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# Kenai Peninsula Borough

## *Assembly Meeting Minutes*

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May 15, 2012

Regular Meeting - Soldotna, Alaska

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### **CALL TO ORDER**

A Regular Meeting of the Kenai Peninsula Borough Assembly was held on May 15, 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  
Ray Tauriainen

comprising a quorum of the assembly.

### **Absent:**

Smith (excused)  
Smalley (excused)

### **Also in attendance were:**

Holly Montague, Deputy Attorney  
Johni Blankenship, Borough Clerk  
Shellie Saner, Deputy Clerk

### **COMMITTEE REPORTS**

*(07:01:41)*

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

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

Assembly Member Haggerty said the Policies and Procedures Committee met and discussed its agenda items.

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

## APPROVAL OF THE AGENDA AND CONSENT AGENDA

(07:10:09)

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

*[Clerk's Note: President Knopp stated he had bid on the project outlined in Resolution 2012-043; however, was not awarded the contract.]*

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

The following item was removed from the consent agenda:

- Resolution 2012-045: Waiving for Good Cause the February 15, 2012 Deadline for Senior Citizen and Disabled Veteran Exemption Applications Filed after that Date but on or before March 31, 2012 (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.

- May 1, 2012 Regular Assembly Meeting Minutes
- Resolution 2012-042: Authorizing Road Service Area Capital Improvement Project: Even Lane and Willow Brook Subdivision Roads #W7EVE Contract Award and Allocation (Mayor) (Referred to Finance Committee)
- Resolution 2012-043: Authorizing Road Service Area Capital Improvement Project: Suva Street, Malaita Avenue, Tikopia Street, Ambryn Avenue, Tarawa Street and Galen Avenue #N3SUV Contract Award and Allocation (Mayor) (Referred to Finance Committee)
- Resolution 2012-044: Determining the Amount to be Provided from Local Sources for School Purposes During Fiscal Year 2013 (Mayor) (Referred to Finance Committee)

*[Clerk's Note: Technical amendments were made to Resolution 2012-044 as follows: The third whereas to read, "the borough is proposing that school funding from local sources for FY2013 be \$[43,500,000] 43,000,000; ", Section 2 to read, "That \$[43,500,000] 43,000,000 shall be made available from local sources to fund school district operations for Fiscal Year 2013 as follows: A. Local Effort \$[34,306,586] 33,806,586 B. Borough Maintenance 7,038,861 C. School District Utilities 81,145 D. Insurance 1,884,254 E. Audit 60,000 F. Custodial Services 129,154 TOTAL LOCAL FUNDING PER AS 14.17.410 \$[43,500,000] 43,000,000"*

- Ordinance 2011-19-88: Appropriating \$420,000 from Previously Appropriated Central Emergency Service (CES) Capital Projects for Roof Replacement at the Soldotna Fire Station 1 (Mayor) (Shortened Hearing on 06/05/12) (Referred to Finance Committee)

- Ordinance 2011-19-89: Appropriating \$16,000 in Supplemental Funding for the Purchase of Class A Pumper for the Anchor Point Fire and Emergency Service Area (Mayor) (Shortened Hearing on 06/05/12) (Referred to Finance Committee)
- Ordinance 2012-15: Authorizing the Grant of Assets from the Lowell Point Emergency Service Area to the Lowell Point Volunteer Fire Department (McClure) (Hearing on 06/19/12) (Referred to Policies and Procedures Committee)
- Ordinance 2012-16: Amending KPB 5.22.050 Regarding the Senior Citizen's Grant Program for Adult Day Care Centers (Mayor) (Hearing on 06/19/12) (Referred to Policies and Procedures Committee)
- Ordinance 2012-17: Amending KPB 2.40.030(D), 5.12.054(G), and 21.20.220(J) Increasing the Compensation for the Chairperson of the Planning Commission, Board of Equalization, and Board of Adjustment (Knopp) (Shortened Hearing on 06/05/12) (Referred to Finance Committee)
- Ordinance 2012-18: Authorizing the Assessor to Accept the Late-Filed Disabled Veteran Exemption Application of James M. Boyer for 2012, Filed After March 31 (Smith) (Hearing on 06/19/12) (Referred to Policies and Procedures Committee)
- Ordinance 2012-19-01: Accepting and Appropriating \$1,100,000 From the State of Alaska for the Homer High School Athletic Facilities Construction Project (Mayor) (Hearing on 06/19/12) (Referred to Finance Committee)
- Authorizing an Application for a New Liquor License and Restaurant Designation Permit Filed by Gwin's Resorts, LLC dba Gwin's Lodge/Gwin's Roadhouse (Referred to Finance Committee)

