



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 1, 2018

6:00 PM

Assembly Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

[Clerk's Note: The invocation was given by Assembly President Ogle.]

ROLL CALL

[Clerk's Note: Assembly Member Fischer participated via teleconference.]

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

Also present were:

Charlie Pierce, Borough Mayor

James Baisden, Chief of Emergency Services

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 item.

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

F. APPROVAL OF AGENDA AND CONSENT AGENDA

Bagley 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-1709](#) April 17, 2018 Regular Assembly Meeting Minutes
approved

[KPB-1637](#) A Resolution Commending Linda Swarner for her Devoted Service to the Residents of the Kenai Peninsula Borough (Smalley)
This Commending Resolution was adopted.

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

[2017-19-25](#) An Ordinance Accepting and Appropriating \$521,569.64 from the U.S. Department of Transportation, Western Federal Lands Highway Division to Extend a Portion of the Kenai Spur Highway within the Borough Right-of-Way (Mayor)
This Budget Ordinance was enacted as amended.

[2018-18](#) An Ordinance Authorizing the Negotiated Sale of Two Tax Foreclosed Retained Parcels to the Last Record Owners at an Amount Equal to Taxes, Fees, Penalties and Interest (Mayor)
This Ordinance was enacted as amended.

New Business

[2018-024](#) A Resolution Authorizing the Kenai Peninsula Borough to Participate in the Alaska Municipal League Joint Insurance Association's Loss Control Incentive Program for Fiscal Year 2018 (Mayor)
This Resolution was adopted.

[2018-023](#) A Resolution Authorizing the Kenai Peninsula Borough to Participate in the Alaska Municipal League Joint Insurance Association's Loss Control Incentive Program for Fiscal Year 2019 (Mayor)
This Resolution was adopted.

[2017-19-26](#) An Ordinance Approving and Appropriating Grant Funds Totaling

\$14,179.14 from the Alaska Department of Natural Resource for the Volunteer Fire Assistance Program on Behalf of Kachemak Emergency Services and Nikiski Fire Service Area (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2018-19](#)

An Ordinance Appropriating Funds for Fiscal Year 2019 (Mayor)

This Budget Ordinance was introduced and set for public hearing.

[2018-20](#)

An Ordinance Amending KPB 5.18.200 to Repeal the Seasonal Exemption from Sales Taxes of Nonprepared Food Items (Bagley)

This Ordinance was introduced and set for public hearing.

[KPB-1663](#)

Requesting Formal Assembly Protest to the Renewal of Liquor License due to Unpaid Taxes for Young's Downtown Restaurant & Inn (City of Homer)

approved

[KPB-1681](#)

Confirming an Appointment to the Road Service Area Board (Mayor)

Mike Tauriainen, At-Large Seat, Term to Expire September 30, 2019

approved

Approval of the Agenda and Consent Agenda

President Ogle called for public comment.

George Pierce, Kasilof spoke in opposition to travel items in the FY19 Budget.

Debbie Aubin, Sterling spoke in support of school nurses and funding in the FY19 Budget.

Fred Sturman, Soldotna spoke in opposition to the FY19 Budget.

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

The motion to approve the agenda and consent agenda as amended carried by the following vote:

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

COMMENDING RESOLUTIONS AND PROCLAMATIONS

[KPB-1659](#)

Mayor's Proclamation declaring May, 2018 as "National Water Safety

Month"

[Clerk's Note: Mayor Pierce presented the proclamation to Rachel Para, Director and Nigel LaRicca, Pool Supervisor at Nikiski Pool.]

[KPB-1683](#)

Mayor's Proclamation declaring May 1, 2018 "Sterling Homesteaders Day"

[Clerk's Note: Mayor Pierce presented the proclamation to Grace Merkes on behalf of the Sterling Homesteaders.]

PRESENTATIONS WITH PRIOR NOTICE

[KPB-1637](#)

A Resolution Commending Linda Swarner for her Devoted Service to the Residents of the Kenai Peninsula Borough (Smalley)

[Clerk's Note: Assembly Member Smalley presented the commending resolution to Linda Swarner.]

[KPB-1660](#)

Central Peninsula General Hospital, Inc. Quarterly Report (10 Minutes)

[Clerk's Note: Lance Spindler, CFO presented Central Peninsula General Hospital, Inc.'s quarterly report to the assembly.]

