CALL TO ORDER

A Regular Meeting of the Kenai Peninsula Borough Assembly was held on May 17, 2011, in the Borough Assembly Chambers, Soldotna, Alaska. President Knopp called the meeting to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE AND INVOCATION

The Pledge of Allegiance was recited followed by the invocation given by Pastor Jim Pearson from the Sterling Lutheran Church.

There were present:

Gary Knopp, Presiding  Linda Murphy
Mako Haggerty  Charlie Pierce
Brent Johnson  Bill Smith
Sue McClure  Ray Tauriainen

comprising a quorum of the assembly.

Absent:

Hal Smalley (excused)

Also in attendance were:

Colette Thompson, Borough Attorney
Johni Blankenship, Borough Clerk
Shellie Saner, Deputy Clerk

COMMITTEE REPORTS

President Knopp said an Open House was held in the Clerk’s Office and a Budget Work Session was held with the Administration.

Assembly Member Smith said the Finance Committee met and discussed its agenda items.

Assembly Member McClure said the Lands Committee met and discussed its agenda items.

Assembly Member Haggerty said the Policies and Procedures Committee met and discussed its agenda items.
MOTION: Haggerty moved to appoint Barbara J. Belluomini to the Board of Equalization, Seat D, with a Term to Expire December 12, 2011.

MOTION PASSED: Without objection.

Assembly Member Murphy said the Legislative Committee met and discussed its agenda item.

President Knopp said the Committee of the Whole met and discussed its agenda item.

APPROVAL OF THE AGENDA AND CONSENT AGENDA

MOTION TO APPROVE AGENDA: Pierce moved for the approval of the agenda and consent agenda.

President Knopp called for additions, corrections or deletions to the agenda or consent agenda.

The following items were removed from the consent agenda:

- Resolution 2011-051: Canceling the Junk Vehicle Removal Project (Mayor) (Referred to Policies and Procedures Committee)

- Resolution 2011-056: Authorizing the Acquisition of Real Property at 166 W. Corral Avenue, Soldotna, Alaska on Behalf of the Central Peninsula Hospital (Mayor) (Referred to Lands Committee)

  [Clerk’s Note: Prior to removal from the Consent Agenda technical amendments were made to Resolution 2011-056 as follows: The twelfth whereas to read, “a motion presented to the Central Kenai Peninsula Hospital Service Area Board at its meeting of April 18, 2011, [RECOMMENDED] recommending approval of this resolution failed by a vote of 3 yes, 3 no vote; and”]

- Resolution 2011-057: Supporting Ketchikan Gateway Borough Resolution No. 2322 Calling on the President of the United States, U.S. Secretary of the Interior, U.S. Senate, and Congress to Develop Policies that Allow Alaska and the Rest of the Nation to Utilize the Nation's Abundant Resources in a Safe, Environmentally Sound Manner that Serves the Best Interests of Americans (Pierce, Mayor) (Referred to Policies and Procedures Committee)

Copies having been made available to the public, Borough Clerk Johni Blankenship noted by title only the resolutions and ordinances on the consent agenda.

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- Commending the Skyview High School Mock Trial Team as the 2010-2011 Alaska State Champions (Johnson)
• Resolution 2011-033: To Form the Poppy Ridge Road Improvement Assessment District and Proceed with the Improvement (Mayor) (Referred to Lands Committee)

• Resolution 2011-046: Rededicating the Newly Created Conference Room in the Clerk's Office to Frances Brymer (Knopp at the Request of the Borough Clerk) (Referred to Policies and Procedures Committee)

• Resolution 2011-047: Authorizing the Borough, on behalf of the South Kenai Peninsula Hospital Service Area, to Enter into a Ten-Year Lease Agreement with South Peninsula Professional Services, LLC for Medical Office Space within the Kachemak Bay Professional Building Located at 4201 Bartlett Street, Homer, Alaska, and Authorizing an Amendment to the Sublease and Operating Agreement with South Peninsula Hospital, Inc. to Include this Lease (Mayor) (Referred to Policies and Procedures Committee)

[Clerk’s Note: Technical amendments were made to Resolution 2011-047 as follows: The seventh whereas to read, “the South Kenai Peninsula Hospital Service Area Board at its regularly scheduled meeting of May 12, 2011, recommended approval by unanimous consent with the passage of South Peninsula Hospital Board Resolution 2011-05; and”, the eighth whereas to read, “the KPB Planning Commission at its regularly schedule meeting of May 9, 2011, recommended approval.”]

