyone's needs from a budgetary standpoint. He thanked assembly members Mako Haggerty and Sue McClure for their public service. Mr. Smith also stated that the signs to "end food tax" did not

accurately depict what Proposition 1 was about.

**Tara Kain**, Soldotna addressed the assembly regarding Proposition 1.

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-0458](#) Authorization to Award Contract for Construction and Demolition Debris Disposal Area – Central Peninsula Landfill (CPL) Expansion Design to HDR Alaska

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

- b. [KPB-0459](#) Authorization to Award Contract for Gas Well Road and Whisperwood Street Gravel to Alaska Scrap and Salvage, LLC.

*Attachments:* [Authorization to Award Contract - Alaska Scrap and Salvage, LLC](#)

- c. [KPB-0460](#) Authorization to Award Contract for Oil Well Road Gravel Project to Covey Construction, LLC.

*Attachments:* [Authorization to Award Contract - Covey Construction, LLC](#)

- d. [KPB-0461](#) Authorization to Award Contract for North Peninsula Recreation Center Pool Tile and Drain Replacement to Arctic Exterior Solutions, Anchorage, AK

*Attachments:* [Authorization to Award Contract - Arctic Exterior Solutions](#)

- e. [KPB-0462](#) Approval for Sole Source External Accounting Services to be Performed at Nikiski Senior Citizens, Inc. by Altman Rogers

*Attachments:* [Approval for Sole Source - Altman Rogers](#)

### 3. Other

- a. [KPB-0463](#) Marijuana Task Force, Quarterly Report for the Period of June 15 Through August 17, 2015

*Attachments:* [Marijuana Task Force - Quarterly Report](#)

[Exhibit A](#)

[Exhibit B](#)

[Exhibit C](#)

- b. [KPB-0464](#) Revenue – Expenditure Report – August 2015

*Attachments:* [Revenue- Exenditure Report - August 2015](#)

- c. [KPB-0465](#) Budget Revision – August 2015

*Attachments:* [Budget Revisions - August 2015](#)

#### L. ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

#### PUBLIC HEARINGS ON ORDINANCES

[2015-19-12](#) An Ordinance Appropriating \$435,000 from the South Kenai Peninsula Hospital Service Area (SKPHSA) Operating Fund to the SKPHSA Capital Project Fund, Authorizing the Acquisition of Real Property Located at 4136 Bartlett Street, Homer, Alaska on Behalf of SKPHSA, Appropriating \$1,635,000 from the SKPHSA Capital Project Fund for the Purchase and Building Expansion Design, and Authorizing an Amendment to the SPH, Inc. Sublease and Operating Agreement (Mayor)

*Attachments:* [O2015-19-12](#)

[Memo](#)

[SPH Homer Medical Center Letter and back-up](#)

[Map](#)

[Purchase Agreement](#)

[Second Amendment to Sublease and Operating Agreement](#)

[Service Area Board and INC Recommendations \(dealt with on 9/15/15\)](#)

[Planning Commission Recommendations \(dealt with on 9/15/15\)](#)

**Johnson moved to enact Budget Ordinance 2015-19-12.**

President Bagley called for public comments.

The following people spoke in support of Ordinance 2015-19-12:

**Bob Letson**, CEO South Peninsula Hospital

**Julie Woodworth**, Homer

**Roberta Highland**, Homer

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

**Johnson moved to amend Ordinance 2015-19-12 to read as follows:**

The eleventh and twelfth Whereas clauses to read:

"Whereas, the SPH, Inc. Board of Directors at its meeting of August 26, 2015 recommended approval by unanimous consent; and

Whereas, the South Kenai Peninsula Hospital Service Area Board, at its meeting of September 10, 2015 recommended approval; and"

**The motion to amend Budget Ordinance 2014-19-12 carried by the following vote:**

**Yes:** 8 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, Welles, and Cooper

**Absent:** 1 - McClure

**Welles moved to amend Ordinance 2015-19-12 to read as follows:**

Amend the title to read:

"AN ORDINANCE APPROPRIATING \$435,000 FROM THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA (SKPHSA) OPERATING FUND TO THE SKPHSA CAPITAL PROJECT FUND, AUTHORIZING THE ACQUISITION OF REAL PROPERTY LOCATED AT 4136 BARTLETT STREET, HOMER ALASKA ON BEHALF OF SKPHSA, APPROPRIATING \$[1,635,000] 1,485,000 FROM THE SKPHSA CAPITAL PROJECT FUND FOR THE PURCHASE [AND BUILDING EXPANSION DESIGN], AND AUTHORIZING AN AMENDMENT TO THE SPH, INC. SUBLEASE AND OPERATING AGREEMENT"

Delete the ninth Whereas clause:

[Whereas, a \$150,000 budget is necessary to plan and design a 3,700 square foot medical office addition to the Homer Medical Center; and]

Delete Section 8:

[THAT \$150,000 IS APPROPRIATED IN THE SKPHSA CAPITAL PROJECT FUND TO ACCOUNT NC 491.81210.16HMS.49311 FOR THE PLANNING AND DESIGN OF AN APPROXIMATELY 3,700 SQUARE FOOT ADDITION TO THE HOMER MEDICAL CENTER INCLUDING RELATED RENOVATIONS AND SITE IMPROVEMENTS.]

Amend Section 10 to read:



"That Sections 1 through [8]7 and [10]9 through [11]10 of this ordinance shall take effect immediately upon its enactment."

Amend Section 11 to read:

"That Section [9]8 of this ordinance shall take effect upon purchase of the property listed in section 1 above."

And re-number the sections accordingly.

Assembly Member Johnson spoke in opposition to the amendment.

**The motion to amend Ordinance 2015-19-12 failed by the following vote:**

**Yes:** 1 - Welles

**No:** 7 - Wolf, Ogle, Bagley, Johnson, Haggerty, Gilman, and Cooper

**Absent:** 1 - McClure

**The motion to enact Budget Ordinance 2015-19-12 as amended carried by the following vote:**

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

**No:** 1 - Welles

**Absent:** 1 - McClure

## UNFINISHED BUSINESS

### Postponed Item

[KPB-0448](#) Objecting to the Transfer of a Liquor License for Echo Lake Superior Meat and Processing, LLC dba Ninilchik Trading due to Proximity to Churches and a School per KPB 7.10.020

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

[Application and Back-up Documents](#)

[Letter to Applicant](#)

[United Methodist Church Non-Objection Letter](#)

[Ninilchik School Non-Objection Letter](#)

[Calvary Baptist Church Objection Letter](#)

[Ninilchik School Letter](#)

*[Clerk's Note: The motion to issue an objection to the Alcoholic Beverage Control (ABC) Board was on the floor from the September 1, 2015 meeting.]*

**This Liquor License was approved.**

President Bagley called for public comments.

**James Clark**, Ninilchik spoke in support of the liquor license transfer.

The following people spoke in opposition to the liquor license transfer:

**Bob Ferguson**, Ninilchik

**Gary Estalkoff**, Ninilchik

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

*[Clerk's Note: Assembly Member Johnson disclosed a possible conflict as his brother was the surveyor at the applicant's property. Borough Attorney Thompson stated that since the brother's income does not directly impact the liquor license transfer, no conflict existed. President Bagley ruled a conflict did not exist.]*

Assembly Member Haggerty spoke in opposition to the the assembly issuing an objection to the transfer.

Assembly Members Johnson, Ogle and Wolf spoke in support of the assembly issuing an objection to the transfer.

**The motion to issue an objection to the Alcoholic Beverage Control (ABC) Board carried by the following vote:**

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

**No:** 1 - Haggerty

**Absent:** 1 - McClure

## NEW BUSINESS

[2015-040](#) Supporting the Pratt Museum's Grant Request for its New Facility and Site Redesign Project

Attachments: [R2015-040](#)

[Memo](#)

**Wolf moved to adopt Resolution 2015-040.**

President Bagley called for public comments.

The following people spoke in support of Resolution 2015-040:

**Milli Martin**, Homer

**Michele Miller**, Homer  
**Roberta Highland**, Homer  
**Katrina Reynolds**, Homer

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

Assembly Members Cooper, Haggerty and Gilman spoke in support of Resolution 2015-040.