President Knopp called for public comment.

The following person spoke in support of Resolution 2012-044:

**Dr. Steve Atwater**, Kenai Peninsula Borough School District Superintendent

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

AGENDA APPROVED AS AMENDED:                      Without objection.

**COMMENDING RESOLUTIONS AND PROCLAMATIONS** - None.

**PRESENTATIONS WITH PRIOR NOTICE**

(07:27:27)

**John Hendrix**, General Manager, Apache Corporation gave a presentation on, "Apache Corporation Ventures into Cook Inlet."

## **PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

*(07:47:58)*

President Knopp called for public comment.

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

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

**Joe Demaree**, P.O. Box 1125, Kenai

**Diane MacRea**, 55175 Elaine Avenue, Kasilof

**Stacy Oliva**, P.O. Box 8567, Nikiski

**Manoo Samm**, P.O. Box 1741, Soldotna

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

## **MAYOR'S REPORT**

*(08:01:54)*

1. Assembly Requests/Responses - None
2. Agreements and Contracts
  - a. Authorization to Award Contract for Sterling Elementary Re-Roof to Rain Proof Roofing
  - b. Authorization to Award Contract for Nikiski Middle/High School Re-Roof to Earhart Roofing Company
  - c. Authorization to Award Contract for Seward Elementary School Re-Roof and Seward High School Re-Roof to Earhart Roofing Company
  - d. Authorization to Award Contract for Central Peninsula Landfill and Homer Baler Facility Baler Wire Purchase to Pacific Wire Group
  - e. Authorization to Award Contract for Chapman School Re-Roof to G&S Management Services, LLC
  - f. Authorization to Award Contract for the Purchase of Engine-Generator Sets to Cummins NW, LLC
  - g. Authorization to Award Contract for Homer Transfer Building to Steiners North Star Construction, Inc.
  - h. Authorization to Award Contract for Homer Middle School Re-Roof and Paul Banks Elementary School Re-Roof to Rain Proof Roofing
  - i. Request for Waiver of Formal Bidding for Purchase of Light Poles and Fixtures for Seward High School Parking Lot Upgrade from Crescent Electric

3. Other

- a. Spruce Bark Beetle Monthly Status Report April, 2012

**ITEMS NOT COMPLETED FROM PRIOR AGENDA - None.**

**PUBLIC HEARING ON ORDINANCES**

*(08:16:37)*

**Ordinance 2011-19-82: Appropriating Supplemental Funding to the Borough's Health Insurance Fund to Cover Estimated Cost to be Incurred to the Borough's Health Care Plan for FY2012 (Mayor) (Hearing on 05/15/12) (Referred to Finance Committee)**

MOTION: Tauriainen moved to enact Ordinance 2011-19-82.

President Knopp called for public comment.