• Resolution 2011-048: Authorizing the Lease of 420 Square Feet of Office Space in the SeaView Community Plaza Building, Seward, Alaska for the Seward Annex Office for Up to Five Years (Mayor) (Referred to Policies and Procedures Committee)

[Clerk’s Note: A technical amendment was made to Resolution 2011-048 as follows: The sixth whereas to read, “the KPB Planning Commission at its regularly scheduled meeting of May 9, 2011, recommended approval;”]

• Resolution 2011-049: Authorizing the Lease of 440 Square Feet of Office Space in the SeaView Community Plaza Building, Seward, Alaska for the Seward Bear Creek Flood Service Area for up to Five Years (Mayor) (Referred to Policies and Procedures Committee)

[Clerk’s Note: Technical amendments were made to Resolution 2011-049 as follows: The fifth whereas to read, “the SBCFSA Board at its regularly scheduled meeting of May 2, 2011, recommended approving the lease; and”, the sixth whereas to read, “the KPB Planning Commission at its regularly scheduled meeting of May 9, 2011, recommended approval.”]

• Resolution 2011-050: Approving the Acquisition of a Non-Exclusive Easement for Road Improvement from Cook Inlet Region, Inc. for Road Service Area Capital Improvement Project #N5SMI Smith Road (Mayor) (Referred to Lands Committee)

[Clerk’s Note: A technical amendment was made to Resolution 2011-050 as follows: The fourth whereas to read, “the KPB Planning Commission at its regularly scheduled meeting of May 9, 2011, recommended approval.”]
• Resolution 2011-052: Approving a One-Year Extension of the Contract for Audit Services (Mayor) (Referred to Finance Committee)

• Resolution 2011-053: Authorizing an Amendment to the Public Employee Retirement System Participation Agreement to Exclude the Position of Mayor (Mayor) (Referred to Policies and Procedures Committee)

• Resolution 2011-054: Approving the Acquisition of a Public Road Easement from Rolf B. Bardarson and Carol Bardarson for Road Service Area Capital Improvement Project #E3MOA Moat Way, Excalibur Way and Camelot Drive (Mayor) (Referred to Lands Committee)

  [Clerk’s Note: A technical amendment was made to Resolution 2011-054 as follows: The fifth whereas to read, “the KPB Planning Commission at its regularly scheduled meeting of May 9, 2011, recommended approval;”]

• Resolution 2011-055: Approving the Acquisition of a Non-Exclusive Drainage Easement from Rolf B. Bardarson and Carol Bardarson for Road Service Area Capital Improvement Project #E3MOA Moat Way, Excalibur Way and Camelot Drive (Mayor) (Referred to Lands Committee)

  [Clerk’s Note: A technical amendment was made to Resolution 2011-055 as follows: The fourth whereas to read, “the KPB Planning Commission at its regularly scheduled meeting of May 9, 2011, recommended approval;”]

• Ordinance 2010-19-47: Accepting and Appropriating a Grant in the Amount of $95,000 from the U.S. Department of Homeland Security and Appropriating an Additional $8,040 for the Local Share and Administrative Fee in the Nikiski Fire Service Area Capital Project Budget for Installation of a Fire Alarm System at Station #1 (Mayor) (Shortened Hearing on 06/07/11) (Referred to Finance Committee)

• Ordinance 2010-19-48: Accepting and Appropriating $499,272 from the U.S Department of Interior for the Aerial Photography/Satellite Imagery of the Kenai Peninsula Borough, A Project Under the Coastal Impact Assistance Program (Mayor) (Hearing on 06/21/11) (Referred to Finance Committee)

