



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Minutes - Final

Assembly

Wayne Ogle, President
Dale Bagley, Vice President
Norm Blakeley
Kenn Carpenter
Kelly Cooper
Willy Dunne
Paul Fischer
Brent Hibbert
Hal Smalley

Tuesday, May 21, 2019

6:00 PM

Betty J. Glick Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

[Clerk's Note: The invocation was given by Jessica Moore.]

ROLL CALL

Present: 9 - Paul Fischer, Dale Bagley, Brent Hibbert, Kenn Carpenter, Norm Blakeley, Kelly Cooper, Hal Smalley, Wayne Ogle, and Willy Dunne

Also present were:

Charlie Pierce, Borough Mayor
James Baisden, Chief of Staff
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 Carpenter stated the Lands Committee met and discussed its agenda items.

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

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

President Ogle stated the Assembly went into executive session prior to Finance Committee to review the draft Request for Proposal for the Citizen Engagement Project.

APPROVAL OF AGENDA AND CONSENT AGENDA

Bagley moved to approve the agenda and consent agenda.

KPB-2171 May 7, 2019 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:

2018-19-36 An Ordinance Appropriating Commercial Passenger Vessel Tax Proceeds Received from the State of Alaska in the Amount of \$558,070 and Allocating \$522,255 to the City of Seward and \$35,815 to the City of Homer (Mayor)

This Budget Ordinance was enacted

2018-19-37 An Ordinance Approving a Sole Source and Appropriating Funds for the Purchase of a Tanker/Pumper from the Kachemak Emergency Service Area Capital Project Fund (Mayor)

This Budget Ordinance was enacted.

2019-10 An Ordinance Authorizing the Negotiated Lease of Office Space at the Nikiski Community Recreation Center with Tesoro Alaska Company LLC (Mayor)

[Clerk's Note: The final Whereas clause of Ordinance 2019-10 was amended to read, "the Kenai Peninsula Borough Planning Commission at its regularly scheduled meeting of May 13, 2019 recommended approval by unanimous consent;"]

This Ordinance was enacted as amended.

New Business

2019-032 A Resolution Establishing the Land Trust Investment Fund (LTIF) Financial Asset Allocation Plan, Approving Authorized Investments,

and Establishing Appropriate Benchmarks to Measure Performance of the Borough's LTIF Funds for Fiscal Year 2020 (Mayor)

This Resolution was adopted.

2019-033 A Resolution Authorizing the Kenai Peninsula Borough, on Behalf of the South Kenai Peninsula Hospital Service Area, to Amend the Homer Women's Clinic Lease Agreement for Property Located at 4117 Bartlett Street to Extend the Term of the Lease (Mayor)

[Clerk's Note: The final Whereas clause of Resolution 2019-033 was amended to read, "the Kenai Peninsula Borough Planning Commission, at its regularly scheduled meeting of May 13, 2019 recommended approval by unanimous consent;"]

This Resolution was adopted as amended.

2019-034 A Resolution Authorizing the Kenai Peninsula Borough, on Behalf of the South Kenai Peninsula Hospital Service Area, to Amend the Homer Office Space Lease Agreement for Property Located at 203 W. Pioneer Avenue to Extend the Terms of the Lease (Mayor)

[Clerk's Note: The final Whereas clause of Resolution 2019-034 was amended to read, "the Kenai Peninsula Borough Planning Commission, at its regularly scheduled meeting of May 13, 2019, recommended approval by unanimous consent;"]

This Resolution was adopted as amended.

2019-035 A Resolution Authorizing the Assessor to Accept One Late - Filed Disabled Veteran Exemption Application (Mayor)

This Resolution was adopted.

KPB-2137 Approving the Issuance of a Letter of Non-Objection to the Marijuana Control Board Regarding the New Retail Marijuana Store, License No. 18929 Filed by Seeds and Stems, LLC. Subject to the Standard Conditions (Referred to Finance Committee)

[Clerk's Note: Standard Conditions for Commercial Marijuana Facilities are as follows:

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 the 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).]

4. The marijuana establishment shall not conduct any business on, or allow any consumer to access, the retail marijuana store's licensed premises, between the hours of 2:00 a.m. and 8:00 a.m.]

approved

Approval of the Agenda and Consent Agenda

President Ogle 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 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

COMMENDING RESOLUTIONS AND PROCLAMATIONS

KPB-2120 Mayor's Proclamation Declaring May 21st, 2019 as "National Stop the Bleed Day"

[Clerk's Note: Mayor Pierce presented the proclamation to Scott Marion, LifeMed Alaska nurse.]

