



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, May 5, 2015

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

The invocation was given by Pastor Derick Black of Soldotna Bible Chapel.

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 #1 was conducted and department 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.

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-0310](#) April 21, 2015 Regular Assembly Meeting Minutes

Attachments: [April 21, 2015 Regular Assembly Meeting Minutes](#)

A motion was made by Vice President McClure to approve the Agenda and Consent Agenda. The motion carried by the following vote:

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

[2014-19-52](#) An Ordinance Appropriating \$223,558.56 to the Special Assessment Fund for the Winridge Avenue - Eagle Ridge Court Road Improvement Special Assessment District (Mayor)

Attachments: [O2014-19-52](#)

[Memo](#)

[Clerk's Note: The third Whereas clause was amended to read, "the assembly adopted Resolution 2015-016 on May 5, 2015, to form the Winridge Avenue - Eagle Ridge Court Road Improvement Assessment District and proceed with the improvement; and".]

This Budget Ordinance was enacted as amended.

[2014-19-53](#) An Ordinance Appropriating \$165,185.50 in the Borough's School Revenue Capital Project Funds for Improvements to School Facilities (Mayor)

Attachments: [O2014-19-53](#)

[Memo](#)

[KPBSD letter 2015 construction Aurora Borealis](#)

[Map and Proposed Layout](#)

This Budget Ordinance was enacted.

[2014-19-54](#) An Ordinance Accepting and Appropriating \$688.80 in Funds Received from the Moose Pass Volunteer Fire Company for Additional Funding Associated with a Mobile Generator (Mayor)

Attachments: [O2014-19-54](#)

[Memo](#)

This Budget Ordinance was enacted.

[2014-19-55](#) An Ordinance Accepting and Appropriating Funds in the Amount of \$842,848.95 from the State of Alaska Division of Homeland Security & Emergency Management, Public Assistance Program Approved Through Federal Declaration DR-4094 (Mayor)

Attachments: [O2014-19-55](#)

[Memo](#)

[Grant Application](#)

[RSA Recommendations](#)

[Ordinance 2012-19-55](#)

[Clerk's Note: The final Whereas clause was amended to read, "at its regular meeting on April 4, 2015 the Road Service Area Board considered RSA Resolution 2015-03 and recommended acceptance of the grant funds; and"]

This Budget Ordinance was enacted as amended.

[2014-19-56](#) An Ordinance Approving and Redirecting \$44,987.45 from the U.S. Fish & Wildlife Service, Coastal Impact Assistance Program to the Aerial Photography Phase II Project (Mayor)

Attachments: [O2014-19-56](#)

[Memo](#)

[Supporting Documentation](#)

[Impact of Aerial Photography Project on Public's Right to Privacy](#)

This Budget Ordinance was enacted.

New Business

[2015-016](#) A Resolution to Form the Winridge Avenue – Eagle Ridge Court Road Improvement Assessment District and Proceed with the Improvement (Mayor)

Attachments: [R2015-016](#)

[Memo](#)

[Exhibits](#)

This Resolution was adopted.

[2015-023](#) A Resolution Authorizing the Borough to Enter into a One-Year Lease Agreement with Four One-Year Renewals with Plymire Investments, LLC for the Occupancy of the Borough's Satellite Office in Homer (Mayor)

Attachments: [R2015-023](#)

[Memo](#)

[Plymire Lease 2015](#)

[Supporting Documentation](#)

[Planning Commission Recommendations](#)

This Resolution was adopted.

[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 introduced and set for public hearing on May 19, 2015.

[2015-11](#) An Ordinance Establishing the Nikiski Law Enforcement Service Area (Ogle)(Hearing on 06/16/15)

Attachments: [O2015-11](#)

[Memo](#)

[Letter of Support for Law Enforcement Service Area Ordinance](#)

This Ordinance was introduced and set for public hearing on June 16, 2015.

[2015-19](#) An Ordinance Appropriating Funds for Fiscal Year 2016 (Mayor) (Hearings on 05/19/15 and 06/02/15)

Attachments: [O2015-19](#)

[Memo](#)

[FY2016 KPB Mayor Proposed Budget](#)

[FY16 Budget Presentation](#)

This Budget Ordinance was introduced and set for public hearings on May 19 and June 2, 2015.

[KPB-0293](#) Confirming Assembly Member Appointments to the Marijuana Task Force (Bagley)
Wayne Ogle, District 3-Nikiski
Blaine Gilman, District 2-Kenai

Attachments: [Appointment Memo](#)

approved.

[KPB-0308](#) Setting the Public Hearing Regarding the Proposed Nikiski Law

Enforcement Service Area for June 4, 2105 at 6:00 p.m. (Bagley)

Attachments: [Memo to Assembly regarding Public Hearing](#)

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-0309](#) K-Beach High Water Drainage Task Force, Jim Munter

Attachments: [Letter to DNR Feb 9 15 re KPB diversions of water.pdf](#)

[Minutes \(final\) of KBHWDTF Meeting 02-23-15.pdf](#)

[Draft Minutes of the 3-23-15 K-Beach High Water Drainage Task Force Meeting.pdf](#)

[Excerpts from KPB April 7 presentation.pdf](#)

[KPB RSA KNACKSTEDT LETTER 04-14-15.pdf](#)

[Collins letter 04-17-15.pdf](#)

[Letter to DNR Apr 23 15.pdf](#)

[Lori Jo-Scott drainage basin.pdf](#)

[Clerk's Note: Jim Munter of the K-Beach High Water Drainage Task Force gave a 10-minute presentation to the assembly.]

presented.

