



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

Tuesday, July 28, 2015

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

The invocation was given by Pastor Sherry Morris of Trinity Christian Center.

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 the Finance Committee met and discussed its agenda items.

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

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

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-0411](#) July 7, 2015 Regular Assembly Meeting Minutes

Attachments: [070715 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:

[2015-17](#) An Ordinance Authorizing Retention or Sale of Certain Real Property Obtained by the Kenai Peninsula Borough Through Tax Foreclosure Proceedings (Mayor)

Attachments: [O2015-17](#)

[Planning Commission Recommendations](#)

[Memo](#)

[Exhibit A](#)

[Exhibit B](#)

[Parcel Map](#)

[Links to Parcel Maps](#)

This Ordinance was enacted as amended.

[2015-19-03](#) An Ordinance Appropriating Funding of \$18,000 from the State of Alaska to Pay for Cost Associated with Developing an Interface Between the Kenai Peninsula Borough's CAD System and the State of Alaska Department of Public Safety Record Management System (Mayor)

Attachments: [O2015-19-03](#)

[Memo](#)

This Budget Ordinance was adopted.

[2015-19-05](#) An Ordinance Authorizing the Acquisition of Certain Real Property at the Corner of Resch Road and Sterling Highway for a Fill Site and Other Future Anchor Point Fire and Emergency Medical Service Area Uses, Appropriating Funds for the Acquisition and Expanding the Authorized Uses of the Funds (Mayor)

Attachments: [O2015-19-05](#)
[Planning Commission Recommendations](#)
[Memo](#)
[Purchase Agreement](#)
[Map](#)
[APFSA Tank and Fill Sites Analysis](#)
[Service Area Board Recommendations](#)

This Budget Ordinance was enacted as amended.

[2015-21](#) An Ordinance Providing for Submission to the Qualified Voters of the Central Emergency Service Area in the Kenai Peninsula Borough, Alaska, the Question of Authorizing the Issuance of General Obligation Bonds of the Central Emergency Service Area Not to Exceed Four Million Four Hundred Thousand Dollars (\$4,400,000) for the Purchase of Emergency Response Vehicles for the Central Emergency Service Area, at an Election in and for the Service Area on October 6, 2015 (Mayor)

Attachments: [O2015-21](#)
[Memo](#)

This Ordinance was enacted.

New Business

[2015-036](#) A Resolution Authorizing the Kenai Peninsula Borough to Participate in the Alaska Municipal League Joint Insurance Association Loss Control Incentive Program (Mayor)

Attachments: [R2015-036](#)
[Memo](#)

This Resolution was adopted.

[2015-037](#) A Resolution Authorizing the Assessor to Accept the Late-Filed Senior Exemption Application of Mary Archer for 2014, Filed After March 31 (Mayor)

Attachments: [R2015-037](#)
[Memo](#)
[Senior Exemption Application and back-up](#)

This Resolution was adopted.

[2015-19-06](#) An Ordinance Accepting and Appropriating \$23, 693 from the State of

Alaska Department of Military and Veteran Affairs, Division of Homeland Security and Emergency Management to Support the Activities of the Kenai Peninsula Borough Local Emergency Planning Committee (Mayor)

Attachments: [O2015-19-06](#)

[Memo](#)

[Grant Award Letter](#)

This Ordinance was introduced and set for public hearing.

[KPB-0410](#) Confirming Appointments to the Planning Commission (Mayor)

Robert Ruffner, Kasilof/Clam Gulch, Term Expires July 31, 2018

James Isham, Sterling, Term Expires July 31, 2018

Paulette Bokenko-Carluccio, City of Seldovia, Term Expires July 31, 2018

Blair Martin, Kalifornsky Beach, Term Expires July 31, 2018

Attachments: [Planning Commission Re- Appointments](#)

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

[KPB-0405](#) Mayor's Proclamation Declaring August 6 -15, 2015 as "Harvest Moon Local Food Festival"

Attachments: [Mayor's Proclamation - Harvest Moon Local Food Festival](#)

[Clerk's Note: The Mayor presented the proclamation to Linda Swarner, Executive Director of Peninsula Food Bank.]

PRESENTATIONS WITH PRIOR NOTICE

None.

[KPB-0412](#) Central Peninsula Hospital Quarterly Report (10 minutes)

[Clerk's Note: Central Peninsula Hospital's quarterly report was rescheduled to August 18, 2015.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Bagley called for public comments.