PRESENTATIONS WITH PRIOR NOTICE

KPB-2169 State Fiscal Update, Mike Navarre (10 Minutes)

[Clerk's Note: Mike Navarre, former state commissioner of the Department of Commerce, Community and Economic Development gave a fiscal update to the assembly.]

KPB-2170 Economic Impacts and Risks of the Proposed Pebble Mine, Drew Hamilton, President of Friends of McNeil River (10 Minutes)

[Clerk's Note: Mako Haggerty representing Friends of Kachemak Bay State Park gave a presentation to the assembly titled, "The Economic Contributions of Bear Viewing in Southcentral Alaska"]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Ogle called for public comment.

Daniel Lynch, Soldotna addressed the assembly regarding local taxes and the implementation of a max tax.

George Pierce, Kasilof spoke in opposition to Mike Navarre's presentation and in support of the Mayor's Veto.

Bob Shavelson, Homer addressed the assembly regarding pollution in Cook Inlet.

Wilma Hamson, Nikiski spoke in support of an income tax, bed tax and a max tax.

Amy Frapp, Soldotna spoke in support of school district funding.

Fred Sturman, Soldotna addressed the assembly regarding the school funding figures shown in the CAFR report.

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

MAYOR'S REPORT

1. Assembly Requests/Responses
2. Agreements and Contracts
 - a. KPB-2139 Authorization to Award a Contract for ITB 19-020 Application of Crack Sealant 2019 to Anchorage Striping, LLC.
3. Other
 - a. KPB-2140 Capital Projects Reports - March 31, 2019
 - b. KPB-2141 Revenue-Expenditure Report - April 2019
 - c. KPB-2142 Budget Revisions - April 2019

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

2018-19-35 An Ordinance Appropriating Funds to the Legal Department for Costs Associated with Hiring Outside Counsel to Represent the Kenai Peninsula Borough in the Tariff Revision Designated as TA310-4 Filed by Enstar Natural Gas Company with the Regulatory Commission of Alaska, Matter Number U-19-04 (Cooper, Dunne)

Cooper moved to enact Ordinance 2018-19-35.

President Ogle called for public comment with none being offered.

The motion to enact Ordinance 2018-19-35 carried by the following vote:

Yes: 9 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

2019-19**An Ordinance Appropriating Funds for Fiscal Year 2020 (Mayor)**

Cooper moved to enact Ordinance 2019-19.

President Ogle called for public comments at the Homer teleconference site.

The following people spoke in support of funding Kenai Peninsula College:

Jim Hornaday, Homer
Chris Holderied, Homer
Wyane Aderhold, Homer
Carol Swartz, Homer

There being no one else to speak, the comment period at the Homer teleconference site was closed.

President Ogle called for public comment in Assembly Chambers.

The following people spoke in support of funding Kenai Peninsula College:

Paula Martin, Homer
Pamela Parker, Soldotna
Carrie Coeey, Soldotna
Terrie Cowart, Soldotna
Cheryle Seymore, Soldotna
Julie Coltrol, Soldotna
Suzette Huber, Nikiski
Emily Knight, Soldotna

Paul Huber, Nikiski spoke in support of having measurable goals for the school district.

Dennis Meadows, Soldotna spoke in support of funding Kenai Peninsula Tourism Council.

Barbara Blakeley, spoke in opposition to Kenai Peninsula Borough spending more money.

George Pierce, Kasilof spoke in support of generating new revenue and in opposition of funding non-departmentals.

Jesse Bjorkman, Nikiski spoke in support of funding Kenai Peninsula Borough School District.

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

closed.

Cooper moved to amend the FY2020 budget document as follows:

Page 69, General Fund Records Management, decrease account number 100.11140.00000.43812 "Equipment Replacement Payments," \$4,810

The motion to amend carried by the following vote:

Yes: 9 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

Cooper moved to amend the FY2020 budget document as follows:

Page 63, General Fund Assembly Administration, increase account number, 100.11110.00000.43216, "In State Travel," \$1,000.

Assembly Member Dunne spoke in support of the amendment.

