

**KENAI CITY COUNCIL – REGULAR MEETING
FEBRUARY 7, 2024 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
MAYOR BRIAN GABRIEL, PRESIDING**

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Kenai City Council was held on February 7, 2024, in City Hall Council Chambers, Kenai, AK. Mayor Gabriel called the meeting to order at approximately 6:00 p.m.

1. Pledge of Allegiance

Mayor Gabriel led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Brian Gabriel, Mayor
Deborah Sounart
Alex Douthit

Henry Knackstedt, Vice Mayor
James Baisden
Victoria Askin

A quorum was present.

Absent:

Phil Daniel

Also in attendance were:

**Xinlan Tanner, Student Representative
Terry Eubank, City Manager
Scott Bloom, City Attorney
David Swarner, Finance Director
Tyler Best, Parks and Recreation Director
Scott Curtin, Public Works Director
Kathy Romain, Senior Services Director
Derek Ables, Airport Manager
Shellie Saner, City Clerk

3. Agenda Approval

Mayor Gabriel noted the following additions to the Packet:

Add to item E.3. **Public Hearing – Ordinance No. 3390-2024**
 • Public Amendment Memo

MOTION:

Vice Mayor Knackstedt **MOVED** to approve the agenda and consent agenda with the requested revisions. Council Member Askin **SECONDED** the motion.

The items on the Consent Agenda were read into the record.

Mayor Gabriel opened the floor for public comment on consent agenda items; there being no one wishing to be heard, the public comment period was closed.

UNANIMOUS CONSENT was requested.

VOTE: There being no objection; **SO ORDERED.**

All items listed with an asterisk () are considered to be routine and non-controversial by the council and will be approved by one motion. There will be no separate discussion of these items unless a council member so requests, in which case the item will be removed from the consent agenda and considered in its normal sequence on the agenda as part of the General Orders.

B. SCHEDULED ADMINISTRATIVE REPORTS

1. Kenai Permanent Fund Annual Review, 2023 Financial Performance, Financial Projections and Recommended 2024 Asset Allocations for the City's Permanent Fund, Brandy Niclai and Bill Lierman, from Alaska Permanent Capital Management.

Alaska Permanent Capital Management, Chief Investment Officer's Brandy Niclai and Bill Lierman provided an annual review of the City's Permanent Funds; account summaries; historical market values; and strategic asset allocations.

C. SCHEDULED PUBLIC COMMENTS

1. Project Homeless Connect 2024, Jodi Stuart, Project Homeless Connect Publicity Chair.

Project Homeless Connect Publicity Chair, Jodi Stuart presented an overview of the 2024 Project Homeless Connect event; provided statistical information from the data collected; highlighted the success of the event and its positive impact on the participants; and noted the need in our community for low income housing.

2. Kenai Chamber of Commerce and Visitor Center Annual Report, Samantha Springer, Executive Director.

Samantha Springer, Executive Director of the Kenai Chamber of Commerce & Visitor Center summarized the 2023 Year in Review; annual events that are held; new events that have been or will be added; and the need for additional staffing.

D. UNSCHEDULED PUBLIC COMMENTS

E. PUBLIC HEARINGS

1. **Ordinance No. 3388-2024** - Increasing Estimated Revenues and Appropriations in the General Fund for the City's Joint Participation in the Kenai Peninsula Borough's Safe Streets and Roads for All Action Plan Grant Through the United States Department of Transportation. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3388-2024. Council Member Sounart **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment. There being no one wishing to be heard, the public comment period was closed.

It was reported the City was a joint participant in the application; the program requires an 80/20 cost share; the appropriation would cover a portion of the City's cost with the other portion being covered by in-kind staffing services.

VOTE:

YEA: Knackstedt, Douthit, Baisden, Askin, Gabriel, Sounart

NAY: None

ABSENT: Daniel

**Student Representative Tanner: Yea

MOTION PASSED.