[KPB-1661](#)

Dr. Keith Hamilton, President, Alaska Christian College - Update (10 Minutes)

[Clerk's Note: Dr. Keith Hamilton presented the assembly with an update of activities and campus expansion projects at the Alaska Christian College.]

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Ogle called for public comment.

Carrie Henson, Soldotna gave examples of conservative and progressive approaches to life situations.

Rebecca Hinsberger, Kasilof discussed the transformation of the borough and right-of-way clearings on the Sterling Highway.

Brian Olson, Soldotna read the State of Alaska's proclamation declaring May 1, 2018 as "Alaska Agricultural Day".

Minor Child, Kenai spoke in support of school funding.

Linda Hawkins, Ninilchik spoke in support of the arts in our schools.

George Pierce, Kasilof spoke in opposition to the anadromous ordinance and to

funding special school programs.

Brother Tom Patmore, Clam Gulch spoke in opposition to the right-of-way clearings on the Sterling Highway and to the crime activity in his community.

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-1671](#) Authorization to Award a Contract for RFP 18-003 Summer & Winter Road Maintenance for North Region, Unit 1, West Region, Units 2 & 7, Central Region, Unit 5, East Region, Unit 2 and South Region, Unit 5:

Region/Unit East 2, AG & BLD Supply, Hope, Alaska
Region/Unit West 2, River City Construction, Soldotna, Alaska
Region/Unit West 7, Best Transit Mix, Soldotna, Alaska
Region/Unit Central 5, Best Transit Mix, Soldotna, Alaska
Region/Unit North 1, Best Transit Mix, Soldotna, Alaska
Region/Unit South 5, Paul's Services, Anchor Point, Alaska
 - b. [KPB-1673](#) Authorization to Award a Contract for ITB 18-014 Wyoh Way, Maria Road, Langhus Street South, & Cana Court Project No. S8WYO to East Road Services Inc., Homer, Alaska
 - c. [KPB-1674](#) Authorization to Award a Contract for RFP 18-001 External Audit Services to BDO USA LLC., Anchorage, Alaska
 - d. [KPB-1675](#) Authorization to Award a Contract for ITB 18-013 Morning Circle Project No. N1MOR to G&H Construction, Kenai, Alaska.
3. Other
 - a. [KPB-1676](#) Project Reports - March 31, 2018
 - b. [KPB-1677](#) Revenue - Expenditure Report - March 2018
 - c. [KPB-1678](#) Budget Revisions - March 2018

- d. [KPB-1679](#) FY18 - 3Q Senior Center Grant Reports
- e. [KPB-1680](#) FY18-3Q Economic Development Grant Reports
- f. [KPB-1710](#) LAYDOWN Mayor's Appointment to the Alaska Liquefied Natural Gasline Project Advisory Committee

ITEMS NOT COMPLETED FROM PRIOR AGENDA

None.

PUBLIC HEARINGS ON ORDINANCES

[2017-19-21](#) An Ordinance Providing for an Exception to KPB 5.20.080 and Transferring \$3,000,000 from the Land Trust Fund to the General Fund (Mayor) (Reconsideration Given by Fischer)

[Clerk's Note: The motion to enact was on the floor from the April 3, 2018 meeting.]

President Ogle called for public comment.

The following people spoke in support of Ordinance 2017-19-21:

Sean Dusek, School District Superintendent

Carl Kurcher, Cohoe

Leonard Sustaro, Kenai

Kyle Graham, Kenai

Jessie Bjorkman, Nikiski

Grace Merkes, Sterling

Minor Child, Ninilchik

David Brighton, Kenai

Daniel Bowen, Kenai

Margaret Gilman, Kenai

Penny Vadla, Soldotna

The following people spoke in opposition to Ordinance 2017-19-21:

Linda Hutchings, Soldotna

George Pierce, Kasilof

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

Assembly Members Cooper, Bagley and Smalley spoke in opposition to Ordinance 2017-19-21.

Assembly Member Carpenter spoke in support of Ordinance 2017-19-21.

