
Kenai Peninsula Borough

Assembly Meeting Minutes

January 3, 2012

Regular Meeting - Soldotna, Alaska

CALL TO ORDER

A Regular Meeting of the Kenai Peninsula Borough Assembly was held on January 3, 2012, 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 Assembly Member Brent Johnson.

There were present:

Gary Knopp, Presiding
Mako Haggerty
Brent Johnson
Sue McClure
Linda Murphy

Charlie Pierce
Hal Smalley
Bill Smith
Ray Tauriainen

comprising a quorum of the assembly.

Also in attendance were:

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

COMMITTEE REPORTS

Assembly Member Smith said the Finance Committee met and discussed its agenda items. *(07:01:52)*

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.

Assembly Member Smalley said the Legislative Committee met and discussed its agenda items.

MOTION: Smalley moved to authorize Assembly President Gary Knopp to attend the Rural Health Care Leadership Forum in Phoenix, AZ, February 4 - 7, 2012.

MOTION PASSED: Unanimous.

APPROVAL OF THE AGENDA AND CONSENT AGENDA

MOTION TO APPROVE AGENDA: Pierce moved for the approval of the agenda and consent agenda. (07:12:29)

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

The following item was withdrawn at the request of the sponsor:

- Ordinance 2011-19-65: Appropriating \$200,000 to Hire One or More Consultants to Assist the Borough in Identifying Directions the Health Care Industry is Taking, the Effects Those Will Likely Have on the Borough and to Help Identify Courses of Action to Take to Curtail Borough Health Care Costs, and also to Fund Other Efforts the Borough May Take to Protect Borough Interests as the Owner of Two Hospitals (Mayor) (Hearing on 02/07/12) (Referred to Finance 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.

- December 6, 2011 Regular Assembly Meeting Minutes
- Resolution 2012-001: Establishing Kenai Peninsula Borough State Capital Project Priorities for the Year 2012 (Legislative Committee) (Referred to Legislative Committee)
- Resolution 2012-002: Authorizing Community Revenue Sharing Program Expenditures for Kasilof and Ninilchik (Mayor) (Referred to Finance Committee)
- Ordinance 2011-19-64: Appropriating Supplemental Funding of \$25,276 to Cover Software Maintenance on the CAD System Installed at the 911 Call Center (Mayor) (Shortened Hearing on 01/17/12) (Referred to Finance Committee)
- Ordinance 2012-01: Approving the Kenai Peninsula Borough Energy Policy Guide (Mayor) (Hearing on 02/14/12) (Referred to Policies and Procedures Committee)
- Petition to Vacate a Portion of the 66-Foot Section Line Easement: 33-Feet on Each Side of the Line Common to Sections 26 and 27, Township 1 North, Range 13 West; as shown on Mead Subdivision (Plat HM 2007-140); Seward Meridian, Alaska and Within the Kenai Peninsula Borough; KPB File 2011-176; Location: West of Mead Court in Clam Gulch (Referred to Lands Committee)

[Clerk's Note: The Planning Commission approved the referenced vacation by unanimous consent during its regularly scheduled meeting of December 12, 2011.]

- Confirming Appointments to the Seldovia Recreational Service Area Board (Mayor) (Referred to Policies and Procedures Committee)

<u>Appointment</u>	<u>Seat</u>	<u>Term Expires</u>
Mark Janes	A	October, 2012
Sheryl Hingley	B	October, 2012
Sandra R. Murray	C	October, 2012
Vivian Rojas	D	October, 2012
Janice Wyland	E	October, 2012

- Correcting the Term of the September 20, 2011 Road Service Area Appointment of Steve Bonebrake (Mayor) (Referred to Policies and Procedures Committee)

<u>Appointment</u>	<u>Seat</u>	<u>Term Expires</u>
Steve Bonebrake	At-Large	September 30, 2013

President Knopp called for public comment with none being offered.

AGENDA APPROVED AS AMENDED: Unanimous.

COMMENDING RESOLUTIONS AND PROCLAMATIONS - None.

PRESENTATIONS WITH PRIOR NOTICE

(07:16:17)

Tim Dillon, of Dillon & Dillon, Timber & Log Wrights LLC gave a presentation regarding KPB Title 21, Chapter 21.18, Anadromous Streams Habitat.

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

(07:29:54)

President Knopp called for public comment with none being offered.

MAYOR'S REPORT

(07:30:18)

1. Assembly Requests/Responses - None.
2. Agreements and Contracts
 - a. Authorization to Award Contract for KESA Diamond Ridge Fire Station Professional Design Services to Architects Alaska
 - b. Authorization to Award Contract for North Peninsula Recreation Service Area Alternative Energy Study to RSA Engineering, Inc.