The following people addressed the assembly regarding housing for the homeless:

Marie McConnell, Sterling

Tina Smith, Sterling

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-0399](#) Authorizing Award of Contract for Winridge Avenue and Eagle Ridge Court Paving RIAD #WINRD to Knik Construction, Inc.
Attachments: [Authorizing Award of Contract - Knik Construction, Inc.](#)

Presented.
 - b. [KPB-0400](#) Authorizing Award of Contract for Road Service Area Capital Improvement Project: Shelby Kay Street and Brenmark Road #S7SHE to Arno Construction, Inc.
Attachments: [Authorizing Award of Contract - Arno Construcion, Inc.](#)

Presented.
 - c. [KPB-0401](#) Authorization to Award Contract for Nikiski Fire Service Area Station #1 Repairs & Maintenance to Bucho Building of Kenai, Alaska.
Attachments: [Authorization to Award Contract - Bucho Building](#)

Presented.
 - d. [KPB-0402](#) Authorization to Award Contract for KPB Records Management Building Remodel to Blazy Construction of Soldotna, Alaska
Attachments: [Authorization to Award Contract - Blazy Construction](#)

Presented.

- e. [KPB-0403](#) Authorization to contract with Cooper Consulting for Firefighter Medical Exams

Attachments: [Authorization to Contract - Cooper Consulting](#)

Presented.

- f. [KPB-0404](#) Temporary Volunteer Coordinator Contract

Attachments: [Temporary Volunteer Coordinator Contract](#)

Presented.

3. Other

- a. [KPB-0406](#) Budget Revision – June 2015

Attachments: [Budget Revision - June 2015](#)

Presented.

- b. [KPB-0407](#) Revenue – Expenditure Report – June 2015

Attachments: [Revenue - Expenditure Report - June 2015](#)

Presented.

- c. [KPB-0408](#) Investment Portfolio Report

Attachments: [Investment Portfolio Report](#)

Presented.

- d. [KPB-0409](#) Litigation Status Report

Attachments: [Litigation Status Report](#)

Presented.

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

[2015-20](#) An Ordinance Amending the Common Boundary Between the Central Kenai Peninsula Hospital Service Area and the South Kenai Peninsula Hospital Service Area, KPB 16.08.010 and 16.24.010 (Johnson)

[Clerk's Note: A teleconference site will be established at the Borough Office in Homer to receive public testimony on the above ordinance during the Assembly meeting.]

Attachments: [O2015-20](#)

[Memo](#)

[Proposed Boundary Maps](#)

[Approved Public Hearing Dates in Expanded Area](#)

[Assessing Memo](#)

[SKPHSAB Resolution 2015-01](#)

[South Peninsula Hospital Reso 2015-11](#)

[Public Hearing Summary](#)

[Public Hearing Audio](#)

[Johnson - Hospital Mill Rate History](#)

[Johnson Amendment](#)

[Public Comment](#)

McClure moved to enact Ordinance 2015-20.

President Bagley called for public comments from the Homer teleconference site.

The following people spoke in opposition to Ordinance 2015-20:

Caroline Venuti, Homer

Ralph Broshes, Homer

Jacque Lenew, Homer

Franco Venuti, Homer

Roberta Highland, Homer

Clyde Boyer, Jr., Homer

Don Stead, Homer

Matt North, Homer

President Bagley called for public comments from the assembly chambers.

The following people spoke in opposition to Ordinance 2015-20:

Bob Letson, CEO South Peninsula Hospital, Inc.

Christine Grifford, Fritz Creek

Julie Woodworth, Homer

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

[Clerk's Note: Assembly Member Johnson declared a possible conflict as his beach cabin and members of his wife's family own property in the affected area of the service area boundary change. The borough attorney stated that Mr. Johnson's situation does not have a "substantial financial interest", nor does it meet the "immediate family" criteria as defined in the borough's code of ethics. President Bagley ruled a conflict did not exist.]

Assembly Members Haggerty, McClure, Gilman, Cooper and Ogle spoke in opposition to Ordinance 2015-20.

The motion to enact failed by the following vote:

Yes: 2 - Bagley, and Johnson

No: 7 - Wolf, Ogle, Haggerty, McClure, Gilman, Welles, and Cooper

[2015-16](#) An Ordinance Expanding the Boundaries of the Anchor Point Fire and Emergency Medical Service Area to Include a Portion of Cook Inlet (Johnson, Mayor)

Attachments: [O2015-16](#)

[Memo](#)

[Proposed Boundary Map](#)

McClure moved to enact Ordinance 2015-16.

President Bagley called for public comments with none being offered.