Cooper moved to amend Ordinance 2017-19-21 as follows:

Amend the title to read:

"AN ORDINANCE PROVIDING FOR AN EXCEPTION TO KPB 5.20.080 AND TRANSFERRING \$[3,000,000] 4,500,000 FROM THE LAND TRUST FUND TO THE GENERAL FUND [AS PART OF THE FISCAL YEAR 2019 BUDGET APPROPRIATION]"

Amend the sixth whereas clause to read:

"WHEREAS, one option that would provide some protection for the general fund during fiscal year 2019 is to transfer \$[3,000,000] 4,500,000 from the land trust fund to the general fund to help close this deficit for one year and provide an additional \$1,500,000 for education funding; and"

Amend Section 1 to read:

"SECTION 1. That, notwithstanding the restrictions in KPB 5.20.080 limiting the amount of land trust funds that may be available for appropriation to the general fund, the sum of up to \$[3,000,000] 4,500,000 shall be appropriated [to account 250.21210.00000.50100] from the Land Trust Fund fund balance to be transferred to the general fund [as part of the FY 2019 budget appropriation]."

Amend Section 2 to read:

"SECTION 2. That the sum of \$[3,000,000] 4,500,000 is hereby appropriated from the Land Trust Fund fund balance to account 250.21210.00000.50100 to be transferred to the general fund."

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

The motion to amend Ordinance 2017-19-21 failed by the following vote:

Yes: 3 - Fischer, Carpenter, and Ogle

No: 6 - Dunne, Bagley, Hibbert, Blakeley, Cooper, and Smalley

Cooper moved to amend Ordinance 2017-19-21 as follows:

Amend the title to read:

"AN ORDINANCE PROVIDING FOR AN EXCEPTION TO KPB 5.20.080

AND TRANSFERRING \$3,000,000 FROM THE LAND TRUST FUND TO THE GENERAL FUND [AS PART OF THE FISCAL YEAR 2019 BUDGET APPROPRIATION]"

The motion to amend Ordinance 2017-19-21 carried by the following vote:

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

Assembly Member Dunne spoke in opposition to Ordinance 2017-19-21 as amended.

The motion to enact Ordinance 2017-19-21 as amended failed by the following vote:

Yes: 3 - Carpenter, Blakeley, and Ogle

No: 6 - Dunne, Fischer, Bagley, Hibbert, Cooper, and Smalley

Assembly Member Fischer gave notice of reconsideration of Ordinance 2017-19-21.

2018-12

An Ordinance Increasing the Borough Sales Tax Rate from 3.0 Percent to 3.5 Percent by Amending KPB 5.18.100, Subject to Approval by the Voters in the Regular Election on October 2, 2018 (Cooper, Smalley)

[Clerk's Note: The motion to enact was on the floor from the April 3, 2018 meeting.]

President Ogle called for public comment.

The following people spoke in support of Ordinance 2018-12:

Carrie Henson, Soldotna

Linda Hutchings, Kenai

The following people spoke in opposition to Ordinance 2018-12:

George Pierce, Kasilof

Fred Sturman, Soldotna

David Martin, Clam Gulch

Jessie Bjorkman, Nikiski

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

Cooper moved to postpone Ordinance 2018-12 to May 15, 2018.

The motion to postpone Ordinance 2018-12 carried by the following vote:

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

[2018-16](#)

An Ordinance Amending KPB 16.08.010 and 16.24.010 to Move the Common Boundary Between the Central Kenai Peninsula Hospital Service Area and the South Kenai Peninsula Hospital Service Area South, Subject to Approval by the Voters Residing in the Central Kenai Peninsula Hospital Service Area and the Proposed New Area (Bagley) [Postponed to 06/19/18]

[Clerk's Note: Bagley Motion on the Floor]

Hibbert moved to enact Ordinance 2018-16.

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

The following people spoke in opposition to Ordinance 2018-16:

Hal Smith, Homer
Maria Soto, Homer
Roberta Highland, Homer
Lacque Lenew, Homer
Patricia Cue, Homer
Jay Bechtol, Homer
Clyde Boyer, Homer
Ralph Broshe, Homer
Kathryn Carssow, Homer
Taz Tally, Kachemak City
Marie Walle, Homer
Ole Andresson, Homer

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

President Ogle called for public comment in Assembly Chambers.