- c. Authorization to Award Contract for Limited Liability Reports to First American Title
 - d. Authorization to Award Purchase of Calcium Chloride - Summer 2012 to Univar USA, Inc.
 - e. Authorization to Award Contract for Custody and Safekeeping of Marketable Debt Securities to Wells Fargo
3. Other
- a. Revenue-Expenditure Report November, 2011
 - b. Budget Revisions November, 2011
 - c. Spruce Bark Beetle Monthly Status Report November, 2011
 - d. National Association of Counties Prescription Drug Discount Card Program Report November, 2011

ITEMS NOT COMPLETED FROM PRIOR AGENDA - None.

PUBLIC HEARING ON ORDINANCES

(07:32:30)

Ordinance 2011-19-24: Appropriating \$100,000 from the General Fund to the Kenai Watershed Forum to Fund Restoration Projects at Anadromous Stream Crossings (Mayor) (Referred to Policies and Procedures Committee)

[Clerk's Note: Motion to enact Ordinance 2011-19-24 was on the floor from the December 6, 2011 meeting.]

President Knopp called for public comment.

The following people spoke in support of Ordinance 2011-19-24:

- Robert Ruffner**, Executive Director of Kenai Watershed Forum
- Tim Navarre**, P.O. Box 92, Kenai
- Jim Butler**, President of the Kenai Watershed Forum Board
- David Wartinbee**, Past President of the Kenai Watershed Forum Board

The following person spoke in opposition to Ordinance 2011-19-24:

- George Pierce**, P.O. Box 80, Kasilof

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

Assembly Members Murphy and Smalley spoke in support of Ordinance 2011-19-24.

MOTION:

Haggerty moved to amend Ordinance 2011-19-24 as follows:

The third whereas to read, “the borough receives revenues from the State of Alaska's fish tax, such revenues averaging approximately \$729,162 per year, depending upon the success of the commercial fishing industry for each year, which may be used to help reduce the effect of fisheries business activities on the borough including the expense of any municipal service per AS 29.60.450; and”

Insert a new fifth whereas to read, “Alaska Statute 29.35.010(8) authorizes the borough to acquire, manage, control use, and dispose of property which includes borough rights-of-way; and”

Insert a new sixth whereas to read, “installing culverts in borough right-of-way is an exercise of this power; and”

Section 1 to read, “That \$100,000 is appropriated from the general fund fund balance to account no. 100.94910.12KWF. 43011, to fund a grant agreement with the Kenai Watershed Forum to support culvert restoration projects at anadromous stream crossings within borough rights-of-way in areas of the borough outside of city limits.”

MOTION TO AMEND PASSED:

Unanimous.

MOTION:

Pierce moved to amend Ordinance 2011-19-24 as follows:

Delete the seventh whereas entirely, “[KPB 19.30.010 AUTHORIZES THE BOROUGH TO PROVIDE FOR ECONOMIC DEVELOPMENT WITHIN THE BOROUGH IN THE AREA OUTSIDE OF THE CITIES PURSUANT TO AS 29.35.210(A)(8); AND]”

MOTION TO AMEND PASSED: Unanimous.

Assembly Members Johnson , Tauriainen, Smith and Haggerty spoke in support of Ordinance 2011-19-24.

President Knopp passed the gavel to Vice President Pierce and spoke in opposition to Ordinance 2011-19-24.

VOTE ON MOTION TO ENACT AS AMENDED:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,
Smalley, Smith, Tauriainen
No: Knopp
Absent: None

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

Vice President Pierce returned the gavel.

(08:07:20)

Ordinance 2011-19-56: Accepting and Appropriating Funding from the State of Alaska in the Amount of \$181,791 for Community Purposes Under the State's 2011/2012 Community Revenue Sharing Program (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2011-19-56.

President Knopp called for public comment with none being offered.

MOTION: Smith moved to amend Ordinance 2011-19-56 as follows:

Section 2 table, Kalifornsky Beach to read, "Cook Inlet Aquacultural Center | Public meeting Room Improvements | \$[1,683] 3,367, Tsalteshi Trails Association | Trail Improvements | \$[1,683] 3,366, [KP FOOD BANK | COMPLETE STORAGE EXPANSION | \$3,367]"

Assembly Member Johnson spoke in support of the amendment to Ordinance 2011-19-56.

VOTE ON MOTION TO AMEND:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,
Smith, Tauriainen, Knopp
No: Smalley
Absent: None

MOTION TO AMEND PASSED: 8 Yes, 1 No, 0 Absent

VOTE ON MOTION TO ENACT AS AMENDED:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,
Smalley, Smith, Tauriainen, Knopp

No: None

Absent: None

MOTION TO ENACT AS AMENDED PASSED: 9 Yes, 0 No, 0 Absent

(08:15:33)

Ordinance 2011-19-57: Appropriating \$44,883 in Supplemental Funding for a New Position and Associated Costs at the River Center (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2011-19-57.