• Ordinance 2011-16: Amending KPB 2.60.030 and KPB 2.60.035 to Increase the E911 Surcharge on Local Access Telephone Lines and Local Exchange Wireless Telephones from $1.15 to $1.50 per Month (Mayor) (Shortened Hearing on 06/07/11) (Referred to Finance Committee)

• Ordinance 2011-17: Amending KPB Title 2 to Establish the Management Information Services Division as a Separate Department and to Move Oversight of the Geographic Information Systems Division from the General Services Department to the Planning Department (Mayor) (Shortened Hearing on 06/07/11) (Referred to Policies and Procedures Committee)
• Ordinance 2011-18: Amending KPB 2.90.030(C) to Prohibit the Borough Mayor from Holding Certain Positions in any entity that Receives a Financial Benefit from the Borough (Smith) (Hearing on 06/21/11) (Referred to Policies and Procedures)

• Confirmation of New Department Head, Mark A. Dixson, General Services Director (Referred to Committee of the Whole)

President Knopp called for public comment with none being offered.

AGENDA APPROVED AS AMENDED: Without objection.

COMMENDING RESOLUTIONS AND PROCLAMATIONS

Assembly Member Brent Johnson presented a commending resolution to the Skyview High School Mock Trial Team for winning the 2010-2011 Alaska High School State Championship.

PRESENTATIONS WITH PRIOR NOTICE

Terry Thompson, Manager, Kachemak Bay Research, gave a presentation on, “Science Collaborative Project.”

Mark Landt, Vice President Land & Business Development, Buccaneer Alaska Operations, LLC, gave a presentation on, “Cook Inlet Exploratory Drilling Program.”

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

President Knopp called for public comment.

Jimmie Boyd, PO Box 39412, addressed the Assembly regarding the procedures involved with filing for a Senior Exemption from property tax.

Dr. Steve Atwater, Superintendent of the Kenai Peninsula Borough School District, thanked the Assembly for the lobbying efforts in Juneau. He noted that graduations throughout the borough began on Monday, May 23, 2011.

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. Authorization to Award Contract for Crooked Creek State Recreation Area River Bank Restoration - Phase II to Property Improvements
b. Authorization to Award Contracts for the Intent to Award - ITB11-048 Spruce Seedling Planting for KPB 2011 Reforestation Project to Future Forest

3. Other
   a. Revenue Expenditure Report April, 2011
   b. Budget Revisions April, 2011
   c. Spruce Bark Beetle Monthly Status Report April, 2011

ITEMS NOT COMPLETED FROM PRIOR AGENDA - None.

PUBLIC HEARING ON ORDINANCES

Ordinance 2010-19-43: Accepting and Appropriating $69,272 from the U.S. Department of Interior for the Kenai Peninsula Borough Flood Plain Development Survey Benchmarks Project Under the Coastal Impact Assistance Program (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2010-19-43.

President Knopp called for public comment with none being offered.

VOTE ON MOTION TO ENACT:
Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smith, Tauriainen, Knopp
No: None
Absent: Smalley
MOTION TO ENACT PASSED: 8 Yes, 0 No, 1 Absent

Ordinance 2010-19-44: Appropriating Supplemental Funding in the amount of $60,000 to Cover Costs Associated with Board of Equalization Hearings (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2010-19-44.

President Knopp called for public comment with none being offered.

VOTE ON MOTION TO ENACT:
Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smith, Tauriainen, Knopp
No: None
Absent: Smalley
MOTION TO ENACT PASSED: 8 Yes, 0 No, 1 Absent
Ordinance 2010-19-45: Appropriating $32,585 into the Borough's School Revenue Capital Project Fund for Improvements to School Facilities (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2010-19-45.

President Knopp called for public comment with none being offered.