Assembly Members Johnson, Welles, Wolf and Ogle spoke in opposition to Resolution 2015-040.

President Bagley passed the gavel.

**President Bagley moved to postpone to October 13, 2015.**

Assembly Members Haggerty, Gilman and Ogle spoke in support of postponement.

**The motion to postpone to October 13, 2015 carried by the following vote:**

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

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

**Absent:** 1 - McClure

President Pro Tem Johnson returned the gavel to President Bagley.

## **PUBLIC COMMENTS AND PUBLIC PRESENTATIONS**

President Bagley called for public comments.

**Roberta Highland**, Homer addresssed the assembly regarding the state's current budget crisis, as well as not knowing about ocean acidics problems in the bay.

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

## **ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS**

1. September 16, 2015 Health Care Task Force Meeting 6:30 PM  
Assembly Chambers, Borough Administration Building
2. September 29, 2015 Marijuana Task Force Meeting 6:00 PM  
Assembly Chambers, Borough Administration Building

3. October 13, 2015 Regular Assembly Meeting 6:00 PM  
Assembly Chambers, Borough Administration Building

### ASSEMBLY COMMENTS

Assembly Member Cooper stated she attended the State's community meeting regarding its fiscal status and encouraged everyone to attend the meeting held in their area. Ms. Cooper stated she had to go on record to state that assembly members had a responsibility to take more care of what was said at the microphone.

Assembly Member Ogle thanked South Peninsula Hospital for hosting dinner and stated it was a very enjoyable experience. He stated he appreciated the Mayor's comments regarding the state's current financial status. Mr. Ogle encouraged everyone to remember that we had a federal budget to be concerned with as well. He stated it was great to be in Homer; a great view with great people.

Assembly Member Welles thanked the Mayor regarding his comments on the state budget.

Assembly Member Gilman stated we live in a state that consists of great potential, great people and strong characters. He stated were going to come out on the other end of this budgetary crisis and encouraged everyone not to be pessimistic just because there were challenges. Mr. Gilman stated we were going to do great things in this state and in this borough.

Assembly Member Wolf thanked the City of Homer for their hospitality and the South Peninsula Hospital for hosting dinner. He stated he had mixed emotions about acquiring new property for the hospital but recognized there was justification for buying an existing building and expending the \$150,000 to plan and design. He stated that former Governor Jay Hammond regreted when the legislature did away with income tax. Mr. Wolf stated there would be a time when we needed to pay for our own instead of relying on the oil companies and stated that if there was a people who could pull up their boot straps and do it, it was Alaskans.

Assembly Member Haggerty stated he too attended the state's budget community meeting and found it to be very informative. He thanked the people of District 9 who entrusted him with the job and stated it had been an honor, challenging and fun. He stated he was coming away with more than he gave. Mr. Haggerty said he wanted to state for the record that he was apposed to term limits, but was thankful there was term limits right now because he did not want to say no.

Assembly Member Johnson appreciated the hospital tour and noticed they were doing great things in the community. He wished Ms. Barker a happy 92nd birthday. Mr. Johnson sent his condolences to his fellow fisherman, the drifters, who many had reported it was one of

the worst years they had had. He stated the assembly certainly had differences, but it does not lower his opinion of others that had a different opinion than his.

President Bagley stated he enjoyed seeing former Assembly Members Bill Smith and Milli Martin. He stated that going to Seward and Homer each year was great. Mr. Bagley stated that the SoHi Football Team was up to 34 wins. He thanked the hospital for the progressive dinner and tour. Mr. Bagley wished Betty Glick a happy 80th birthday.

**INFORMATIONAL MATERIALS AND REPORTS**

None.

**NOTICE OF NEXT MEETING AND ADJOURNMENT**

The next meeting of the Kenai Peninsula Borough Assembly will be held on October 13, 2015, at 6:00 P.M. in the Borough Assembly Chambers, Soldotna, Alaska.

With no further business to come before the assembly, President Bagley adjourned the meeting at 9:12 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of October 13, 2015.

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Johni Blankenship, MMC, Borough Clerk

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