2. Ordinance No. 3389-2024 - Accepting and Appropriating Donations from Kenai Senior Connection, Inc., to the Kenai Senior Center. (Administration)

Appreciation was stated for Kenai Senior Connections, Inc.

MOTION:

Council Member Sounart **MOVED** to enact Ordinance No. 3389-2024. Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment. There being no one wishing to be heard, the public comment period was closed.

VOTE:

YEA: Douthit, Baisden, Askin, Gabriel, Sounart, Knackstedt

NAY: None

ABSENT: Daniel

**Student Representative Tanner: Yea

MOTION PASSED.

3. Ordinance No. 3390-2024 - Increasing Estimated Revenues and Appropriations in the Airport Fund to Purchase Air Service Development Professional Services at the Kenai Municipal Airport for Costs in Excess of Budgeted Amounts. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3390-2024. Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment. There being no one wishing to be heard, the public comment period was closed.

VOTE:

YEA: Baisden, Askin, Gabriel, Sounart, Knackstedt, Douthit

NAY: None

ABSENT: Daniel

**Student Representative Tanner: Yea

MOTION PASSED.

4. Resolution No. 2024-05 - Amending the Employee Classification Plan by Reclassifying the Public Works Building Official/Manager to a Building Official and Adjusting the Range for this Class. (Administration)

MOTION:

Council Member Douthit **MOVED** to adopt Resolution No. 2024-05. Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment. There being no one wishing to be heard, the public comment period was closed.

There was discussion regarding the difficulty in filling the position last time it was vacant and concerns stated that it may be more difficult to fill if the range was lowered; the change in the hiring market since the last time the position was vacant; the certification requirements for the position and how they aligned with state statute; and ensuring that the candidates met the certification requirements.

It was clarified that the ongoing salary study supported lowering the range for the position; the managerial duties that were being removed from the position were previously with the Public Works Director position and were transferring back to that position; the potential of a broader range of applicants considering the

relocation assistance the City now offered; and there were currently nine applicants for this vacancy at the lower range.

MOTION:

Vice Mayor Knackstedt **MOVED** to postpone Resolution 2024-05 to the February 21, 2024 Council meeting. Council Member Douthit **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to postpone.

VOTE ON MOTION TO POSTPONE: Motion **APPROVED**; without objection.

- 5. Resolution No. 2024-06** - Designating the Investment and Allocation Plan for the City's Permanent Funds and Establishing Appropriate Benchmarks to Measure Performance for Calendar Year 2024. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2024-06. Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment. There being no one wishing to be heard, the public comment period was closed.

UNANIMOUS CONSENT was requested.

VOTE: Motion **APPROVED**; without objection.

- 6. Resolution No. 2024-07** - Adopting the City's Capital Improvement Plan for Fiscal Years 2025-2029. (Administration)

MOTION:

Council Member Askin **MOVED** to adopt Resolution No. 2024-07. Council Member Douthit **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment. There being no one wishing to be heard, the public comment period was closed.

There was discussion regarding FY2025 project five, Emergency Service Facility Improvements 35% Design; concerns were stated regarding spending funds on the project design prior to taking a bond question to the voters; completion of design prior to taking a bond question to the voters would allow that the bond question to identify the complete project with an accurate bonding amount; and the need for additional conversations and work sessions prior to funding the design.

Concerns were stated regarding the amount of FY2025 project six, Old Town Park Reconstruction; the possibility of reducing the City funding portion and increasing the grant funding portion; the project being dependent on grant funding and was not time sensitive; and relocating the project to FY2026.

MOTION:

Council Member Douthit **MOVED** to amend the Fiscal Year 2025 - 2029 Capital Improvement Plan as attached to Resolution 2024-07 follows:

Relocate FY2025 Project No. 6, Old Town Parks Reconstruction from FY2025 projects to FY2026 projects as Project No. 15, and to renumber projects accordingly.

Council Member Baisden **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to amend.

VOTE: Motion to amend **APPROVED**; without objection.