Assembly Member Cooper spoke in support of Ordinance 2015-16.

The motion to enact carried by the following vote:

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

[2015-18](#) An Ordinance Amending the South Kenai Peninsula Hospital Service Area Boundaries to Include Certain Geographical Areas in and Around Seldovia in the Service Area (Johnson)

Attachments: [O2015-18](#)[Memo](#)[Proposed Boundary Map](#)[Approved Public Hearing Dates in Expanded Area](#)[Public Comment](#)[Assessing Memo](#)[Service Area Board Recommendations](#)[Public Hearing Audio](#)[Public Hearing Summary](#)[Haggerty and Johnson Amendment](#)[City of Seldovia Letter](#)[Johnson - Hospital Mill Rate History](#)

McClure moved to enact Ordinance 2015-18.

President Bagley called for public comments with none being offered.

Assembly Members Haggerty and Gilman spoke in opposition to Ordinance 2015-18.

Haggerty moved to amend Ordinance 2015-18.

Amend the last Whereas clause and insert a new Whereas clause after the last Whereas clause to read follows:

"Whereas, as the city of Seldovia is included in the proposed service area, statute requires that it's inclusion must either [agree] be approved by ordinance [be approved] separately by a majority of the voters residing inside the city a majority of the remaining voters in the proposed service area; and

Whereas, because residents outside of both the City of Seldovia and the current SKPHSA will be significantly affected by the outcome of this question, it is appropriate to make approval of this boundary change contingent upon the separate passage of this question by all three groups including this group of voters, the residents of the City of Seldovia, and the residents of the current service area;"

Amend Section 4 to read:

"Section 4. That section 1 of this ordinance shall take effect only upon separate approval of the proposition in section 2 by a majority of the voters [voting] in the existing SKPHSA boundaries, [and] the voters in the proposed new boundaries of the service area outside of both the city of Seldovia and the existing SKPHSA boundaries, and the voters in the City of Seldovia during the regular KPB election scheduled for October 6, 2015. That sections 2, 3, 4 and 5 of this ordinance shall take effect immediately upon its enactment."

The motion to amend failed by the following vote:

- Yes:** 3 - Johnson, Haggerty, and Welles
- No:** 6 - Wolf, Ogle, Bagley, McClure, Gilman, and Cooper

The motion to enact failed by the following vote:

- Yes:** 3 - Wolf, Bagley, and Johnson
- No:** 6 - Ogle, Haggerty, McClure, Gilman, Welles, and Cooper

[2015-19-04](#) An Ordinance Authorizing the Acquisition of Real Property Located at 254 N. Binkley Street, Soldotna Alaska on Behalf of Central Peninsula Hospital, Appropriating \$_____ from the CPGH, Inc. Plant Replacement and Expansion Fund for the Purchase, and Authorizing an Amendment to the CPGH, Inc. Lease and Operating Agreement (Mayor)

Attachments: [O2015-19-04](#)
[Amendment Memo](#)
[Planning Commission Recommendations](#)
[CPGH, Inc. Resolution 2015-23](#)
[Memo](#)
[Exhibits](#)
[8th Amendment to Lease and Operating Agreement](#)
[Purchase Agreement](#)
[Service Area Board Recommendations](#)
[OB/GYNs Letter of Support - per Wolf Request](#)
[Revised Purchase Agreement](#)

McClure moved to enact Budget Ordinance 2015-19-04.

President Bagley called for public comments with none being offered.

Johnson moved to amend Budget Ordinance 2015-19-04 as follows:

Amend the title to read:

"AN ORDINANCE AUTHORIZING THE ACQUISITION OF REAL PROPE LOCATED AT 254 N. BINKLEY STREET, SOLDOTNA ALASKA ON BEHALI CENTRAL PENINSULA HOSPITAL, APPROPRIATING \$741,500 FROM CPGH, INC. PLANT REPLACEMENT AND EXPANSION FUND FOR PURCHASE, AND AUTHORIZING AN AMENDMENT TO THE CPGH, LEASE AND OPERATING AGREEMENT"

Amend the 4th Whereas to read:

"Whereas, an independent fair market value appraisal was completed by Derry Associates and found the property to be valued at \$735,000, and a purchase price \$737,500 has been negotiated with the owner; and"

Amend Section 2 to read:

"Section 2. That the terms and conditions substantially in the form of the Purchase Agreement accompanying this ordinance are hereby approved. The purchase price shall be \$737,500 plus one-half of the closing costs and prorated taxes [NOT TO EXCEED \$4,000]."