The following people spoke in opposition to Ordinance 2018-16:

Debbie Speakman, Kachemak City
David Grossbeck, Homer
Keri-Ann Baker, Homer
Julie Woodworth, Homer
Debbie Carey, Ninilchik
Derotha Farraro, Homer
Joe Wooden, Homer

The following people spoke in support of Ordinance 2018-16:

Brent Johnson, Clam Gulch
Debra Blossom, Clam Gulch
Janet Glukas, Clam Gulch
Kathy Wallace, Clam Gulch
David Martin, Clam Gulch
Judy Johnson, Clam Gulch

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

Bagley moved to amend Ordinance 2018-16 as follows:

Delete the thirteenth Whereas clause in its entirety.

Amend Section 3 to read:

"SECTION 3. That a proposition shall be presented to all voters residing in both the existing and the proposed new area of the Central Kenai Peninsula Hospital Service Area as follows:

PROPOSITION NO. ____

Shall the common boundary line between the Central Kenai Peninsula Hospital Service Area and the South Kenai Peninsula Hospital Service Area be moved south by about 15 miles as described in KPB Ordinance 2018-16 and the borough be authorized to exercise the Central Kenai Peninsula Hospital Service Area powers in that additional area?

YES ____ A "Yes" vote means you approve moving the common boundary line between the Central Kenai Peninsula Hospital Service Area and the South Kenai Peninsula Hospital Service Area south by about 15 miles and the borough exercising Central Kenai Peninsula Hospital Service Area powers in that additional area.

NO ____ A "No" vote means that you oppose moving the common boundary line between the Central Kenai Peninsula Hospital Service Area and the South Kenai Peninsula Hospital Service Area and the borough exercising Central Kenai Peninsula Hospital Service Area powers in that additional area."

The motion to amend Ordinance 2018-16 carried by the following vote:

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

Bagley moved to amend Ordinance 2018-16 as follows:

Amend Section 1 to read:

SECTION 1. That KPB 16.08.010 is hereby amended as follows:

CHAPTER 16.08. CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA

16.08.010 Established - Boundaries.

There is established a service area within the borough, designated the "Central Kenai Peninsula Hospital Service Area," including that portion of the borough described as follows:

As a point of beginning, begin at the N.W. corner of T15N, R23W (projected), Seward Meridian, State of Alaska;

Thence east to the N.E. corner of T15N, R12W, (projected);

Thence south to the N.W. corner of T13N, R11W, (projected);

Thence east to the N.E. corner of T13N, R10W, (projected);

Thence south to the S.E. corner of T13N, R10W, (projected); said corner being in Cook Inlet at longitude 150°58'18" W, latitude 61°10'00" N;

Thence southeasterly to the S.E. corner of T12N, R9W, (projected), said corner being in Cook Inlet at longitude 150°46'37" W, latitude 61°04'49" N;

Thence northeasterly to the N.E. corner of T12N, R7W, (projected), said corner being in Cook Inlet at longitude 150°26'01" W, latitude 61°01'01" N;

Thence southeasterly to the N.E. corner of T11N, R6W, (projected), said corner being in Turnagain Arm at longitude 150°14'40" W, latitude 61°04'49" N;

Thence east to the N.E. corner of T11N, R5W, (projected), said corner being in Turnagain Arm at longitude 150°04'01" W, latitude 61°04'49"N;

[THENCE SOUTHEASTERLY TO THE COMMON BOUNDARY OF THE KENAI NATIONAL MOOSE RANGE AND THE CHUGACH NATIONAL FOREST AND CHICKALOON BAY;

THENCE SOUTH ALONG THE COMMON BOUNDARY OF THE KENAI NATIONAL MOOSE RANGE AND THE CHUGACH NATIONAL FOREST TO THE INTERSECTION WITH THE BOUNDARY BETWEEN ELECTION DISTRICT NUMBERS 9 AND 10;

THENCE SOUTHERLY ALONG THE BOUNDARY LINE BETWEEN ELECTION DISTRICT NUMBERS 9 AND 10 TO AN INTERSECTION WITH THE TOWNSHIP LINE BETWEEN T1N AND T2N (PROJECTED);]

Thence southeasterly to the intersection of the 150th Meridian and the mean high water line of Chickaloon Bay;

