

**KENAI CITY COUNCIL – REGULAR MEETING  
FEBRUARY 5, 2025 – 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 5, 2025, 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  
Phil Daniel  
Alex Douthit

Henry Knackstedt, Vice Mayor  
Sovala Kisena  
Victoria Askin

A quorum was present.

Absent:

Deborah Sounart

Also in attendance were:

\*\*Xiling Tanner, Student Representative  
Terry Eubank, City Manager  
Scott Bloom, City Attorney  
David Swarner, Finance Director  
Kevin Buettner, Planning Director  
Tyler Best, Parks and Recreation Director  
Lee Frey, Public Works Director  
Derek Ables, Airport Manager  
Dave Ross, Police Chief  
Shellie Saner, City Clerk

**3. Agenda and Consent Agenda Approval**

Mayor Gabriel noted the following additions to the Packet:

Add to item C.1.

**Scheduled Public Comments** - Kenai Chamber of Commerce and Visitor Center Annual Report

- 2024 Annual Report

Add to item K.1.

**City Manager's Report**

- Project Related Federal Funding Memo

**MOTION:**

Council Member 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. Annual Review of City of Kenai Permanent Funds, 2024 Financial Performance, Financial Projections and Recommended 2025 Asset Allocations for the City's Permanent Funds, Brandy Niclai and Bill Lierman, from Alaska Permanent Capital Management.

Brandy Niclai provided a presentation on the history, performance and future projections of the Permanent Funds; reviewed asset allocations, returns, withdrawal policies, past market performance; discussed the impact of inflation and provided a forward-looking projection based on market conditions.

Bill Lierman provided a review of the new custody account managed by the firm reviewing the portfolio's performance against benchmarks; reported no sales were made, securities were reinvested; he provided an analysis of the allocations; and noted recommendations were proposed to optimize liquidity management, including modifying allocation constraints.

Brandi Niclai reported that the firm ownership has transitioned as part of the succession plan; the majority of shares were sold to Blue Umbrella, a private holding company in Alaska specializing in business succession planning; minority of the shares remain with existing leadership; and the transition was structured to maintain continuity, with no changes to staff or operations.

## **C. SCHEDULED PUBLIC COMMENTS**

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

Samantha Springer provided a summary of the 2024 Annual report noting the continued and expanded key community programs; transitioning the Silver Salmon Derby to electronic entries; hiring a Cultural Center Coordinator with rotating exhibits; and partnerships with local organizations to strengthen and enhance tourism. She stated staffing remained stable, grant applications were being pursued to increase hours for the Cultural Center Coordinator and working toward museum accreditation.

## **D. UNSCHEDULED PUBLIC COMMENTS**

Jeanne VanGorder addressed the Council with concerns regarding a potential business being opened in a home within her residential neighborhood.

Council provided information to Ms. VanGorder on how to submit a complaint through the Planning Department as well as information regarding the conditional use permit process.

## **E. PUBLIC HEARINGS**

1. **Ordinance No. 3448-2025** - Amending Kenai Municipal Code Section 14.22.010 - Land Use Table, to Allow Airports as a Principal Permitted Use in the Airport Light Industrial Zone. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance No. 3448-2025. Council Member Daniel **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 when the Airport Light Industrial Zone was created, an oversight was generated that established Airports would require a conditional use permit; and this ordinance would correct that oversight and operation of an Airport in the zone would be a principal permitted use.

**VOTE:**

YEA: Kisená, Douthit, Askin, Knackstedt, Daniel, Gabriel

NAY: None

ABSENT: Sounart

\*\*Student Representative Tanner: Yea

**MOTION PASSED.**

2. **Resolution No. 2025-08** - Designating the Investment and Allocation Plan for the City's Permanent Funds and Establishing Appropriate Benchmarks to Measure Performance for Calendar Year 2025. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2025-08. 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:** There being no objection; **SO ORDERED.**

3. **Resolution No. 2025-09** - Authorizing a Contract Award for the 2025 Parks and Recreation Master Plan. (Administration)

**MOTION:**

Council Member Kisená **MOVED** to adopt Resolution No. 2025-09. Council Member Knackstedt **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 this being the result of many years of work from the Parks and Recreation Commissions and Directors.

It was reported the development of the master plan would include community engagement with meetings and surveys, once the draft was complete it would be presented to the Parks and Recreation Commission to make recommendation to Council who will have the final approval authority.