[TMP-0143](#) Kenai Peninsula Borough School District Quarterly Report (10 minutes)

Attachments: [Kenai Peninsula Borough School District Quarterly Report](#)

[Clerk's Note: Sean Dusek, Superintendent of Kenai Peninsula School District presented the quarterly report to the assembly.]

presented.

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Bagley called for public comments.

The following people addressed the assembly regarding animal control and rescue:

Tim Colbath, Nikiski
Chris Heintz, Sterling
Denise Cox, Nikiski
Tabetha Walker
Tori McBride
George Pierce, Kasilof
Amanda Bird, Soldtona
Sybil Castro

The following people addressed the assembly regarding Kalifornsky Beach area flooding:

Peggy Dye, Kenai
Scott Mobley, Kenai
Sharon Collins
Guy Trie
Mark Jonas, Murwood Rd.
Toby Burke, Bouy Ave.
Michelle St. John, Corkline Rd.
Don Wright, Kenai
Gary Knopp, Kenai
Colleen Bass, Bouy Ave.

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

MAYOR'S REPORT

1. Assembly Requests/Responses

- a.** [KPB-0299](#) Request for information on KPB Dispatch Center Equipment

Attachments: [KPB Dispatch Center Equipment](#)

presented.

2. Agreements and Contracts

- a.** [KPB-0300](#) Authorization to Award Contract for KPB School Re-Roof Projects - Homer Middle School and Paul Banks Elementary to Consolidated Enterprises, Anchorage

Attachments: [Authorization to Award Contract](#)

presented.

- b.** [KPB-0301](#) Authorization to Award Contract for 2015 KPB School Re-Roof

Projects - Kenai Central High School and Soldotna Prep to Earhart Roofing, Anchorage

Attachments: [Authorization to Award Contract](#)

presented.

- c. [KPB-0302](#) Authorization to Award Contract - ITB15-029 Flooring Replacement 2015:
Soldotna Area - Floor Ever, Inc., Soldotna
Homer Area - Aurora Flooring, LLC, Anchorage
Hope Area - Westside Flooring, LLC, Anchorage

Attachments: [Authorization to Award Contract](#)

presented.

- d. [KPB-0303](#) Authorization to Award Contract - ITB15-026 Asbestos Abatement Project 2015 to Eastside Contracting, Anchorage

Attachments: [Authorization to Award Contract](#)

presented.

3. Other

- a. [KPB-0304](#) FY16 Senior Grant Application - Late Filing Notification

Attachments: [Senior Grant Application - Late Filing Notification](#)

presented.

- b. [KPB-0305](#) FY15-3Q Senior Grant Narrative Reports

Attachments: [Senior Grant Narrative Reports](#)

presented.

- c. [KPB-0306](#) FY15-3Q Non-Departmental Grant Reports

Attachments: [Non Departmental Grant Reports](#)

presented.

- d. [KPB-0307](#) Project Reports - March 31, 2015

Attachments: [Project Reports - March 2015](#)

presented.

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

[2015-09](#) An Ordinance Amending KPB 5.18.430, Computation-Maximum Tax, by Increasing the Maximum Amount of a Sale Subject to the Borough Sales Tax to \$1,000 with a Triennial Adjustment for Inflation, Subject to Voter Approval (Cooper)

Attachments: [O2015-09](#)

[Memo](#)

[Public Comments](#)

[Additional Public Comment](#)

[Amendment Memo](#)

McClure moved to enact Ordinance 2015-09.

President Bagley called for public comments.

The following people spoke in opposition to Ordinance 2015-09:

Phil Nash, Kenai

Bruce Wall, Soldotna

Wenda Kennedy, Nikiski

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

Gilman moved to amend Ordinance 2015-09.

Amend Section 1.A. to read, "That Kenai Peninsula Borough Code of Ordinances Section 5.18.430 is amended as follows:

5.18.430. Computation-Maximum tax.

- A. The sales tax referred to in KPB 5.18.100 shall be applied only to the \$1,000.00[500.00] of each separate sale, rent or service transaction, except otherwise provided in this section. On January 1 of every third year, beginning with January 1, 2019, this cap [~~SHALL~~] **MAY** be increased based upon the preceding year's anchorage consumer price index (CPI-U), rounded to the nearest \$10 **SUBJECT TO ASSEMBLY APPROVAL ORDINANCE.**"

Assembly Members Gilman and Cooper spoke in support of the amendment.

Assembly Member Haggery spoke in opposition to the amendment.