Thence south along the 150th Meridian to a line drawn along the Kenai Mountains from USC&GS Triangulation Station Gore Point on the Gulf of Alaska to USC&GS Triangulation Station Gull Rock on Turnagain Arm;

Thence southwesterly along the previously described line to an intersection with the township line common to T1S and T2S;

Thence west along the township line to the S.E. corner of T1S, R14W;

Thence north along the township line to the N.E. corner of section 36, T1S, R14W;

Thence west along the section line to the N.W. corner of section 36, T1S, R14W;

Thence north along the section line to the north 1/16th corner of sections 25 and 26, T1S, R14W;

Thence west along the 1/16 line to the north 1/16th corner of sections 26 and 27, T1S, R14W, (projected);

Thence north to the N.E. corner of section 27, T1S, R14W, (projected);

Thence west to the S.W. corner of section 19, T1S, R14W, (projected);

Thence north to the N.W. corner of T1S, R14W, (projected);

[THENCE WEST ALONG THE TOWNSHIP LINE BETWEEN T1N AND T2N TO A POINT 3 MILES OFFSHORE IN COOK INLET;

THENCE SOUTHWESTERLY TO AN INTERSECTION WITH SEWARD BASELINE AT A POINT 3 MILES OFFSHORE IN COOK INLET FROM THE WESTERN SHORE OF COOK INLET;]

Thence west along the township line to the S.W. corner of T1N, R24W, (projected);

Thence north to the N.W. corner of T4N, R24W, (projected);

Thence east to the S.W. corner of T5N, R23W, (projected);

Thence north to the N.W. corner of T8N, R23W, (projected);

Thence west to the S.E. corner of T9N, R24W, (projected);

Thence north to the N.E. corner of T12N, R24W, (projected);

Thence west to the S.E. corner of T13N, R24W, (projected);

Thence north to the N.E. corner of T15N, R24W, (projected), the point of beginning."

Amend Section 2 to read:

SECTION 2. That KPB 16.24.010 is hereby amended as follows:

CHAPTER 16.24. SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA

16.24.010. Established - Boundaries.

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There is established a service area within the borough designated the "South Kenai Peninsula Hospital Service Area," including that portion of the borough described as follows:

As a point of beginning, begin at the N.W. corner of T1S, R25W (projected), Seward Meridian, State of Alaska;

Thence east along the township line to the N.W. corner of T1S, R14W, (projected);

Thence south to the S.W. corner of section 19, T1S, R14W, (projected);

Thence east along the section lines to N.E. corner of section 27, T1S, R14W, (projected);

Thence south to the north 1/16th corner of sections 26 and 27, T1S, R14W, (projected);

Thence east along the north 1/16th line to the north 1/16th corner of sections 25 and 26, T1S, R14W;

Thence south to the N.W. corner of section 36, T14S, R14W;

Thence east to the N.E. corner of section 36, T14S, R14W;

Thence south to the S.E. corner of T1S, R14W;

Thence east along the township line to a line drawn along the Kenai Mountains from USC&GS Triangulation Station Gore Point on the Gulf of Alaska to USC&GS Triangulation Station Gull Rock on Turnagain Arm;

[THENCE EAST ALONG SEWARD BASELINE TO A POINT IN COOK INLET AND 3 MILES OFFSHORE ON THE WEST SIDE OF COOK INLET;

THENCE NORTHEASTERLY TO A POINT OF INTERSECTION WITH TOWNSHIP LINE BETWEEN T1N, T2N AND 3 MILES OFFSHORE IN COOK INLET ON THE EAST SIDE OF COOK INLET;

THENCE EAST ALONG TOWNSHIP LINE BETWEEN T1N AND T2N TO THE E 1/16 CORNER OF SECTION 34, T2N, R6W];

Thence in a southerly direction to the S.E. corner of the N.E. ¼ of Section 28, T11S, R10W, (projected), said corner being at or approximately at Gore Point;

Thence southwesterly to the S.E. corner of the N.E. ¼ of Sec. 27, T12S, R13W (projected), said corner being on or approximately on the southerly point of East Chugach Island;

Thence southwesterly to the S.E. corner of Sec. 31, T12S, R14W, (projected), said corner being at or approximately at Perl Rock;