VOTE ON MOTION TO ENACT:
Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smith, Tauriainen, Knopp
No: None
Absent: Smalley
MOTION TO ENACT PASSED: 8 Yes, 0 No, 1 Absent

Ordinance 2010-19-46: Appropriating $348,257 to the Special Assessment Fund for the Poppy Ridge Road Improvement Special Assessment District (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2010-19-46.

President Knopp called for public comment.

The following people spoke in support of Ordinance 2010-19-46:

Monica Griffin, PO Box 3235, Soldotna
Casey Olson, 35870 Poppy Ridge Road, Soldotna

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

MOTION TO AMEND:
Smith moved to amend Ordinance 2010-19-46 as follows:

The third whereas to read, “the assembly adopted Resolution 2011-033 on May 17, 2011 to form the Poppy Ridge Road Improvement Assessment District and proceed with the improvement; and”

MOTION TO AMEND PASSED: Without objection.
VOTE ON MOTION TO ENACT AS AMENDED:
Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smith, Tauriainen, Knopp
No: None
Absent: Smalley
MOTION TO ENACT AS AMENDED PASSED: 8 Yes, 0 No, 1 Absent

Ordinance 2011-09: Amending KPB Chapter 21.18 Regarding Prior Existing Uses and Structures in the Anadromous Stream Habitat Protection District (Mayor) (Referred to Lands Committee)

MOTION: McClure moved to enact Ordinance 2011-09.

President Knopp called for public comment.

The following person spoke in opposition to Ordinance 2011-09:

Debbie Brown, 27370 Tideland, Kasilof

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

President Knopp passed the gavel to Vice President Pierce.

MOTION: Knopp moved to amend Ordinance 2011-09 as follows:

Delete paragraph 4.b. of Section 1 to read, “[ACCESSORY STRUCTURES MAY NOT BE REPLACED OR RECONSTRUCTED IN KPB 21.06 MAPPED FLOODPLAINS OR FLOODWAYS.]”

Assembly Members Johnson and Haggerty spoke in opposition to the amendment.

Assembly Members Smith and Knopp spoke in support of the amendment.

VOTE ON MOTION TO AMEND:
Yes: Pierce, Smith, Tauriainen, Knopp
No: Haggerty, Johnson, McClure, Murphy
Absent: Smalley
MOTION TO AMEND FAILED: 4 Yes, 4 No, 1 Absent

Vice president pierce returned the gavel to President Knopp.
MOTION TO AMEND: Murphy moved to amend Ordinance 2011-09 as follows:

Paragraph 4.b. of Section 1 to read, “Notwithstanding subsection a. above, accessory structures may not be replaced or reconstructed in KPB 21.06 mapped floodplains or floodways.”

MOTION TO AMEND PASSED: Without objection.

VOTE ON MOTION TO ENACT AS AMENDED:
Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smith, Tauriainen
No: Knopp
Absent: Smalley
MOTION TO ENACT AS AMENDED PASSED: 7 Yes, 1 No, 1 Absent

Ordinance 2011-10: Amending KPB Chapter 3.04 to Require Separate Approval by Resolution to Amend Appendix A Administrative and Legislative Personnel Salary and Benefits (Smith) (Referred to Policies and Procedures Committee)

Ordinance 2011-10 (Smith) Substitute: Amending KPB Chapter 3.04 to Require Separate Approval by Resolution to Amend Appendix A Administrative and Legislative Personnel Salary and Benefits (Smith) (Referred to Policies and Procedures Committee)

MOTION: Haggerty moved to enact Ordinance 2011-10.

President Knopp called for public comment with none being offered.

MOTION TO AMEND: Smith moved to amend Ordinance 2011-10 by substitution.

VOTE ON MOTION TO AMEND BY SUBSTITUTION:
Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smith, Tauriainen, Knopp
No: None
Absent: Smalley
MOTION TO AMEND BY SUBSTITUTION PASSED: 8 Yes, 0 No, 1 Absent

MOTION TO AMEND: Smith moved to amend Ordinance 2011-10 (Smith) Substitute as follows:
Section 2, paragraph C. to read, “Within the limits of the pay and classification plans, the mayor shall set the salary and probation-period salary scaling for administrative employees who are changing positions or are new hires. The mayor shall have the authority, within the limits of the pay plan, to award merit increases which are justified by exceptional performances. An exceptional performance merit increase may only take effect on July 1, and shall be reported to the assembly prior to adoption of the annual budget.