Assembly Member Blakeley spoke in opposition to the amendment.

The motion to amend failed by the following vote:

Yes: 4 - Hibbert, Cooper, Smalley, and Dunne

No: 5 - Fischer, Bagley, Carpenter, Blakeley, and Ogle

Cooper moved to amend the FY2020 budget document as follows:

Page 145, General Fund Economic Development, increase account number 100.94900.00000.43021 "Peninsula Promotion - KPTMC," \$100,000

Assembly Members Hibbert and Smalley spoke in support of the amendment.

Assembly Members Blakeley and Fischer spoke in opposition to the amendment.

The motion to amend carried by the following vote:

Yes: 5 - Bagley, Hibbert, Cooper, Smalley, and Dunne

No: 4 - Fischer, Carpenter, Blakeley, and Ogle

Cooper moved to amend the FY2020 budget document as follows:

Page 284, Land Trust Fund Land Management Administration, increase account number 250.21210.00000.43011, "Contract Services," \$100,000

Assembly Member Carpenter spoke in opposition to the amendment.

The motion to amend failed by the following vote:

Yes: 2 - Cooper, and Smalley

No: 7 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Ogle, and Dunne

Smalley moved to amend the FY2020 budget document as follows:

Page 275, Postsecondary Education Kenai Peninsula College, increase account number 242.78090.00000.43023 "Kenai Peninsula College," \$47,186

The motion to amend carried by the following vote:

Yes: 9 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

Hibbert moved to amend the FY2020 budget document as follows:

Page 145, General Fund Economic Development, increase account number 100.94900.00000.43009 "Contractual Services - EDD," \$25,000

Assembly Members Blakeley, Smalley and Carpenter spoke in support of the amendment.

Assembly Member Fischer spoke in opposition to the amendment.

The motion to amend carried by the following vote:

Yes: 8 - Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

No: 1 - Fischer

Hibbert moved to amend the FY2020 budget document as follows:

Page 145, General Fund Economic Development, increase account number 100.94900.00000.43011 "Contractual Services - SBDC," \$25,000

Assembly Member Fischer spoke in opposition to the amendment.

The motion to amend carried by the following vote:

Yes: 5 - Bagley, Hibbert, Carpenter, Blakeley, and Smalley

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

Cooper moved to postpone Ordinance 2019-19 as amended to June 4, 2019.

The motion to postpone Ordinance 2019-19 as amended to June 4, 2019 carried by the following vote:

Yes: 9 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

2019-08

An Ordinance Amending KPB 22.40.080 to Have the Mayor's Report Heard Later on the Agenda (Bagley, Cooper)

Smalley moved to enact Ordinance 2019-08.

Assembly President called for public hearing.

Paul Huber, Nikiski spoke in opposition to Ordinance 2019-08.

Assembly Member Blakeley spoke in opposition to Ordinance 2019-08.

President Ogle passed the gavel to Vice President Bagley and spoke in opposition to Ordinance 2019-08. Vice President passed the gavel back to President Ogle.

The motion to enact Ordinance 2019-08 carried by the following vote:

Yes: 6 - Fischer, Bagley, Hibbert, Cooper, Smalley, and Dunne

No: 3 - Carpenter, Blakeley, and Ogle

UNFINISHED BUSINESS

Postponed Item

2019-031 A Resolution Supporting Moose Pass School (Carpenter)

[Clerk's Note: The motion to adopt Resolution 2019-031 was on the floor from the May 7, 2019 meeting.]

President Ogle called for public comment.

Paul Huber, Nikiski spoke in support of Resolution 2019-031.

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

Carpenter moved to amend Resolution 2019-031.

The title to read, "A Resolution [SUPPORTING] Recognizing the Historical Significance of Moose Pass School"; and

Delete the final Whereas clause, [MAINTAINING FUNDING FOR MOOSE PASS SCHOOL ENSURES THE SCHOOL, HOUSED IN A HISTORIC BUILDING, WILL CONTINUE TO OPERATE AS A PLACE OF LEARNING]; and

Insert the new Whereas clauses after the fourth Whereas clause, "the Kenai Mountains-Turnagain Arm National Area Corridor Communities Association ("KMTA") recognizes the cultural and historic significance of rural public schools and indicates schools within the KMTA communities of Moose Pass, Hope, Cooper Landing, Seward, Whittier, and Girdwood serve as the anchor and heart of this National Heritage Area; and