The following people spoke in opposition to Ordinance 2011-19-82:

**George Pierce**, P.O. Box 80, Kasilof  
**Marc Crouse**, 36314 Kenai Spur Highway, Soldotna  
**Fred Sturman**, 136 Riverview, Soldotna  
**Diane MacRea**, 55175 Elaine Avenue, Kasilof

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, Tauriainen, Knopp  
No: None  
Absent: Smalley, Smith  
MOTION TO ENACT PASSED: 7 Yes, 0 No, 2 Absent

*(08:33:00)*

**Ordinance 2011-19-85: Appropriating \$45,058.74 in Donations for the Nikiski Community Playground Project (Mayor) (Referred to Finance Committee)**

MOTION: Tauriainen moved to enact Ordinance 2011-19-85.

President Knopp called for public comment with none being offered.

MOTION: Tauriainen moved to amend Ordinance 2011-19-85 as follows:

Title to read, "An Ordinance Appropriating \$[45,058.74] 89,458.74 in Donations for the Nikiski Community Playground Project"

The second whereas to read, "the NPRSA has received donations totaling \$[45,058.74] 89,458.74 for the playground project allowing the NPRSA to increase the scope of the project to include synthetic/engineered surface protection and art work/themed components which will be installed as part of the project; and"

Section 1 to read, "That \$[45,058.74] 89,458.74 in donations is appropriated to the NPRSA Capital Project Fund account 459.61110.12028.49999 for costs associated with the community playground project."

MOTION TO AMEND PASSED:

Without objection.

VOTE ON MOTION TO ENACT AS AMENDED:

Yes:

Haggerty, Johnson, McClure, Murphy, Pierce, Tauriainen, Knopp

No:

None

Absent:

Smalley, Smith

MOTION TO ENACT AS AMENDED PASSED: 7 Yes, 0 No, 2 Absent

(08:36:07)

**Ordinance 2012-06: Amending KPB 21.18.025(B) 21.18.081 and 21.18.140 to Permit Certain Structures in Tidally Inundated Areas, and Conditionally Permit Certain Structures Within the Habitat Protection District and Adding Definitions (Smith, Haggerty) (Referred to Policies and Procedures Committee)**

*[Clerk's Note: Motion to enact Ordinance 2012-06 was on the floor from the April 3, 2012 meeting.]*

President Knopp called for public comment.

**Jason Tauriainen**, P.O. 7373, Kasilof, spoke in support of the amendment proposed by the Planning Commission.

The following person spoke in support of Ordinance 2012-06:

**Tim Dillon**, Seldovia City Manager

The following person spoke in opposition to Ordinance 2012-06:

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

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

Assembly Member Pierce and spoke in opposition to Ordinance 2012-06.

Assembly Members Tauriainen, Murphy, Johnson and Haggerty spoke in support of Ordinance 2012-06.

VOTE ON MOTION TO ENACT:

Yes: Haggerty, Johnson, McClure, Murphy,  
Tauriainen, Knopp  
No: Pierce  
Absent: Smalley, Smith  
MOTION TO ENACT PASSED: 6 Yes, 1 No, 2 Absent

(09:03:27)

**Ordinance 2012-12: Reducing Disposal Fees for AIMM Technologies, Inc. for up to 3,000 tons of Special Waste (Mayor) (Referred to Policies and Procedures Committee)**

MOTION: Haggerty moved to enact Ordinance 2012-12.

President Knopp called for public comment with none being offered.

VOTE ON MOTION TO ENACT:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,  
Tauriainen, Knopp  
No: None  
Absent: Smalley, Smith  
MOTION TO ENACT PASSED: 7 Yes, 0 No, 2 Absent

(09:05:12)

**Ordinance 2012-19: Appropriating Funds for Fiscal Year 2013 (Mayor) (Final Hearing on 06/05/12) (Referred to Finance Committee)**

MOTION: Tauriainen moved to enact Ordinance 2012-19.

President Knopp called for public comment with none being offered.

MOTION: Tauriainen moved to postpone Ordinance 2012-19 until June 5, 2012.