MOTION TO AMEND PASSED: Without objection.

Assembly Member Murphy spoke in opposition to Ordinance 2011-10 (Smith) Substitute.

Assembly Members Smith and Johnson spoke in support to Ordinance 2011-10 (Smith) Substitute.

President Knopp passed the gavel to Vice President Pierce.

MOTION TO POSTPONE AS AMENDED: Knopp moved to postpone Ordinance 2011-10 (Smith) Substitute as amended until June 7, 2011.

VOTE ON MOTION TO POSTPONE AS AMENDED:
Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smith, Tauriainen, Knopp
No: None
Absent: Smalley

MOTION TO POSTPONE AS AMENDED PASSED: 8 Yes, 0 No, 1 Absent

Vice President Pierce returned the gavel to President Knopp.

Ordinance 2011-11: Amending KPB 2.04.060 to Increase the Mayor's Salary to $99,000 (Smith, Pierce) (Referred to Policies and Procedures Committee)

MOTION: Haggerty moved to enact Ordinance 2011-11.

President Knopp called for public comment.

The following people spoke in opposition to Ordinance 2011-11:
Debbie Brown, 27370 Tideland, Kasilof  
Kevin Austin, 35315 Rockwood Dr., Soldotna  
Becky Moore, PO Box 1077, Sterling  
Manuel Linderman, PO Box 2242, Kenai  
George Pierce, PO Box 80, Kasilof  
Fred Sturman, 136 Riverview, Soldotna

The following people spoke in support of Ordinance 2011-11:

Joseph Kashi, 205 East Beluga, Soldotna  
Tim Navarre, PO Box 92, Kenai

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

Assembly Members Smith, Haggerty, and Murphy spoke in support of Ordinance 2011-11.

Assembly Member Tauriainen spoke in opposition to Ordinance 2011-11.

President Knopp passed the gavel to Vice President Pierce and spoke in opposition to Ordinance 2011-11. Vice President Pierce returned the gavel.

MOTION TO AMEND: Johnson moved to amend Ordinance 2011-11 as follows:

Title to read, “An Ordinance Amending KPB 2.04.060 to Increase the Mayor’s Salary to $[99,000] to $85,000"

Section 1, paragraph A to read, “Compensation for the borough mayor shall be $[99,000] 85,000 per year.”

Assembly Member Smith spoke in opposition to the amendment.

VOTE ON MOTION TO AMEND:  
Yes: Johnson, Tauriainen, Knopp  
No: Haggerty, McClure, Murphy, Pierce, Smith  
Absent: Smalley  
MOTION TO AMEND FAILED: 3 Yes, 5 No, 1 Absent

VOTE ON MOTION TO ENACT:  
Yes: Haggerty, McClure, Murphy, Pierce, Smith  
No: Johnson, Tauriainen, Knopp  
Absent: Smalley  
MOTION TO ENACT PASSED: 5 Yes, 3 No, 1 Absent
Ordinance 2011-12: Amending KPB 21.18.025 to Add Additional Water Bodies Subject to Anadromous Stream Habitat Protection (Smith) (Final Hearing on 06/07/11) (Referred to Lands Committee)

MOTION: McClure moved to enact Ordinance 2011-12.

President Knopp called for public comment.