KMTA expressed hope that Moose Pass School, housed in a historic building, will be able to continue to serve the children, families, and residents of Moose Pass; "

Section 1 to read, "That the Kenai Peninsula Borough Assembly [SUPPORTS THE EFFORTS BY THE KENAI PENINSULA BOROUGH SCHOOL DISTRICT TO CONTINUE OPERATION OF MOOSE PASS SCHOOL IN ITS CURRENT LOCATION] recognizes the historical significance of the Moose Pass School facility use, and its potential future use, as the oldest continually used school building in the Kenai Peninsula Borough School District."

The motion to amend Resolution 2019-031 carried by the following vote:

Yes: 9 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

The motion to adopt Resolution 2019-031 as amended carried by the following vote:

Yes: 9 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, Cooper, Smalley, Ogle, and Dunne

NEW BUSINESS

Other

KPB-2132 Mayor's Veto of Ordinance 2018-19-33, Appropriating Supplemental Funding of \$2,423,955 for the Kenai Peninsula Borough School District Fiscal Year 2019 Budget

Dunne moved to override the Mayor's Veto of Ordinance 2019-19-33.

The motion to override the Mayor's Veto of Ordinance 2018-19-33 failed by the following vote:

Yes: 3 - Cooper, Smalley, and Dunne

No: 6 - Fischer, Bagley, Hibbert, Carpenter, Blakeley, and Ogle

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Ogle called for public comments with none being offered.

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. May 31, 2019 Election Stakeholders Group
10:00 AM Betty J. Glick Assembly Chambers, Soldotna, Alaska
2. June 3, 2019 AK LNG Project Advisory Committee
6:00 PM North Peninsula Recreation Center, Nikiski, Alaska
3. June 4, 2019 Regular Assembly Meeting
6:00 PM Betty J. Glick Assembly Chambers, Soldotna, Alaska

ASSEMBLY COMMENTS

Assembly Member Fischer spoke in opposition to funding contract services for

economic development. He wished everyone a good night and safe trip home.

Assembly Member Dunne thanked everyone for their testimony. Mr. Dunne stated this budget process was a puzzle and had lots of moving pieces. He stated he was extremely pleased with the Assembly agreeing to fully fund the Kenai Peninsula College. Mr. Dunne stated they were unable to overturn other education funding vetoes. He stated his priority would always be education. He stated he was happy to learn that the school district renewed some contracts. Mr. Dunne stated we had priority challenges and did not agree with deficit spending. He stated it was a work in progress and appreciated the public's participation in the process.

Assembly Member Blakeley stated he appreciated the community and what they do. Mr. Blakeley and his family had an opportunity to participate in a fundraiser for a young man that was born and raised here. He stated he was really proud of the community.

Assembly Member Cooper wished kudos to Mr. Blakeley.

Assembly Member Smalley stated Kenai Cardinals Track Team were going to the state championships. He stated there were great budget presentations. Mr. Smalley thanked everyone for their testimony and participation. Mr. Smalley shared that every Friday the Alaska Municipal League provided a legislative update by email. He stated that his last trip report was provided and was happy to answer any questions.

Assembly Member Hibbert stated it was a great two days of budget presentations. He stated it showed what hard working and dedicated employees the borough had. He thanked Brandi Harbaugh, Finance Director for all her hard work. Mr. Hibbert wished everyone a safe night.

Assembly Member Carpenter thanked everyone and Brandi Harbaugh, Finance Director for the budget presentations. He stated there was a lot of participation this past weekend fishing with the kids and that at the Mermaid Festival was a blast.

Assembly Member Bagley wished everyone a good night.

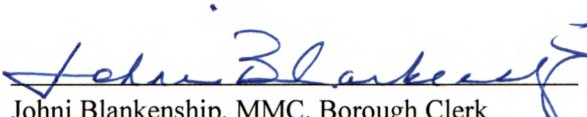
President Ogle congratulated all the graduates. He spoke in support of fully funding Kenai Peninsula College. Mr. Ogle echoed that the budget presentations were good and even though it was a long process, he appreciated hearing about the important work of the departments.

INFORMATIONAL MATERIALS AND REPORTS

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Ogle adjourned the meeting at 9:49 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of May 21, 2019.


Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: 6-4-19