President Knopp called for public comment.

The following people spoke in opposition to Ordinance 2011-19-57:

Tim Navarre, P.O. Box 92, Kenai

George Pierce, P.O. Box 80, Kasilof

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

Assembly Members Smith, Murphy, Haggerty and Johnson spoke in support of Ordinance 2011-19-57.

Assembly Members Tauriainen, Pierce and Knopp spoke in opposition to Ordinance 2011-19-57.

VOTE ON MOTION TO ENACT:

Yes: Haggerty, Johnson, McClure, Murphy,
Smalley, Smith

No: Pierce, Tauriainen, Knopp

Absent: None

MOTION TO ENACT PASSED: 6 Yes, 3 No, 0 Absent

(08:39:50)

Ordinance 2011-19-58: Appropriating \$30,000 from the Nikiski Fire Service Area Capital Project Fund for a Corrosive Water Mitigation System at Nikiski Fire Station #2 (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2011-19-58.

President Knopp called for public comment with none being offered.

MOTION TO AMEND: Smith moved to amend Ordinance 2011-19-58 as follows:

The second whereas to read, “water supplied by Nikishka Bay Utilities has a [HIGH PH] low pH level and is considered corrosive; and:”

The third whereas to read, “although drinkable, because of its [HIGH PH] low pH level, it will have a negative long term impact on the piping, equipment and appliances at Fire Station #2; and”

MOTION TO AMEND PASSED: Unanimous.

VOTE ON MOTION TO ENACT AS AMENDED:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp

No: None

Absent: None

MOTION TO ENACT AS AMENDED PASSED: 9 Yes, 0 No, 0 Absent

(08:41:52)

Ordinance 2011-19-59: Appropriating \$100,000 for the Assessing Department to Obtain Contractual Assistance for the 2012 Tax Year Appraisal of the Tesoro Refinery (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2011-19-59.

President Knopp called for public comment.

The following person spoke in opposition to Ordinance 2011-19-59:

Wayne Ogle, 50160 Birch Road, Nikiski

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

VOTE ON MOTION TO ENACT:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp

No: None

Absent: None

MOTION TO ENACT PASSED: 9 Yes, 0 No, 0 Absent

(09:01:22)

Ordinance 2011-19-60: Accepting and Appropriating \$22,243 from the Alaska Department of Military and Veteran Affairs, Division of Homeland Security and Emergency Management to Support the Community Emergency Response Teams (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2011-19-60.

President Knopp called for public comment with none being offered.

VOTE ON MOTION TO ENACT:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,
Smalley, Smith, Tauriainen, Knopp
No: None
Absent: None
MOTION TO ENACT PASSED: 9 Yes, 0 No, 0 Absent

(09:03:08)

Ordinance 2011-19-61: Appropriating \$20,000 for the Hearing Officer and Clerk's Expenses to Fund the Hearing Process in KPB Chapter 21.50 Establishing Enforcement Procedures for Violations of Title 21 (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2011-19-61.

President Knopp called for public comment with none being offered.

VOTE ON MOTION TO ENACT:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,
Smalley, Smith, Tauriainen, Knopp
No: None
Absent: None
MOTION TO ENACT PASSED: 9 Yes, 0 No, 0 Absent

(09:04:23)

Ordinance 2011-19-62: Authorizing a \$26,500 Intergovernmental Loan and Appropriating Funds to the Seldovia Recreational Service Area to Provide Start-Up Funding (Mayor, Haggerty) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2011-19-62.

President Knopp called for public comment with none being offered.

VOTE ON MOTION TO ENACT:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,
Smalley, Smith, Tauriainen, Knopp
No: None
Absent: None
MOTION TO ENACT PASSED: 9 Yes, 0 No, 0 Absent

(09:05:42)

Ordinance 2011-19-63: Accepting a Grant of \$270,850 from the Alaska Department of Military and Veteran Affairs, Division of Homeland Security and Emergency Management, and Appropriating \$265,850 of that Award to Purchase Mass Casualty and Alternative Care Response Equipment and Supplies, and to Conduct Training Exercises, and Accepting \$5,000 for a Security Vulnerability Assessment to be Conducted by the State (Mayor) (Referred to Finance Committee)

MOTION: Smith moved to enact Ordinance 2011-19-63.

President Knopp called for public comment with none being offered.

Assembly Members Johnson, Pierce and Knopp spoke in opposition to Ordinance 2011-19-63.