VOTE ON MOTION TO POSTPONE:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,  
Tauriainen, Knopp  
No: None  
Absent: Smalley, Smith  
MOTION TO POSTPONE PASSED: 7 Yes, 0 No, 2 Absent

**UNFINISHED BUSINESS** - None.

**NEW BUSINESS**

(09:08:15)

**Resolution 2012-045: Waiving for Good Cause the February 15, 2012 Deadline for Senior Citizen and Disabled Veteran Exemption Applications Filed after that Date but on or before March 31, 2012 (Mayor) (Referred to Policies and Procedures Committee)**

MOTION: Haggerty moved to adopt Resolution 2012-045.

President Knopp called for public comment with none being offered.

MOTION: Murphy moved to amend Resolution 2012-045 as follows:

Section 2 to read, "That the deadline for filing applications for the Senior Citizen and the Disabled Veteran real property exemptions, as applicable, for the following parcels is hereby waived for good cause:

Senior Citizen | Parcel No. | Year | Reason for late file | [FORBES, HOWARD | 179-310-03 | 2012 | DID NOT KNOW DEADLINE WAS FEB 15 \*\* | WILLIAMSON, JOHN | 148-060-05 | 2012 | MISSED DEADLINE DUE TO VACATION \*\* | HUTCHINGS, DAVID | 059-190-47 | 2012 | DIDN'T REMEMBER UNTIL AFTER DEADLINE | GREENHALGH, EDWARD | 133-350-04 | 2012 | THOUGHT HE HAD APPLIED IN 2011, (THROUGH CONVERSATION W/CLERK) IT WAS A DIFFERENT EXEMPTION HE HAD APPLIED FOR IN 2011 AND THOUGH EXEMPTION WAS AUTOMATIC AT 65] | Johnson, Elizabeth | 174-380-13 | 2012 | Health issues, returned to AK 2/29/2012 | [DAILEY, GARY | 012-14-09 | 2012 | PAPERWORK LOST DUE TO CONSTRUCTION



WORK IN HOUSE. FOUND PAPERWORK AFTER DEADLINE \*\* | GOMEZ, MICHAEL | 059-360-37 | DIDN'T KNOW OF FILING DEADLINE \*\* | MCLAY, JAMES | 174-111-11 | 2012 | FOUND OUT ABOUT EXEMPTION AFTER DEADLINE | PILCH, RODNEY | 125-130-17 | 2012 | UNAWARE OF DEADLINE, THOUGHT EXEMPTION AUTOMATIC AT 65 \*\*] | DOUGLAS, DENNIS | 159-143-22 | 2012 | STATES WAS TOLD TO WAIT UNTIL 4/12/2012 TO APPLY \*\* | [MARTIN, JOHN | 174-170-13 | 2012 | UNAWARE OF EXEMPTION UNTIL AFTER DEADLINE | BAKKE, ANDREW | 173-310-54 | 2012 | UNAWARE OF EXEMPTION UNTIL AFTER DEADLINE | BANIC, ANKA | 145-180-27 | 2012 | UNAWARE OF EXEMPTION UNTIL AFTER DEADLINE | MATTI, JAMES | 185-503-27 | 2012 | UNAWARE OF EXEMPTION DEADLINE UNTIL PAST, DIFFICULTY GETTING TO POST OFFICE \*\* | COLLINS, DAVID | 137-321-28 | 2012 | UNAWARE OF FILING DEADLINE OR EXEMPTION | REICHERT, JOHN | 063-550-47 | 2012 | UNAWARE OF FILING DEADLINE | MULLAN JR., PAT | 060-140-19 | 2012 | UNAWARE OF EXEMPTION] | Davis, Paul | 173-520-18 | 2012 | Out of state assisting wife who is on a lung transplant list. Physician's letter confirms. \*\* | Thompson, Donna | 148-040-2012 | Had a stroke and husband had a heart infection \*\* | [BLACK, NOEL | 159-300-17 | 2012 | UNAWARE OF WHEN THE FILING DEADLINE WAS | ABBOTT, W. FINLAY | 193-300-12 | 2012 | UNAWARE THAT HE MAY QUALIFY FOR EXEMPTION UNTIL AFTER FILING DEADLINE \*\*] | Lee, Patricia | 043-100-16 | 2012 | Cancer Rx \*\* attached letter \*\* | [LACROSS, MEGAN | 131-280-33 | 2012 | DIDN'T REALIZE SHE COULD APPLY AS WIDOW FOR HUSBAND'S EXEMPTION UNTIL AFTER DEADLINE \*\*] \*STOKES, ROBERT | 065-076-30 | 2012 | UNAWARE OF DEADLINE UNTIL PAST \*\* | \*GAUTHIER, JANICE | 049-410-03 | 2012 | UNAWARE OF FILING DEADLINE & UNABLE TO LOCATE BIRTH CERTIFICATE] | \*Don Lacy Family Trust | 013-390-13 | 2012 | Hospitalized in Oregon and thought filing deadline was same as PFD | Munn, Gilliam |