The following people spoke in opposition to Ordinance 2011-12:

Joe Demaree, PO Box 1125, Kenai
George Pierce, PO Box 80, Kasilof
David Merrill, 808 Set Net Dr., Kenai
Vaughn Johnson, PO Box 8021, Nikiski
Gary Dawkins, 44800 Kalifornsky Beach Rd., Soldotna
Debbie Brown, 27370 Tideland, Kasilof
Manuel Linderman, PO Box 2242, Kenai
Kevin Austin, 35315 Rockwood Dr., Soldotna
Becky Moore, PO Box 1077, Sterling
David Rothenberg, PO Box 8021, Nikiski
Kenneth Lief, 1006 Crow Ct., Kenai
Donald Stock, 45810 Miller Loop Rd., Nikiski

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

MOTION TO AMEND: McClure moved to amend Ordinance 2011-12 as follows:

The sixth whereas to read, “at its regularly scheduled meeting of April 25, 2011, the planning commission recommended approval;”

MOTION TO AMEND PASSED: Without objection.

Assembly Member Smith spoke in support of Ordinance 2011-12.

MOTION TO POSTPONE AS AMENDED: McClure moved to postpone Ordinance 2011-12 as amended until June 6, 2011.
VOTE ON MOTION TO POSTPONE
AS AMENDED:
Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smith, Tauriainen, Knopp
No: None
Absent: Smalley
MOTION TO POSTPONE
AS AMENDED PASSED: 8 Yes, 0 No, 1 Absent

(10:48:10)
Ordinance 2011-19: Appropriating Funds for Fiscal Year 2011-2012 (Mayor)
(Final Hearing on 06/07/11) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2011-19.

President Knopp called for public comment.

The following people spoke in support of borough funding for Non-Departmental, Kenai Peninsula College:

Joseph Kashi, 205 East Beluga, Soldotna
Paul Perry, PO Box 2133, Kenai
Diane Taylor, PO Box 457, Kasilof
Will Raemaeker, 121 Farnsworth Blvd., Soldotna
Pete Sprague, 188 Farnsworth, Soldotna
LaDawn Druce, PO Box 2317, Sterling

The following people spoke in support of borough funding for Non-Departmental, Kenai Peninsula Tourism Marketing Council:

Sarina Byerly, PO Box 1417, Soldotna
Shannon Hamrick, 503 Lilly Dr., Soldotna
Steve Anderson, 399 Lovers Lane, Soldotna
Michelle Glaves, PO Box 1845, Soldotna

MOTION: Pierce moved to suspend the rules and extend the legislative deadline by one half hour, until midnight.

MOTION PASSED: Without objection.

(11:21:45)

The following people addressed the Assembly in opposition to Non-Departmental funding:

George Pierce, PO Box 80, Kasilof
Kevin Austin, 35315 Rockwood Dr., Soldotna
Fred Sturman, 136 Riverview, Soldotna
Tom Dalrymple, PO Box 1502, Soldotna
[Having reached the legislative deadline the following items were carried over to the June 7, 2011 Assembly Meeting:

NEW BUSINESS

• Resolution 2011-051: Canceling the Junk Vehicle Removal Project (Mayor) (Referred to Policies and Procedures Committee)

• Resolution 2011-056: Authorizing the Acquisition of Real Property at 166 W. Corral Avenue, Soldotna, Alaska on Behalf of the Central Peninsula Hospital (Mayor) (Referred to Lands Committee)

• Resolution 2011-057: Supporting Ketchikan Gateway Borough Resolution No. 2322 Calling on the President of the United States, U.S. Secretary of the Interior, U.S. Senate, and Congress to Develop Policies that Allow Alaska and the Rest of the Nation to Utilize the Nation's Abundant Resources in a Safe, Environmentally Sound Manner that Serves the Best Interests of Americans (Pierce, Mayor) (Referred to Policies and Procedures Committee)]

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

The Kenai Peninsula Borough Reapportionment Committee Meeting was scheduled for May 16, 2011, at 2:00 p.m. in the Frances Brymer Conference Room.

The next meeting of the Kenai Peninsula Borough Assembly was scheduled for June, 7, 2011, at 7:00 p.m. in the Borough Assembly Chambers, Soldotna, Alaska.

ADJOURNMENT

[ Clerk’s Note: Having reached the legislative deadline, the meeting was adjourned at 12:00 a.m.]

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of May 17, 2011.

John Blankenship, Borough Clerk

Approved by Assembly [June 7, 2011]