UNANIMOUS CONSENT was requested on the main motion as amended.

VOTE: Main motion as amended **APPROVED**; without objection.

F. MINUTES

1. *Regular Meeting of January 17, 2024. (City Clerk)

G. UNFINISHED BUSINESS – None.

H. NEW BUSINESS

1. ***Action/Approval** - Bills to be Ratified. (Administration)

Approved by the consent agenda.

2. ***Action/Approval** - Purchase Orders and Purchase Order Amendments Requiring Council Approval in Accordance with KMC 7.15.020. (Administration)

Approved by the consent agenda.

3. ***Action/Approval** - Confirmation of Mayoral Nomination for Appointment to the Council on Aging. (Gabriel). (Administration)

Approved by the consent agenda.

4. ***Ordinance No. 3393-2024** - Accepting and Appropriating Donations to the Kenai Animal Shelter for the Care of Animals. (Administration)

Introduced by the consent agenda and Public Hearing set for February 21, 2024.

5. ***Ordinance No. 3394-2024** - Increasing Estimated Revenues and Appropriations in the General Fund to Provide Supplemental Funding to the Street Lights Repair and Maintenance Operational Budget. (Administration)

Introduced by the consent agenda and Public Hearing set for February 21, 2024.

6. ***Ordinance No. 3395-2024** - Increasing Estimated Revenues and Appropriations in the General Fund for Radio Advertising and Approving Council Policy 20.030-Radio Advertising for Public Meetings and Elections. (Douthit)

Introduced by the consent agenda and Public Hearing set for February 21, 2024.

7. ***Ordinance No. 3396-2024** - Amending Kenai Municipal Code 4.31.015 - Local Amendments to the 2009 International Fuel Gas Code for Housekeeping Purposes. (Administration)

Introduced by the consent agenda and Public Hearing set for February 21, 2024.

8. ***Ordinance No. 3397-2024** - Increasing Estimated Revenues and Appropriations in the Water Sewer Capital Project Fund for the Cemetery Creek Culvert Replacement Project and Accepting a Donation from the Kenai Foundation in Support of the Project. (Administration)

Introduced by the consent agenda and Public Hearing set for February 21, 2024.

9. ***Ordinance No. 3398-2024** - Amending Kenai Municipal Code Title 6 - Elections, to Enhance Consistency, Promote Efficiencies and Make Housekeeping Changes. (City Clerk)

Introduced by the consent agenda and Public Hearing set for February 21, 2024.

10. **Action/Approval** - Authorizing the City Manager Enter into an Agreement with Nutrien US, LLC. for the Purpose of Loaning the Steelhead Drilling Platform Model for Display at the Nutrien's Local Facility. (Administration)

MOTION:

Council Member Douthit **MOVED** to authorize the City Manager to enter into the agreement. Vice Mayor Knackstedt **SECONDED** the motion.

It was reported that Kenai Chamber of Commerce was working on updating exhibits; the Cultural Center's Cultural Exhibition Area houses the City's permanent collection of natural history objects; and with approval this would relocate the model to the Nutrien Facility.

UNANIMOUS CONSENT was requested on the motion.

VOTE: Motion **APPROVED**; without objection.

I. COMMISSION / COMMITTEE REPORTS

1. Council on Aging

No report, next meeting February 8, 2024

2. Airport Commission

No report, next meeting February 8, 2024

3. Harbor Commission

No report, next meeting February 12, 2024

4. Parks and Recreation Commission

Council Member Sounart reported on the February 1, 2024 meeting and work session, next meeting March 7, 2024

5. Planning and Zoning Commission

Council Member Douthit reported on the February 24, 2024 meeting, next meeting February 14, 2024.

6. Beautification Committee

No report, next Special Meeting February 13, 2024.