177-051-26 | 2012 | Cancer diagnosis recently - traveling for medical exams | [\*NESS, CAROLE LIVING TRUST | 013-320-34 | 2012 | FAILED TO UNDERSTAND SHE NEEDED TO FILE BY FEB. 15<sup>TH</sup>]

\*applicant exemption eligibility pending confirmation of PFD eligibility

\*\* please see late-file waiver for a more detailed explanation for filing late.

[DISABLED VETERAN | PARCEL NO. | YEAR | REASON FOR A LATE FILE | TORNAL, MARK | 135-260-27 | 2012 | UNAWARE OF EXEMPTION UNTIL AFTER DEADLINE \*\* | SVOBODA COMMUNITY PROPERTY TRUST | 175-070-31 | 2012 | MISUNDERSTOOD DEADLINE/ORAL SURGERY IN FEBRUARY \*\*

\*\* PLEASE SEE LATE-FILE WAIVER FOR A MORE DETAILED EXPLANATION FOR FILING LATE.]”

(09:13:16)

MOTION: (SECONDARY)

Haggerty moved to amend the main motion to amend as follows:

Section 2 to read, “That the deadline for filing applications for the Senior Citizen and the Disabled Veteran real property exemptions, as applicable, for the following parcels is hereby waived for good cause:

Senior Citizen | Parcel No. | Year | Reason for late file | Johnson, Elizabeth | 174-380-13 | 2012 | Health issues, returned to AK 2/29/2012 | Douglas, Dennis | 159-143-22 | 2012 | States was told to wait until 4/12/2012 to apply \*\* | Davis, Paul | 173-520-18 | 2012 | Out of state assisting wife who is on a lung transplant list. Physician’s letter confirms. \*\* | Thompson, Donna | 148-040-2012 | Had a stroke and husband had a heart infection \*\* | Lee, Patricia | 043-100-16 | 2012 | Cancer Rx \*\* attached letter \*\* | \*Don Lacy Family Trust | 013-390-13 | 2012 | Hospitalized in Oregon and thought filing deadline was same as PFD

| Munn, Gilliam | 177-051-26 | 2012 | Cancer diagnosis recently - traveling for medical exams

\*applicant exemption eligibility pending confirmation of PFD eligibility

\*\* please see late-file waiver for a more detailed explanation for filing late.”

SECONDARY MOTION PASSED:

MOTION: (SECONDARY)

Without objection.