**UNANIMOUS CONSENT** was requested.

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

4. **Resolution No. 2025-10** - Authorizing the Use of the Fleet Replacement Fund for the Purchase of One Ford F-150 Responder Vehicle Utilizing the State of Alaska Equipment Fleet Contract and Municipality of Anchorage Contract. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2025-10. 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.

It was reported that the vehicle being replaced would transfer to the Parks and Recreation Department.

**UNANIMOUS CONSENT** was requested.

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

5. **Resolution No. 2025-11** - Authorizing the Use of the Water and Sewer Fund for the Purchase of Two Ford Trucks Utilizing the State of Alaska Equipment Fleet Contract. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2025-11. 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.

It was reported that the vehicles being replaced would be surplus for parts; and vehicles for the Utility Department were not purchased through the equipment replacement fund.

**UNANIMOUS CONSENT** was requested.

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

6. **Resolution No. 2025-12** - Authorizing the Use of the Fleet Replacement Fund for the Purchase of Two Ford Transit Vans Utilizing the State of Alaska Equipment Fleet Contract. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2025-12. Council Member Daniel **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 City pursuing grant funding to purchase transit vans with ADA equipment; the vans being purchased at this time were more expensive because they were taller and all-wheel drive.

**UNANIMOUS CONSENT** was requested.

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

7. **Resolution No. 2025-13** - Redirecting Public Safety Capital Project Funds to Complete the Emergency Services Facility Assessment. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2025-13. 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.

It was reported that the most responsive bidder came in higher than originally budgeted, redirection of funds would also include contingency funding if needed; and adoption of the Resolution 2025-14 was dependent on this resolution being approved.

**UNANIMOUS CONSENT** was requested.

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

- 8. Resolution No. 2025-14** - Authorizing a Contract for the 2025 Emergency Services Facility Programming and Assessment. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2025-14. Council Member Douthitt **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 in favor of this project moving forward.

**UNANIMOUS CONSENT** was requested.

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

**F. MINUTES**

1. \*Regular Meeting of January 15, 2025. (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** - Non-Objection to Renewal of a Package Store Liquor License for Carr-Gottstein Foods Co. DBA Oaken Keg #1808 - License No. 3218. (City Clerk)

Approved by the consent agenda.

3. \***Action/Approval** - Non-Objection to Renewal of a Package Store Liquor License for Three Bears Alaska, Inc. DBA Three Bears - License No. 4118. (City Clerk)

Approved by the consent agenda.

4. \***Ordinance No. 3449-2025** - Increasing Estimated Revenues and Appropriations in the General Fund – Police Department and Accepting Grants from the United States Department of Justice and Alaska Municipal League Joint Insurance Association for the Purchase of Ballistic Vests. (Administration)

Introduced by the consent agenda and Public Hearing set for February 19, 2025.

5. \***Ordinance No. 3450-2025** - Amending Sections of Kenai Municipal Code Title 23 - Personnel Regulations, Sections 23.05.070 - Definitions, 23.25.080 - Promotion, 23.30.030 - Probationary Period for Employees in the Classified Service, and 23.55.020 - Compensation Structure by Grade for Employees in the Classified Service, to Ensure a Consistent Approach to Pay Adjustments for City Employees. (Administration)

Introduced by the consent agenda and Public Hearing set for February 19, 2025.

**6. Action/Approval - Airport Commission 2025 Work Plan. (City Clerk)**

**MOTION:**

Council Member Daniel **MOVED** to approve the Airport Commission 2025 Work Plan. Council Member Douthit **SECONDED** the motion.

A summary report of the Airport Commission 2025 Work Plan was provided

**UNANIMOUS CONSENT** was requested on the motion.

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

**7. Discussion - Scheduling a Joint Work Session with the Planning & Zoning Commission for the Presentation of the Draft SS4A Comprehensive Safety Action Plan. (Administration)**

The Joint Work Session was scheduled for April 16, 2025 at 5:00 p.m. in the Kenai City Hall Council Chambers.

**8. Discussion - City of Kenai Arbitration Panel - Membership Terms. (City Clerk)**

It was reported that current membership terms were indefinite, which generates issues when managing the membership of the board; and establishing terms similar to the Commissions of the City would allow for better management of the Arbitration Panel member.