Thence southwesterly to longitude 153°00'00" W, latitude 59°02'00" N, in Cook Inlet;

Thence southwesterly to the N.E. corner of Sec. 27, T15S, R24W, (projected), at Cape Douglas on the west side of Cook Inlet;

Thence west to the N.E. corner of Sec. 29, T15S, R26W, (projected);

Thence south to the S.E. corner of Sec. 32, T16S, R26W, (projected);

Thence west to the N.E. corner of T17S, R28W, (projected);

Thence south to the S.E. corner of T17S, R28W, (projected);

Thence west to the S.W. corner of T17S, R32W, (projected);

Thence north to the N.W. corner of T17S, R32W, (projected);

Thence west to the S.W. corner of T16S, R32W, (projected);

Thence north to the N.W. corner of T13S, R32W, (projected);

Thence west to the S.W. corner of T12S, R32W, (projected);

Thence north to the N.W. corner of T11S, R32W, (projected);

Thence east to the S.W. corner of T10S, R30W, (projected);

Thence north to the N.W. corner of T9S, R30W, (projected);

Thence east to the S.E. corner of T8S, R29W, (projected);

Thence north to the N.E. corner of T8S, R29W, (projected);

Thence east to the N.E. corner of T8S, R28W, (projected);

Thence north to the N.W. corner of T6S, R27W, (projected);

Thence east to the S.W. corner of T5S, R26W, (projected);

Thence north to the N.W. corner of T5S, R26W, (projected);

Thence east to the S.W. corner of T4S, R25W, (projected);

Thence north to the N.W. corner of T1S, R25W, (projected);

Thence east to the point of beginning, EXCEPTING therefrom all lands above the Mean High Water Line including islands southwest of a line from the S.E. corner of N.E. ¼ of Section 28, T11S, R10W, (projected) said corner being at or approximately at Gore Point;

Thence northeasterly along a line drawn along the Kenai Mountains from USC&GS Triangulation Station Gore Point on the Gulf of Alaska to USC&GS Triangulation Station Gull Rock on Turnagain Arm to the center of section 17, T9S,R9W;

[THENCE NORTH TO THE N.W. CORNER OF SECTION 3 T9S, R10W;]

Thence Northwest to the ¼ corner common to Sections 20 and 29,
T7S, R12W;

Thence North 45 degrees West to the Mean High Water line of Neptune Bay within
Kachemak Bay."

Assembly Member Cooper spoke in opposition to the amendment.

Cooper moved to postpone Ordinance 2018-16 to June 19, 2018.

Assembly Member Dunne spoke in support of postponement.

Assembly Member Bagley spoke in opposition to postponement.

The motion to postpone Ordinance 2018-16 to June 19, 2018 carried by the following vote:

Yes: 5 - Dunne, Fischer, Blakeley, Cooper, and Ogle

No: 4 - Bagley, Hibbert, Carpenter, and Smalley

2018-17

An Ordinance Amending KPB 5.35.155 and KPB 14.31.145 to
Authorize the Mayor to Accept Late-Filed Applications for a Deferred
Payment of Principal for a Utility Special Assessment or Road
Improvement Assessment District (Mayor)

Hibbert moved to enact Ordinance 2018-17.

President Ogle called for public comment with none being offered.

The motion to enact Ordinance 2018-17 carried by the following vote:

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

UNFINISHED BUSINESS - None.

NEW BUSINESS

Resolutions

2018-022

A Resolution Determining the Amount to be Provided from Local
Sources for School Purposes During Fiscal Year 2019 and Approving
the Kenai Peninsula Borough School District Total Budget (Mayor)

Cooper moved to adopt Resolution 2018-022.

President Ogle called for public comment.

The following people spoke in opposition to Resolution 2018-022 as presented.

Sean Dusek, School District Superintendent

Debbie Carey, Ninilchik

Carl Kurcher, Coho

Daniel Bowen, Kenai

Carrie Henson, Soldotna

Zen Kelly, Homer

Jessie Bjorkman, Nikiski

David Brighton, Kenai

Penny Vadla, Soldotna

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

Cooper moved to amend Resolution 2018-022.