The motion to amend carried by the following vote:

Yes: 5 - Bagley, McClure, Gilman, Welles, and Cooper

No: 4 - Wolf, Ogle, Johnson, and Haggerty

Wolf moved to postpone Ordinance 2015-09 to the July 7, 2015 meeting.

Assembly Members Wolf, Johnson and Ogle spoke in support of postponement.

Assembly Members Cooper, Haggerty, McClure and Gilman spoke in opposition to postponement.

The motion to postpone Ordinance 2015-09 to the July 7, 2015 meeting carried by the following vote:

Yes: 5 - Wolf, Ogle, Johnson, Welles, and Cooper

No: 4 - Bagley, Haggerty, McClure, and Gilman

UNFINISHED BUSINESS

None.

O. NEW BUSINESS

[2015-022](#) A Resolution Determining the Amount to be Provided From Local Sources for School Purposes During Fiscal Year 2016 and Approving the Kenai Peninsula Borough School District Total Budget (Mayor)

Attachments: [R2015-022](#)

[Memo](#)

[Amendment Memo](#)

Johnson moved to adopt Resolution 2015-022.

President Bagley called for public comments.

Bill Holt, Kasilof spoke in support of Resolution 2015-022.

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

Gilman moved to amend Resolution 2015-022.

Amend the final Whereas clause to read, "the borough is proposing that school funding from local sources for FY2016 be \$[46,000,000]47,500,000;"

Amend Section 2. to read, "That \$[46,000,000]47,500,000; shall be made available from local sources to fund school district operations for Fiscal Year 2016 as follows:

- A. Local Effort [35,670,129] 37,170,129
- B. Borough Maintenance 7,752,814
- C. School District Utilities 87,600
- D. Insurance 2,314,612

E. Audit 62,415

F. Custodial Services 112,430

TOTAL LOCAL FUNDING PER AS 14.17.410 \$[46,000,000]47,500,000"

Assembly Members Gilman and Johnson spoke in support of the amendment.

Assembly Member Ogle spoke in oppsotion to the amendment.

The motion to amend FAILED by the following vote:

Yes: 4 - Johnson, McClure, Gilman, and Cooper

No: 5 - Wolf, Ogle, Bagley, Haggerty, and Welles

Wolf moved to call the question. The motion carried by the following vote:

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

No: 2 - Bagley, and Haggerty

The motion to adopt carried by the following vote:

Yes: 7 - Wolf, Ogle, Bagley, Haggerty, McClure, Gilman, and Welles

No: 2 - Johnson, and Cooper

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Bagley called for public comments with none being offered.

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

May 19, 2015 Regular Assembly Meeting 6:00 PM Soldotna

ASSEMBLY COMMENTS

Assembly Member Wolf gave an update of the gasline project in the Bridge Access and K-Beach area.

Assembly Member Johnson shared that he and his wife, Judy, celebrated their 40th wedding anniversary.

Assembly Member Cooper invited everyone to attend the Kachemak Bay Shorebird Festival, May 7 through May 10, 2015. Ms. Cooper stated she appreciated the healthy debates and folks voting with their conscience. She looked forward to seeing a future tax code evaluation.

Assembly Member Haggerty also invited everyone to attend the Kachemak Bay Shorebird Festival. He stated all proceeds raised at the pancake breakfast on Saturday morning benefit State Parks. Mr. Haggerty thanked Craig Chapman, Finance Director, for the

budget presentations, stating it was very clear and he came away knowing a little bit more about how the budget works.

Assembly Member Welles also thanked Craig Chapman for the budget presentations, stating Mr. Chapman's knowledge of each department was exemplary.

Assembly Member Gilman stated he attended the 25th Annual *Caring for the Kenai* competition and congratulated Keira Stroh of Kenai Central High School for winning with her "Scannin' Salmon App". He stated that our kids in this community were impressive and congratulated the other contestants as well. Mr. Gilman stated he would keep prodding and pushing assembly members to fund the school district to the cap.

Assembly Member Ogle congratulated Brent Johnson on his 40th wedding anniversary. He stated he agreed with Kelly Cooper regarding future tax code evaluation and looked forward to using Larry Persily's expertise on the matter. Mr. Ogle agreed with the previous completements regarding the budget presentations and also extended this thanks to the Assembly President for structuring the presentations that way. Mr. Ogle shared a "Nikiski Nugget" and congratulated Tiffany Lopez of Nikiski High School who received a Gates Millennium Scholarship, which will fund her secondary education for the next ten years.

Assembly Member McClure congratulated Malia Acovak of Seward High School who also won a Gates Mellennium Scholarship award. Ms. McClure stated for the next Assembly Meeting on May 19th, teleconference sites would be open at Homer and Seward annexes for members of the public who wish to offer their testimony regarding the budget. She stated she was eager to continue the discussion regarding funding the school district. Ms. McClure thanked everyone for their testimony regarding animal control and the flooding issues. She stated it was difficult to get votes for tax increases, but was important that funding for services came from somewhere.

President Bagley thanked the assembly for "hanging in there" as it was a long day. He stated the next meeting will be another long day but hopfully after that it would get back to normal.

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 9:52 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of May 5, 2015.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____