VOTE ON MOTION TO ENACT:

Yes: McClure, Murphy, Smalley, Smith
No: Haggerty, Johnson, Pierce, Tauriainen, Knopp
Absent: None
MOTION TO ENACT FAILED: 4 Yes, 5 No, 0 Absent

(09:17:58)

Ordinance 2011-42: Authorizing a Land Exchange with the City of Seward in Support of the City's Public Utility Services (Mayor) (Referred to Lands Committee)

MOTION: McClure moved to enact Ordinance 2011-42.

President Knopp called for public comment with none being offered.

MOTION TO POSTPONE: McClure moved to postpone Ordinance 2011-42 until February 14, 2012.

VOTE ON MOTION TO POSTPONE:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp
No: None
Absent: None
MOTION TO POSTPONE PASSED: 9 Yes, 0 No, 0 Absent

(09:20:43)

Ordinance 2011-43: Amending KPB 22.40.010 Regarding Scheduling Assembly Meetings (Murphy, Smith) (Referred to Policies and Procedures Committee)

MOTION: Haggerty moved to enact Ordinance 2011-43.

President Knopp called for public comment with none being offered.

MOTION: Haggerty moved to amend Ordinance 2011-43 as follows:

Section 1, paragraph A to read, "Unless otherwise approved as provided in this section, regular meetings of the assembly shall be held on the first and third Tuesday of each month at 7:00 p.m. in the assembly room of the Borough Administration Building. The

assembly shall by resolution or motion establish the date and place for assembly meetings by approving a calendar for the upcoming year. The assembly shall, at a minimum, schedule at least two meetings per month for 8 months each year [MEET AT LEAST ONCE EACH MONTH].”

MOTION TO AMEND PASSED: Unanimous.

VOTE ON MOTION TO ENACT AS AMENDED:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp

No: None

Absent: None

MOTION TO ENACT AS AMENDED PASSED: 9 Yes, 0 No, 0 Absent

UNFINISHED BUSINESS - None.

NEW BUSINESS

(09:27:07)

Approval of the 2012 Assembly Meeting Schedule (Knopp) (Referred to Policies and Procedures Committee)

MOTION: Haggerty moved to approve the 2012 Assembly Meeting Schedule.

VOTE ON MOTION TO APPROVE:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp

No: None

Absent: None

MOTION TO APPROVE PASSED: 9 Yes, 0 No, 0 Absent

PUBLIC COMMENTS AND PUBLIC PRESENTATIONS

(09:29:31)

President Knopp called for public comment.

Dr. James Zirul and **Dr. Henry Krull** addressed the Assembly regarding Kahtnu Ventures, LLC, Ambulatory Surgical Center, Kenai, application for a Certificate of Need.

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

ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS

(09:34:20)

The next meeting of the Kenai Peninsula Borough Assembly was scheduled for January 17, 2012, at 7:00 p.m. in the Borough Assembly Chambers, Soldotna, Alaska.

ASSEMBLY COMMENTS

(09:34:42)

Assembly President Knopp noted that all Assembly Members except Ray Tauriainen would be traveling to Juneau February 6 - 10 , 2012 to attend the Alaska Municipal League, Legislative Conference. He also stated he and Assembly Members Pierce and Smalley would be attending the Stand Alone Gas Pipeline public meeting on January 5, 2012.

Assembly Member Haggerty thanked Mark Janes, Sheryl Hingley, Sandra Murray, Vivian Rojas and Janice Wyland for serving their community as the first Seldovia Recreational Service Area Board Members. He wished everyone a happy New Year.

Assembly Member Johnson thanked everyone for the warm wishes regarding his new grandson.

Assembly Member McClure wished everyone a happy New Year, and noted her appreciation for all of the work done by the Department Directors, Administration and fellow Assembly Members. She encouraged her constituents in the East Peninsula to get involved with their service areas and sign up to be board members.

Assembly Member Tauriainen requested an excused absence from the January 17, 2012 meeting

Assembly Member Smith wished everyone a happy New Year, and stated it was largely due to the borough staff that things were still on track. He said people could be proud of the job done by borough employees.

Assembly Member Murphy stated that the Roads Department was doing very well keeping up with the winter road conditions.

Assembly Member Smalley said he was looking forward to working with the new Administration in the next year, and he wished everyone a happy New Year.

Vice President Pierce noted his appreciation for the energy plan brought forward by the Administration. He complimented the Spruce Bark Beetle Department for all of their efforts and noted how well the fire wood program went.

President Knopp congratulated the Administration and Mayor stating the transition had been easy. He noted the good work being done by the Department of Transportation in the Cooper Landing and Seward area. He thanked the constituents who had addressed him regarding actions taken on Resolution 2011-106. He requested an excused absence from the January 17, 2012 meeting.

ADJOURNMENT

With no further business to come before the assembly, President Knopp adjourned the meeting at 9:45 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of January 3, 2012.

Johni Blankenship

Johni Blankenship, MMC, Borough Clerk

Approved by Assembly: January 17, 2012

