

**KENAI CITY COUNCIL – REGULAR MEETING
JULY 3, 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 July 3, 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
James Baisden

Henry Knackstedt, Vice Mayor
Victoria Askin

A quorum was present.

Absent:

Alex Douthit

Phil Daniel

Also in attendance were:

Terry Eubank, City Manager
Scott Bloom, City Attorney (*remote participation*)
David Swarner, Finance Director
Linda Mitchell, Planning Director
Tyler Best, Parks and Recreation Director
Shellie Saner, City Clerk

3. Agenda Approval

Mayor Gabriel noted the following additions to the Packet:

Add to item E.3.

Public Hearing - Resolution No. 2024-34

- Amendment Memo
- Public Comment

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: Motion **APPROVED**, without objection.

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 - None.

C. SCHEDULED PUBLIC COMMENTS

1. Legislative Update, Representative Justin Ruffridge, State of Alaska House of Representatives.

Representative Justin Ruffridge provided a legislative update, which included a recap of the 33rd Legislative Session, focusing on education and energy: Education - significant efforts to increase the base student allocation and student transportation funding; charter school funding; Alaska Performance Scholarship; and concerns related to one-time education funding. Energy - declining natural gas production in Cook Inlet; potential need to import liquid natural gas; and carbon and gas storage. He noted future challenges include developing a long-term fiscal plan for Alaska, including addressing the decline in oil production and establishing a stable budget framework.

D. UNSCHEDULED PUBLIC COMMENTS

Marion Nelson, Kenai Fine Art Center Board Member provided an update on upcoming shows including Clay on Display and a Tattoo Art Show.

E. PUBLIC HEARINGS

1. **Resolution No. 2024-32** - Amending City Council Policy No. 20.000 Agenda & Packet - Preparation, Distribution and Publication to Remove Requirements Related to Publishing in a Newspaper of General Circulation. (City Clerk)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2024-32. 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 that the Peninsula Clarion will be publishing only one day a week; changing their publication date from Saturdays to Fridays; moving the publication deadline from Thursdays to Wednesdays; these changes would cause difficulty in conducting City business in a timely matter if required to publish; and publishing a notice of meeting and where materials for the meeting would be posted would continue.

UNANIMOUS CONSENT was requested.

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

2. **Resolution No. 2024-33** - Protesting the Issuance of a New Retail Marijuana Store License for Canna Get Happy, LLC, DBA Canna Get Happy, LLC – License No. 37844, Located at 11888 Kenai Spur Hwy #3. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2024-33. Council Member Askin **SECONDED** the motion.

It was reported that within the City of Kenai all marijuana establishments, whether they are cultivation or manufacturing require a conditional use permit, and in some zones, they are prohibited. The zone for this

license is within an area where a conditional use permit is required. The protest is being issued because the establishment has not received a conditional use permit.

Mayor Gabriel opened the floor for public comment.

Sandra Millhouse, owner of Canna Get Happy LLC addressed Council stated after initially receiving confirmation from the Planning Department that the location would be suitable, she purchased the Swanson Strip Mall; after purchasing the property, she was then told the initial measurements were incorrect and the property could not be used for a dispensary; and she was now seeking a variance or changes to the current buffering code to resolve the issue.

There being no one else wishing to be heard, the public comment period was closed.

There was discussion noting a variance would need to adhere to development standards; and changing the buffering distance would require a code amendment.

UNANIMOUS CONSENT was requested.

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

3. **Resolution No. 2024-34** - Approving an Easement on Tract B, Kenai Bluff Stabilization Subdivision, Parcel No. 04701030, for the Construction and Maintenance of Seawalls Benefitting Certain Adjacent Upland Properties. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2024-34. Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment.

Bill Dunn addressed the Council noting he was a home owner of a parcel that would benefit from this easement; he had spoken to the Administration and the Council in the past regarding this complicated issue; and he expressed his gratitude to the City for taking this step, which allows property owners to address the erosion problem.

There being no one else wishing to be heard, the public comment period was closed.

MOTION TO AMEND:

Council Member Baisden **MOVED** to amend Resolution No. 2024-34 as follows:

Seventh whereas clause to read, "at its meeting on July, 1, 2024 the Harbor Commission recommend approval."

Vice Mayor Knackstedt **SECONDED** the motion to amend.

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.

4. **Resolution No. 2024-35** - Adopting Joint Resolution No. 2024-001 of the Assembly of the Kenai Peninsula Borough and the Councils of the City of Homer, Kachemak, Kenai, Seward, Seldovia, and Soldotna, Supporting the City of Kenai Small Community Air Service Development Grant Proposal to Support Incentives Aimed at Direct Air Services from the Kenai Municipal Airport to Seattle/Tacoma and the Lower 48. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2024-35. 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.

There was discussion regarding the associated cost to the City being less than \$35,000; this would lend support for the City's efforts in applying for the Small Community Air Service Development (SCASD) grant; and if awarded, the grant would provide the funding to attract carriers.

UNANIMOUS CONSENT was requested.

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

F. MINUTES

1. *Regular Meeting of June 19, 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** - FY2024 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** - FY2025 Purchase Orders and Purchase Order Amendments Requiring Council Approval in Accordance with KMC 7.15.020. (Administration)

Approved by the consent agenda.

4. ***Action/Approval** - Non-Objection to the Renewal of a Beverage Dispensary Liquor License for G & P Inc., DBA: The White Moose - License No. 204. (City Clerk)

Approved by the consent agenda.

