



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Draft

Assembly

Blaine Gilman, President

Brent Johnson, Vice President

Dale Bagley

Kelly Cooper

Willy Dunne

Brandii Holmdahl

Gary Knopp

Wayne Ogle

Stan Welles

Tuesday, September 20, 2016

6:00 PM

Council Chambers, Homer City Hall

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

The invocation was given by Assembly Member Kelly Cooper.

ROLL CALL

Present: 8 - Dale Bagley, Kelly Cooper, Willy Dunne, President Blaine Gilman, Brandii Holmdahl, Vice President Brent Johnson, Gary Knopp, and Wayne Ogle

Excused: 1 - Stan Welles

Also present were:

Colette Thompson, Borough Attorney

Johni Blankenship, Borough Clerk

Michele Turner, Deputy Borough Clerk

COMMITTEE REPORTS

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

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

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

APPROVAL OF AGENDA AND CONSENT AGENDA

Johnson 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-887](#) September 6, 2016 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:

[2015-19-36](#) An Ordinance Recording Expenditures of \$1,192,674.66 Paid by the State of Alaska Department of Administration, Division of Retirement & Benefits on behalf of the Kenai Peninsula Borough toward the Borough's Unfunded PERS Liability (Mayor)
This Budget Ordinance was enacted.

[2016-19-06](#) An Ordinance Accepting and Appropriating Funding from the State of Alaska in the Amount of \$348,300 for Community Purposes under the State's 2016/2017 Community Revenue Sharing Program (Mayor)
This Budget Ordinance was enacted.

[2016-19-07](#) An Ordinance Appropriating \$700 for Costs of Printing and Disseminating Information about Ballot Propositions 3 and 4 Concerning the Proposed Sales Tax Cap Increase to \$1,000 and a Phase-Out of the Optional Senior Citizen Tax Exemption, to Ensure Compliance with Legal Restrictions on the Use of Borough Funds and Assets Relating to Ballot Propositions (Mayor)

[Clerk's Note: Section 1 of Budget Ordinance 2016-19-07 was amended to read, " The sum of \$700 is hereby appropriated from the general fund, fund balance, account 100.00000.00000.27910, to account number [100.27900.00000.43011] 100. 1210.16VOT.43011 which may be used to influence the outcome of the election on October 4, 2016, on the ballot propositions allowing for a phase-out of the optional senior citizen tax exemption of \$150,000 and the increase of the sales tax cap to \$1,000."

This Budget Ordinance was enacted as amended.

New Business

[2016-050](#) A Resolution Approving the Third Amendment To The Loan Agreement Between the Kenai Peninsula Borough and the City of

Homer Regarding Financing a Utility Special Assessment District (Mayor)

This Resolution was adopted.

[2016-051](#)

A Resolution Accepting \$160,000 from the State of Alaska Department of Military and Veterans Affairs, Division of Homeland Security and Emergency Management for Emergency Management Operations (Mayor)

This Resolution was adopted.

[2016-052](#)

A Resolution Requesting the Alaska Board of Fisheries Pursue an Update of Fish Habitat Permitting Statutes (Dunne)

[Clerk's Note: Section 1 of Resolution 2019-052 was amended to read, "That the Assembly supports the Alaska Board of Fisheries using its authority to recommend to the Alaska Legislature that Title 16 be updated to incorporate principles and criteria from Alaska's Sustainable Salmon Policy that refer to habitat protection."

This Resolution was adopted as amended.

[2016-053](#)

LAYDOWN A Resolution Approving the Sole Source Acquisition of Alaska Land Mobile Radio Systems from Motorola Solutions, Inc. for the Soldotna Public Safety Communications Center (Mayor)

This Resolution was adopted.

[2016-19-08](#)

An Ordinance Accepting and Appropriating \$491,930.94 from the Alaska Department of Military and Veterans Affairs, Division of Homeland Security and Emergency Management to Purchase Radio Consoles and to Conduct Training (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2016-19-09](#)

An Ordinance Appropriating Interest Income of \$28,336.03 from the Bond Funded Capital Projects Fund for Transfer to the Solid Waste Capital Projects Fund (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2016-35](#)

An Ordinance Amending KPB 5.10.040 Regarding the Kenai Peninsula Borough's Investment Policy to Delete an Unused Provision and Clarify the Source of Funds for the Investment in the Homer Special Assessment District (Mayor) (Hearing on 10/25/16)

This Ordinance was introduced and set for public hearing.