Amend the last whereas clause to read:

"WHEREAS, the borough is proposing that school funding from local sources for FY2019 be \$[46,738,432] 49,738,432; "

Amend Section 2 to read:

"SECTION 2. That \$[46,738,432] 49,738,432 shall be made available from local sources to fund school district operations for Fiscal Year 2019 as follows:

A. Local Effort \$[36,381,181] 38,883,797

B. Borough Maintenance [7,432,374] 7,929,758

C. School District Utilities 89,900

D. Insurance 2,621,584

E. Audit 93,000

F. Custodial Services 120,393

TOTAL LOCAL FUNDING PER AS 14.17.41 \$[46,738,432] 49,738,432"

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

President Ogle passed the gavel to Vice President Bagley and spoke in support of the amendment.

Vice President Bagley returned the gavel to President Ogle.

The motion to amend Resolution 2018-022 carried by the following vote:

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

The motion to adopt Resolution 2018-022 as amended carried by the following vote:

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

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

President Ogle called for public comment.

Carrie Henson, Soldotna thanked the assembly for their hardwork on the budget and for the passage of Resolution 2018-022.

Johna Beech, Kenai thanked the assembly for their hardwork and looked forward to further discussions regarding the borough generating more revenue, as well as announced Samurai Sam's Teriyaki Grill was open in Kenai.

Sean Dusek, School District Superintendent thanked the assembly for all their efforts and support, stating he looked forward to further budget discussions.

Debbie Carey, Ninilchik thanked the assembly for the passage of Resolution 2018-022.

Fred Sturman, Soldotna asked the assembly to keep the unemployed and those who suffered salary cuts in mind when talking about the borough generating more revenue.

The following people spoke in support of school funding:

Jessie Bjorkman, Nikiski

David Brighton, Kenai

Penny Vadla, Soldotna

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

1. May 7, 2018 Local Government Revenue Challenges Joint Work Session
2:00 PM Assembly Chambers, Soldotna, Alaska
2. May 9, 2018 Material Site Work Group
2:00 PM Assembly Chambers, Soldotna, Alaska
3. May 15, 2018 Regular Assembly Meeting
6:00 PM Assembly Chambers, Soldotna, Alaska

ASSEMBLY COMMENTS

Assembly Member Fischer stated he was looking forward to further discussion regarding an additional \$3 Million during the reconsideration of Ordinance 2017-19-21.

Assembly Member Dunne thanked everyone for their testimony. He stated he was pleased with the passage of Resolution 2018-022 as amended and looked forward to future discussions regarding budget cuts.

Assembly Member Cooper wished everyone a good evening.

Assembly Member Smalley thanked everyone for their testimony. He wished Jim Dykas, Anchor Point Fire and Barry Wheeler, Nikiski Fire well in their retirement, as well as Linda Swarner on her retirement. Mr. Smalley thanked Mayor Pierce for his proclamation to the Sterling Homesteaders. He looked forward to additional budget discussions.

Assembly Member Hibbert thanked Finance Director Brandi Harbaugh and all the Department Directors for their hardwork and presenting their budgets. Mr. Hibbert thanked everyone for their testimony and wished everyone a good evening.

Assembly Member Carpenter thanked everyone for their testimony. He thanked Finance Director Brandi Harbaugh and staff for their hardwork. Mr. Carpenter looked forward to further budget discussions.

Assembly Member Bagley thanked Mayor Pierce for his comments and stated he understood complex issues. He stated disagreements did not make one side right and the other side wrong. Mr. Bagley requested assembly members to submit budget amendments at public hearing on May 15, 2018.

President Ogle announced the assembly and administration would be meeting with the city councils and their administrations to discuss budget challenges in Assembly Chambers, Monday, May 7, 2018 at 2:00 p.m. He thanked Finance Director Brandi Harbaugh for her work on the budget presentations. Mr. Ogle thanked everyone for their testimony and participation. He stated it was a good example of local government functioning at its best.

INFORMATIONAL MATERIALS AND REPORTS

None.

NOTICE OF NEXT MEETING AND ADJOURNMENT

With no further business to come before the assembly, President Ogle adjourned the

meeting at 11:23 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough
Assembly meeting of May 1, 2018.

Johni Blankenship, MMC, Borough Clerk

Approved by the Assembly: _____