5. ***Action/Approval** - Non-Objection to the Renewal of a Package Store Liquor License for Walmart, Inc., DBA: Wal-Mart Supercenter #4474 - License No. 4878. (City Clerk)

Approved by the consent agenda.

6. ***Action/Approval** - Non-Objection to the Renewal of a Marijuana Product Manufacturing Facility License for Herban Extracts, LLC, DBA: Herban Extracts, LLC - License No. 14432. (City Clerk)

Approved by the consent agenda.

7. ***Action/Approval** - Authorizing a Utility Easement Homer Electric Association within Lot 2, Block 5, General Aviation Apron Subdivision No. 1 Amended. (Administration)

Approved by the consent agenda.

8. ***Action/Approval** - Authorizing an Extension to the Agreement with the Boys and Girls Club of the Kenai Peninsula to Operate a Teen Center within a Designated Area of the Kenai Recreation Center. (Administration)

Approved by the consent agenda.

9. ***Action/Approval** - Authorizing a Memorandum Agreement to the Boys and Girls Club to Provide Temporary Road Access on City Property During Utility Work. (Administration)

Approved by the consent agenda.

I. COMMISSION / COMMITTEE REPORTS

1. Council on Aging Commission

No report, next meeting July 11, 2024.

2. Airport Commission

No report, next meeting July 11, 2024.

3. Harbor Commission

Council Member Askin reported on the July 1, 224 special meeting.

4. Parks and Recreation Commission

No report, next meeting August 1, 2024.

5. Planning and Zoning Commission

No report, next meeting cancelled.

6. Beautification Commission

No report, next meeting September 10, 2024

J. REPORT OF THE MAYOR

Mayor Gabriel reported on the following:

- Attending:
 - Rasmuson Foundation Board meeting.
 - Kenai Peninsula Borough presentation by ORPC a Tidal Energy Company from Scotland.
 - Ribbon cutting ceremony for the Inclusive Seesaw at Municipal Park.
- Participating on the City Team for the annual Boys and Girls Club Golf Tournament.
- Reminded everyone tomorrow would be the annual City of Kenai, Fourth of July Parade.

K. ADMINISTRATION REPORTS

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

- Attending:
 - Kenai Peninsula Borough meeting with Senior Center Director Romain regarding extending the Nikiski Senior Service Area.
 - Rasmuson Foundation Board meeting.
 - City Road Standard meeting with the Consultant and Public Works Director Curtin.
 - Ribbon cutting ceremony for the Inclusive Seesaw at Municipal Park.
 - Marketing meeting with Agnew Beck.
- Wished everyone a Happy Fourth of July; and thanked the Parks and Recreation Department and Kenai Chamber of Commerce for their work.
- Continued work to gather support for the SCASD grant application.
- An application was received to purchase Kenai Meadows a 70-acre tract of land.
- Agreement with Kenai Peninsula College and the Kenai Fire Department allowing enrolled students in the paramedic program to work with the Fire Department was extended.

- New Fire Chief Teague will be starting on August 5, 2024.
 - Planning Director Mitchell's last day is July 5, 2024; Max Best will be returning as the temporary director.
 - Recruiting for Planning Director, Animal Control Officer and a temporary Library Aid.
 - King of the River Food Drive starts July 4, 2024.
 - Closing the land recently purchased by the City at the base of the bluff as it is an environmentally sensitive area.
 - Kenai Police Department hosted an Active Shooter Response Training, there were 105 participants, representing 15 different agencies.
2. City Attorney – City Attorney Bloom reported on the following:
 - The US Supreme Court just made a ruling giving the City more authority to deal with homelessness.
 3. City Clerk – City Clerk Saner reported on the following:
 - Council adopted policy book is updated when any policy is amended by Council and available on the City website.
 - Candidate filing packets will be available on July 12, 2024.
 - Participating in an KDLL interview with Soldotna City Clerk Johni Blankenship regarding the recommendations of the Voter Turn Out Working Group, the security and integrity of local municipal elections and the importance of voting local.

L. ADDITIONAL PUBLIC COMMENTS

1. Citizen Comments (*Public comments limited to (5) minutes per speaker*)

Ryan Tunseth thanked the Council for the approval of consent agenda items for the Boys and Girls Club; spoke in support to the SCASD grant; and stated that City Manager Eubank, City Attorney Bloom and City Clerk Saner and the Council were doing a great job.

2. Council Comments

Council Member Sounart thanked Planning Director Mitchell for her service to the City and wished every one a Happy Fourth of July.

Council Member Askin thanked Planning Director Mitchell for her service to the City and wished everyone a Happy Fourth of July.

Council Member Baisden wished everyone a Happy Fourth of July and wished Planning Director Mitchell well.

Vice Mayor Knackstedt thanked Planning Director Mitchell noting she was very thorough.

Mayor Gabriel wished Planning Director Mitchell well.

M. EXECUTIVE SESSION - None.

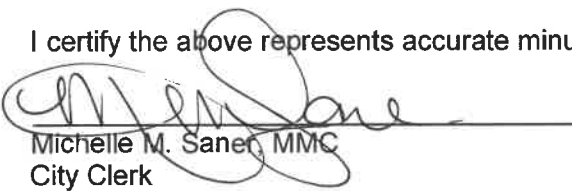
N. PENDING ITEMS

O. ADJOURNMENT

P. INFORMATIONAL ITEMS - None.

There being no further business before the Council, the meeting was adjourned at 7:26 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of July 3, 2024.



Michelle M. Saner, 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.*