J. REPORT OF THE MAYOR

Mayor Gabriel reported on the following:

- Stated his appreciation for the Kenaitze Indian Tribe hosting the Joint Work Session and noted the value of being able to hear about items of importance to the Tribe and discuss areas where we can collaborate.
- Attending the Volunteer Appreciation Dinner held at the Senior Center noting the Senior Center had roughly 100 volunteers; and number of volunteer's and hours donated at the Senior Center had an value of roughly \$220,000 annually.
- Congratulated Kenai Central High School, Hockey Team for doing so well in the State Tournament.

K. ADMINISTRATION REPORTS

1. City Manager – City Manager Eubank reported on the following:

- A volunteer group formed to seek funding opportunities for the Airport Bronze Bear project.
- The classification and compensation study was wrapping up with the report due at the end of the month, with presentation to Council in March.
- Requests for Proposals were open for the Kenai Visitor and Cultural Center Facility Management Services and the Kenai Tourism and Marketing Services.
- Received interest from a Gravel Pit operator located on Beaver Loop to purchase City property.

- Budget Goals were issued to departments.
 - Attended the Kenai Peninsula Fish Habitat partnership meeting in Homer, the City is currently working with many in attendance on the Cemetery Creek project.
 - Recruiting for a Building Official, Fire Fighter, Police Officer, Planning Technician and a Public Safety Dispatcher.
 - Today the US Army Corps of Engineers released the news that Western Marine Construction, Inc. was awarded the contract for the Bluff Stabilization project. The City would issue a press release tomorrow.
2. City Attorney - No report.
 3. City Clerk – City Clerk Saner reported on the following:
 - KPB Voter Turnout Work Group would be meeting two more times in February and would issue final recommendations in March.

L. ADDITIONAL PUBLIC COMMENTS

1. Citizen Comments (*Public comments limited to (5) minutes per speaker*) - None.
2. Council Comments

Council Member Douthit noted his appreciation for the end of the cold snap and the Volunteer Appreciation Event at the Senior Center.

Student Representative Tanner provided a report on the upcoming Connection Home School events, the Kenai Alternative High School Events and Kenai Central High School events.

Council Member Sounart noted her appreciation for the Joint Work Session with the Kenaitze Indian Tribe and wished everyone a safe winter.

Council Member Askin stated the Volunteer Appreciation Dinner was a great event and reported receiving a call from a constituent thanking the City for keeping the roads plowed.

Council Member Baisden thanked the Animal Control staff for their recent help with a stray dog in his neighborhood.

Vice Mayor Knackstedt reported that he was part of the Bronze Bear statue volunteer group; noted his appreciation for the Joint Work Session with the Kenaitze Indian Tribe and the Volunteer Appreciation Dinner.

M. EXECUTIVE SESSION - None.

N. PENDING ITEMS

1. **Ordinance No. 3391-2024** - Amending the Imagine Kenai 2030 Comprehensive Plan Land Use Plan Map for Certain Parcels from Industrial to Mixed-Use. (Knackstedt) [*Referred to the Harbor Commission and Planning & Zoning Commission; City Council Public Hearing Scheduled for February 21, 2024.*]
2. **Ordinance No. 3392-2024** - Amending the Kenai Zoning Code to Add a New Zoning District, Working Waterfront (WW) and Amending the Official Zoning Map for Certain Parcels from Heavy Industrial (IH) to Working Waterfront (WW) or Conservation (C) Zoning District. (Knackstedt) [*Referred to the Harbor Commission and Planning & Zoning Commission; City Council Public Hearing Scheduled for February 21, 2024.*]

O. ADJOURNMENT

P. INFORMATIONAL ITEMS - None.

There being no further business before the Council, the meeting was adjourned at 8:28 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of February 7, 2024.



Michelle M. Safer, MMC
City Clerk

***** The student representative may cast advisory votes on all matters except those subject to executive session discussion. Advisory votes shall be cast in the rotation of the official council vote and shall not affect the outcome of the official council vote. Advisory votes shall be recorded in the minutes. A student representative may not move or second items during a council meeting.***