(09:14:26)

McClure moved to amend the main motion to amend as amended as follows:

Section 2 to read, “That the deadline for filing applications for the Senior Citizen and the Disabled Veteran real property exemptions, as applicable, for the following parcels is hereby waived for good cause:

Senior Citizen | Parcel No. | Year | Reason for late file | Johnson, Elizabeth | 174-380-13 | 2012 | Health issues, returned to AK 2/29/2012 | Douglas, Dennis | 159-143-22 | 2012 | States was told to wait until 4/12/2012 to apply \*\* | Banic, Anka | 145-180-27 | 2012 | Unaware of exemption until after deadline \*\* | Davis, Paul | 173-520-18 | 2012 | Out of state assisting wife who is on a lung transplant list. Physician’s letter confirms. \*\* | Thompson, Donna | 148-040-2012 | Had a stroke and husband had a heart infection \*\* | Lee, Patricia | 043-100-16 | 2012 | Cancer Rx \*\* attached letter \*\* | \*Don Lacy Family Trust | 013-390-13 | 2012 | Hospitalized in Oregon and thought filing deadline was same as PFD | Munn, Gilliam | 177-051-26 | 2012 | Cancer diagnosis recently - traveling for medical exams

\*applicant exemption eligibility pending confirmation of PFD eligibility

\*\* please see late-file waiver for a more detailed explanation for filing late.”

President Knopp passed the gavel to Vice President Pierce and spoke in opposition to the secondary amendment.

VOTE ON SECONDARY MOTION TO AMEND:

Yes: Haggerty, McClure  
No: Johnson, Murphy, Pierce, Tauriainen, Knopp  
Absent: Smalley, Smith  
SECONDARY MOTION TO AMEND FAILED: 2 Yes, 5 No, 2 Absent

Vice President Pierce returned the gavel to President Knopp.

(09:16:38)

VOTE ON MAIN MOTION TO AMEND  
AS AMENDED:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,  
Tauriainen, Knopp  
No: None  
Absent: Smalley, Smith  
MAIN MOTION TO AMEND AS  
AMENDED PASSED: 7 Yes, 0 No, 2 Absent

President Knopp passed the gavel to Vice President Pierce.

MOTION: Knopp moved to postpone Resolution 2012-045 until June 5, 2012.

VOTE ON MOTION TO POSTPONE:

Yes: Haggerty, Johnson, McClure, Murphy, Pierce,  
Tauriainen, Knopp  
No: None  
Absent: Smalley, Smith  
MOTION TO POSTPONE PASSED: 7 Yes, 0 No, 2 Absent

Vice President Pierce returned the gavel to President Knopp.

(09:22:50)

**Approval of Settlement and Release Agreement Settling with Prejudice the Lawsuit Files by Kahtnu Ventures, LLC against Central Peninsula General Hospital, Inc., and the Kenai Peninsula Borough in Case No. 3AN-11-12713 CI (Referred to Policies and Procedures Committee)**

*[Clerk's Note: An Executive Session was held during Policy and Procedure Committee.]*

MOTION: Murphy moved that the Assembly authorize the Mayor to execute the settlement and release agreement settling with prejudice the lawsuit filed by Kahtnu Ventures, LLC against Central Peninsula General Hospital, Inc. And

the Kenai Peninsula Borough in Case No. 3AN-11-12713CI.

**VOTE ON MOTION TO AUTHORIZED:**

Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Tauriainen, Knopp  
No: None  
Absent: Smalley, Smith  
MOTION TO AUTHORIZE PASSED: 7 Yes, 0 No, 2 Absent

**PUBLIC COMMENTS AND PUBLIC PRESENTATIONS**

*(09:24:40)*

President Knopp called for public comment.

**Fred Sturman**, 136 Riverview, Soldotna, addressed the Assembly regarding fiscal responsibility during the budget process.

The following people addressed the Assembly regarding Ordinance 2011-12 and Ordinance 2012-06:

**Diane MacRea**, 55175 Elaine Avenue, Kasilof  
**George Pierce**, P.O. Box 80, Kasilof

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

**ASSEMBLY MEETING AND HEARING ANNOUNCEMENTS**

*(09:32:20)*

The next meeting of the Kenai Peninsula Borough Assembly was scheduled for June 5, 2012, at 7:00 p.m. in the Borough Assembly Chambers, Soldotna, Alaska.