General direction was provided for the City Clerk to bring forward an Ordinance amending the membership terms from indefinitely to 3-year staggered terms.

**I. COMMISSION / COMMITTEE REPORTS**

**1. Council on Aging Commission**

No report, next meeting February 13, 2025.

**2. Airport Commission**

No report, next meeting February 13, 2025.

**3. Harbor Commission**

No report, next meeting February 10, 2025.

**4. Parks and Recreation Commission**

No report, next meeting February 6, 2025.

**5. Planning and Zoning Commission**

Council Askin reported on the January 22, 2025 meeting, next meeting February 12, 2025.

**6. Beautification Commission**

No report, next meeting February 11, 2025.

**J. REPORT OF THE MAYOR**

Mayor Gabriel reported on the following:

- Joint Work Session with the Kenaitze Tribal Council, summarizing the topics discussed during the work session.

**K. ADMINISTRATION REPORTS**

**1. City Manager - City Manager Eubank reported on the following:**

- Kenai Peninsula Housing Initiative has received full grant funding for constructing twenty additional units; twelve units will be senior housing of which seven will be income restricted, units will be one and two bedrooms with garage; eight units will be income restricted apartments for non-seniors. In the future legislation will be required to convey additional properties now that they have received the funding. The Property currently requires conditional use for multi-family and there may be legislation to rezone.
  - Recognized the efforts of staff from City Streets, Parks & Recreation, Water & Sewer and Airport for dealing with the weather conditions in the last month related to the volume of rain.
  - The 2024 Dispatcher of the Year was awarded to Makayla Derkevorkian; and KPD Officer of the Year went to Levi Russell, they were nominated by their peers.
  - Lifesaver Awards were awarded to Dispatcher Wyne, Fire Captain Summers, Engineer Voss, Firefighter Lehl and Firefighter Martin.
  - Building Official Joe Fisher has been appointed to the Alaska Housing Finance Building Code Advisory Committee, this committee advises Alaska Housing on the implementation building codes and energy efficiency codes in Alaska.
2. City Attorney - No report.
  3. City Clerk - City Clerk Saner reported on the following:
    - Employees and City Council Members may nominate individuals for appointment to the City's Arbitration Panel, nominations will be accepted by the Clerk's Office through February 26, 2025; appointment selections will be by Council at the first meeting in March.
    - Working on the 2025 Recognition and Training event for Commissions.

#### **L. ADDITIONAL PUBLIC COMMENTS**

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

Council Member Douthit stated his appreciation for staff during the rains, noting there was a big impact from the City's help.

Student Representative Tanner reported Connections Homeschool would be conducting the a Pre-K meeting and American Invitation Mathematics Examinations, Valentines STEM Activity Day with a heart theme and Alyeska ski activities; Kenai Alternative had upcoming parent-teacher conferences; and he provided a summary of upcoming sports activities at Kenai Central High School.

Council Member Askin stated her appreciation for the staff response to the rain, reported attending the Volunteer Appreciation Dinner at the Senior Center.

Council Member Daniel noted he heard from residents who were pleased with the City's response to the flooding; stated his appreciation for hearing the information about our first-responders; it was a great work session with the Kenaitze Indian Tribe and he was looking forward to strengthening the bond.

Council Member Kisena thanked the Parks and Recreation Department for helping with the Kenai Peninsula Hockey Association with the Winter Games Tournament, noting the Kenai Hockey Team beat So-High in the last regular season game.

Council Member Knackstedt thanked Finance Director Swarner for the information regarding Federal Funding for projects; stated his appreciation for the staff response to the rain; reported attending the Chambers Cultural Presentation and the Volunteer Appreciation Dinner.

#### **M. EXECUTIVE SESSION - None.**



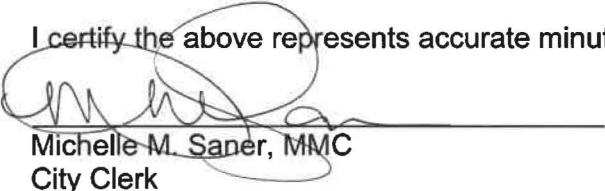
N. **PENDING ITEMS** - None.

O. **ADJOURNMENT**

P. **INFORMATIONAL ITEMS** - None.

There being no further business before the Council, the meeting was adjourned at 7:41 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of February 5, 2025.



Michelle M. Sauer, MMC  
City Clerk

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