[2016-36](#) An Ordinance Adopting the Most Recent FEMA Flood Insurance Study and Associated Coastal Flood Maps for Seward, Cooper Landing, Ninilchik, Nikiski and Anchor Point dated October 20, 2016; Amending KPB 21.06 to Update and Clarify Language (Mayor)

This Ordinance was introduced and set for public hearing.

[KPB-877](#) Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Limited Marijuana Cultivation Facility License Application Filed by Alaska Bud Brothers Aerogardens, LLC, Kasilof, AK Subject to the following conditions:

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 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).

approved.

[KPB-886](#) Approval of the Precinct Boards, Canvass Board, Review Boards and Absentee Voting Officials for the October 4, 2016 Regular Election

approved.

[KPB-894](#) Confirming Appointments to KPB Advisory Planning Commissions (Mayor)

Anchor Point Advisory Planning Commission

Colette Bewick, Seat B, Term Expires September 30, 2017
Dawson Slaughter, Seat C, Term Expires September 30, 2017
Donna White, Seat D, Term Expires September 30, 2019
Raymond Drake, Seat E, Term Expires September 30, 2019

Cooper Landing Advisory Planning Commission

Janette Cadieux, Seat A, Term Expires September 30, 2019
Chris Degernes, Seat B, Term Expires September 30, 2019
Laura Johnson, Seat G, Term Expires September 30, 2019

Moose Pass Advisory Planning Commission

Jesse Labenski, Seat C, Term Expires September 30, 2017

Michael Cooney, Seat F, Term Expires September 30, 2019

Jeff Hetrick, Seat G, Term Expires September 30, 2019

approved.

Approval of the Agenda and Consent Agenda as Amended

President Gillman 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: 8 - Bagley, Cooper, Dunne, Gilman, Holmdahl, Johnson, Knopp, and Ogle

Excused: 1 - Welles

COMMENDING RESOLUTIONS AND PROCLAMATIONS

None.

PRESENTATIONS WITH PRIOR NOTICE

1. [KPB-875](#) "Oil Reclamation Technology with Industrial Hemp", Jack Bennett (10 minutes)

[Clerk's Note: Jack Bennett gave a presentation to the assembly regarding industrial hemp products.]

2. [KPB-876](#) "Cosmopolitan Development Project Update", Larry Burgess, Blue Crest Energy, LLC (10 minutes)

[Clerk's Note: Larry Burgess given an update to the assembly regarding the Cosmopolitan Development Project.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Gilman called for public comments.

The following people addressed the assembly regarding Homer Electric Association's special election question, "Shall Homer Electric Association be exempt from regulation by the Regulatory Commission of Alaska?"

Michael Omera, Anchor Point

Bob Shavelson, Homer

Louis Flora, Homer

Milli Martin, Homer thanked the assembly for continuing to hold an assembly meeting in Homer.

Mako Haggerty, outside Homer thanked the borough for recent road improvements

in his area and also addressed concerns with the question on the Homer Electric Association's special ballot.

Pursuant to KPB 22.40.080, the 20-minute aggregate had been reached and public comment period was closed.

MAYOR'S REPORT

1. Assembly Requests/Responses - None.
2. Agreements and Contracts
 - a. [KPB-888](#) Authorization to Award Contract for ITB17-004 2016 Gravel Road Projects for Central Region: Otter Trail Road Project No. 17GRV to Hammond Trucking and Excavating, Inc., Soldotna, AK
 - b. [KPB-889](#) Authorization to Award Contract for ITB17-004 2016 Gravel Road Projects for West Region: Stubblefield Drive and Charlie Brown Drive Road Project No. 17GRV to Chumley's Inc., Nikiski, AK
 - c. [KPB-890](#) Authorization to Award Contract for ITB17-004 2016 Gravel Road Projects for West Region: Oil Well Road Project No. 17GRV to Chumley's Inc., Nikiski, AK
3. Other
 - a. [KPB-891](#) Budget Revision – August 2016
 - b. [KPB-892](#) Revenue Expenditure Report – August 2016
 - c. [KPB-893](#) Certification of the 2016 Personal Property Supplemental Assessment Roll

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

- [2016-19-03](#) An Ordinance Appropriating \$325,000 from the General Fund to Update the Kenai Peninsula Borough Comprehensive Plan (Mayor)
Cooper moved to enact Budget Ordinance 2016-19-03.

President Gilman called for public comment with none being offered.

Bagley moved to postpone Budget Ordinance 2016-19-03 to October 11, 2016.

The motion to postpone to October 11, 2016 carried by the following vote:

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

Excused: 1 - Welles

UNFINISHED BUSINESS

Postponed Item

[2016-25](#) (Mayor) Substitute: An Ordinance Amending KPB 2.40.010 to Reduce Planning Commission Membership (Mayor)
[Reconsideration filed by Knopp]

[Clerk's Note: The motion to enact Ordinance 2016-25 (Mayor) Substitute was on the floor from the August 23, 2016 meeting.]