Amend Section 6 to read:

"Section 6. That \$741,500 is appropriated from the CPH Plant Replacement and Expansion Fund to Account No. 490.81110.254BN.48620 for the purchase price, prorated taxes, and estimated closing costs."

The motion to amend carried.

Johnson moved to amend Budget Ordinance 2015-19-04 as follows:

Amend the second to last Whereas clause to read:

"Whereas, the Central Kenai Peninsula Hospital Service Area Board, at its meeting of July 13, 2015 recommended approval by unanimous consent; and"

Amend the final Whereas clause to read:

"Whereas, the Kenai Peninsula Borough Planning Commission, at its regular meeting of July 13, 2015 recommended approval by unanimous consent."

The motion to amend carried.

Assembly Members Gilman, Wolf and Ogle spoke in support of Ordinance 2015-19-04.

Assembly Member Welles spoke in opposition to Ordinance 2015-19-04.

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

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

No: 1 - Welles

UNFINISHED BUSINESS

[2014-32](#) An Ordinance Authorizing an Exchange with Paula and Timothy

Keohane of a 4.3 Acre Drainage Easement at Karluk Avenue for a 1.84 Acre Parcel of Borough Land at Mile 12.1 K-Beach Road Which Shall be Subject to the Reservation of a 0.9 Acre Drainage Outlet Easement (Mayor)

[Clerk's Note: An executive session may be held.]

Attachments: [O2014-32](#)

[Revised Amendment Memo & Drainage Easement Map](#)

[01/20/15 Memo & Summary Evaluation](#)

[Quitclaim Deed](#)

[Drainage Easement](#)

[Maps](#)

[Exchange Map](#)

[Memo](#)

[Exhibit A](#)

[Exchange Proposal Response Letter](#)

[Welles Comment](#)

[Public Comment](#)

[Additional Public Comment](#)

[Planning Commission Recommendations \(approved 11/25/14\)](#)

[Postponement Memo \(Dealt with on 11/25/14\)](#)

[Request to Remove from Table \(dealt with on 07/07/15\)](#)

[Information Provided by Wolf](#)

Haggerty moved to remove Ordinance 2014-32 from the table. The motion carried by the following vote:

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

No: 2 - Wolf, and Welles

Gilman moved to postpone Ordinance 2014-32 to August 18, 2015.

Assembly Members Welles and Ogle spoke in support of postponing Ordinance 2014-32.

The motion to postpone carried by the following vote:

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

NEW BUSINESS

[2015-24](#)

An Ordinance Establishing the Central Peninsula Economic Development Area (Wolf)

Attachments: [O2015-24](#)

[Memo](#)

[Map of Proposed District](#)

McClure moved to introduce and set for shortened public hearing on August 18, 2015.

Assembly Members Ogle, Cooper, Haggerty, Johnson and Gilman spoke in support of introduction.

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

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

No: 2 - Haggerty, and McClure

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Bagley called for public comments.

Marie McConnell, Sterling spoke regarding the public testifying electronically.

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. July 30, 2015 Marijuana Task Force Meeting 6:00 PM Borough Administration Building, Assembly Chambers
2. August 18, 2015 Regular Assembly Meeting 6:00 PM Soldotna

ASSEMBLY COMMENTS

Assembly Member Wolf stated after six months of deployment, his son made it back safely to his home base in Nebraska.

Assembly Member Johnson wished the Mayor, Chief of Staff and Assembly Member Cooper a fun, safe trip to Akita, Japan.

Assembly Member Haggerty stated the fireweed was blooming and encouraged everyone to get up in the hills; the view was spectacular.

Assembly Member Welles wished everyone a good evening.

Assembly Member Ogle wished those traveling to Akita, Japan a safe trip. Mr. Ogle stated that as a result of previous discussions, it was clear there was a need for health care examination in the Kenai Peninsula and looked forward to the health care task force starting up. Mr. Ogle invited everyone to attend the Marijuana Task Force meeting on July 30,

2015 at 6:00 p.m. in Assembly Chambers.

Assembly Member McClure wished the travelers going to Japan a safe trip. She stated that the City of Seward has been hosting exchange students from its sister city Obihiro, Japan since 1968. She stated it was very neat to have these relationships. Ms. McClure invited everyone to the 60th Silver Salmon Derby in Seward, starting August 8, 2015. She stated she was proud of everyone for not "freaking out" during the earthquake.

INFORMATIONAL MATERIALS AND REPORTS

None.

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Bagley adjourned the meeting at 8:30 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of July 28, 2015.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____