**ASSEMBLY COMMENTS**

*(09:32:28)*

Assembly Member Haggerty stated as a small business man he always considered small businesses when taking action as an Assembly representative.

Assembly Member Johnson congratulated Lagi Wong who won both the shot put and discus event during the Kenai Peninsula Borough Track and Field Championships, he also congratulated the Skyview Highschool Boys track team for taking first place at Regions. He thanked the constituents who commented regarding the cost of healthcare, and said the health risks taken by an insured individual was something that should be considered when looking into the overall cost of health insurance. He noted that Providence Hospital no longer hired smokers. He said the current cost of healthcare was detrimental to the public and eventually healthcare may go to some type of social control.

Assembly Member McClure noted her appreciation for Mayor Navarre's dedication in regards to healthcare costs. She said it was nice to meet with the School Board Members and Staff during the School Board meeting held in Seward. She noted that the Seward Highway was now being closed at night, and said the Seward Harbor Opening weekend would begin on Saturday, May 19, 2012 and there would also be a dance. She wished everyone safe travels.

Assembly Member Taurianen thanked Mayor Navarre for his comments regarding Ordinance 2011-19-82, and stated he was concerned with increasing health care costs. He said higher deductibles may help and should be discussed during collective bargaining. He thanked Assembly Member Murphy for her assistance during the meeting.

Assembly Member Murphy stated regardless of having had a career in public service she and her husband had owned a small business for over thirty years, and she spent more time with people as a member of the community. She said that she sympathized with the small business owners as she was also one, and thanked the Mayor for doing everything he could to reduce healthcare costs. She said when collective bargaining began this year, healthcare costs had to be one of the issues addressed. She replied to comments from the public which stated the borough should not provide healthcare for the employees, she stated it could not be done since it was part of an agreement with the organized employees of the borough. She stated she was not an authority on habitat protection; however, she listened to the people who were hired to give advice on the subject, and if given a choice of protecting the habitat that was important in protecting a resource that was a large part of the borough's economy, she would vote to protect the resource rather than vote in a manner to be reelected.

Vice President Pierce said that he supported habitat protection; however, there had to be better way to do it, which would include more of a thought process. He said when compared to the rivers in Oregon and Washington consideration also had to be given to the number of dams and the processes in those areas, Alaska was not building dams on the rivers and the people living on the lakes and rivers did not have the same impacts to the fish. He said there had been a lot of money spent on restoration of the river, and he cared about the fish; however, there were aspects of Ordinance 2011-12 that were too restrictive. He also noted that he did not support hiring more employees to manage the restrictions which were applied by Ordinance 2011-12. He said in order to protect the resource a balance had to be met between habitat and the fishing industries. He congratulated all of the 2012 graduates and wished them well in their futures. He thanked Mayor Navarre and Chief of Staff Paul Ostrander for one of the most organized and easy processes to school funding, and noted his appreciation for Mayor Navarre for being prepared to answer questions from the Assembly.

President Knopp noted that the healthcare issue was on the minds of everyone, especially the Mayors and Mayor Navarre would address it. He thanked the Mayor for his work on the budget and noted that when the State's budget was finalized, Mayor Navarre went back and worked with the School District to make appropriate changes. He noted that he had never liked Ordinance 2011-12, he was not opposed to habitat protection; however, Ordinance 2011-12 was overreaching. He said an ordinance like 2011-12 was applicable to borough owned lands; however, this was crossing onto private property. He felt encompassing all of the water bodies in the borough was too much and it was time to consider repealing it in the entirety and rethinking the process.

**ADJOURNMENT**

With no further business to come before the assembly, President Knopp adjourned the meeting at 9:51 p.m.

I certify the above represents accurate minutes of the Kenai Peninsula Borough Assembly meeting of May 15, 2012.

  
John Blankenship, MMC, Borough Clerk

Approved by Assembly: June 5, 2012