President Gilman called for public comment with none being offered.

Assembly Members Johnson, Ogle and Knopp spoke in support of the substitute.

Assembly Members Cooper and Dunne spoke in opposition to the substitute.

The motion to enact failed by the following vote:

Yes: 4 - Gilman, Johnson, Knopp, and Ogle

No: 4 - Bagley, Cooper, Dunne, and Holmdahl

Excused: 1 - Welles

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Gilman called for public comment with none being offered.

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. September 21, 2016 Health Care Task Force Meeting 6:30 PM Assembly Chambers, Borough Administration Building
2. September 23, 2016 Bear Creek Community Meeting 6:00 PM Bear Creek Fire Station, 13101 Seward Hwy, Mile 5.5
3. September 24, 2016 Lowell Point Community Meeting 9:30 AM Penny Hardy Community Center, 13915 Lowell Point Rd.
4. September 24, 2016 Moose Pass Community Meeting 1:00 PM Moose Pass Community Center, Mile 29.5 Seward Hwy
5. September 24, 2016 Hope Community Meeting 3:00 PM Hope Social Hall, Main Street

6. September 24, 2016 Cooper Landing Community Meeting 7:00 PM Cooper Landing School, 19030 Bean Creek Road
7. September 27, 2016 Kasilof/Clam Gulch/Cohoe 6:00 PM Community Meeting, Tustumena Elementary, Mile 110 Sterling Hwy
8. September 30, 2016 Ninilchik Community Meeting 10:00 AM Ninilchik Community Center, 66265 Aspen Avenue
9. October 1, 2016 Diamond Ridge/Fox River/Fritz Creek 10:00 AM Community Meeting, McNeil Canyon Elementary School, Mile 12 East End Road
10. October 1, 2016 Anchor Point Community Meeting 3:00 PM Chapman Elementary School, 73286 School St.
11. October 11, 2016 Regular Assembly Meeting 6:00 PM Assembly Chambers, Borough Administration Building

ASSEMBLY COMMENTS

Assembly Member Bagley thanked the City of Homer for hosting dinner, it was great as always. Mr. Bagley stated that SoHi Football was now at 45 consecutive wins, which moved them to third place for holding that record nationally.

Assembly Member Holmdahl thanked the City of Homer for their hospitality. She stated that being from a small community it was great that the assembly was available to those citizens.

Assembly Member Knopp thanked the City of Homer for hosting the assembly, as well as the community for attending. He stated it was always nice to come to Homer and see old friends and former assembly members, Mako Haggerty, Bill Smith and Milli Martin. Mr. Knopp gave notice of reconsideration of Ordinance 2016-25 (Mayor) Substitute.

Assembly Member Dunne stated it was great to see familiar faces in the audience and appreciated the community for participating.

Assembly Member Ogle thanked the City of Homer for their hospitality and had always enjoyed the assembly meeting in Homer. Mr. Ogle shared that he was able to attend the signing of HB100 by Governor Walker and Speaker Chenault, which was an incentive for Agrium to come on-line not only for Nikiski but also the borough. He stated he also participated in the Elks Club's "Take a Vet Fishing" on September 11. He stated that on September 16, he was able to go to the Alaska Christian College's 15th annual homecoming celebration and stated they had an incredible operation as well as was a great inspiration to their graduates.

Assembly Member Cooper thanked the residents of Homer for attending. She also

stated the Homer was a diverse community, that wore a variety of hats. Ms. Cooper thanked everyone for their testimony and wished everyone safe travels home.

Assembly Member Johnson thanked the City of Homer for hosting dinner. He stated it was great to see former assembly members; Mako Haggerty, Milli Martin and Bill Smith. Mr. Johnson extended his condolences to the Forrest family for their loss of Linn Bud Forrest Jr., who was the architect that designed the original part of Central Peninsula Hospital. Mr. Johnson shared his views regarding the service area boundary lines between Central Peninsula and South Peninsula Hospitals and stated it was simply a fairness issue from his perspective.

President Gilman thanked the City of Homer for hosting the assembly. He stated we live in a very diverse borough as displayed by the various legislation that was considered, as well as the presentations that were given. Mr. Gilman stated that he believed the borough was well served by this assembly as they had a great balance.

INFORMATIONAL MATERIALS AND REPORTS

None.

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Gilman adjourned the meeting at 8:25 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of September 20, 2016.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____