

**KENAI CITY COUNCIL – REGULAR MEETING  
MAY 21, 2025 – 6:00 P.M.  
KENAI CITY COUNCIL CHAMBERS  
210 FIDALGO AVE., KENAI, AK 99611  
VICE MAYOR HENRY KNACKSTEDT, PRESIDING**

**MINUTES**

**A. CALL TO ORDER**

A Regular Meeting of the Kenai City Council was held on May 21, 2025, in City Hall Council Chambers, Kenai, AK. Vice Mayor Knackstedt called the meeting to order at approximately 6:00 p.m.

**1. Pledge of Allegiance**

Vice Mayor Knackstedt led those assembled in the Pledge of Allegiance.

**2. Roll Call**

There were present:

Henry Knackstedt, Vice Mayor	Brian Gabriel, Mayor ( <i>electronic participation</i> )
Phil Daniel	Deborah Sounart
Alex Douthit	Victoria Askin ( <i>electronic participation</i> )
Sovala Kisenia	

A quorum was present.

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  
Meghan Thibodeau, Deputy City Clerk

**3. Agenda and Consent Agenda Approval**

Vice Mayor Knackstedt noted the following additions to the Packet:

Add Item H.8.      **Discussion – Scheduling a Board of Adjustment Appeal Hearing.**

- Memo

**MOTION:**

Council Member Sounart **MOVED** to approve the agenda and consent agenda with the requested revisions. Council Member Douthit **SECONDED** the motion.

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

Vice Mayor Knackstedt 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 - None.**

**C. SCHEDULED PUBLIC COMMENTS**

1. Alaska Christian College Update, Dr. Keith Hamilton, President of Alaska Christian College.

Dr. Hamilton provided an annual update on the Alaska Christin College, highlighting its upcoming 25<sup>th</sup> anniversary and continued growth; he presented a video overviewing the campus history; noted the expanding campus, reported the college offers four degree programs; summarized the college's mission; and invited the public to join in 25<sup>th</sup> anniversary celebration.

2. Kenai Peninsula Children's Advocacy Centers, Request for Funding, Executive Director & Children's Advocacy Center Director Lindsey Collins, Kenai Child Advocacy Center Manager Morgan Lyons, and Ryan Grimm.

Ms. Lyons provided an overview of the organization's role in coordinating a multi-agency response to child abuse cases; noted the organization serves a large area including Kenai and the surrounding communities; handles 150 to 200 cases annually; and is currently facing funding challenges due to expiring federal grants and limited state support. She reported that the organization is mandated by State Statute and requested the City of Kenai consider provide funding support to help sustain operations.

**D. UNSCHEDULED PUBLIC COMMENTS**

Samantha Springer, Executive Director of the Kenai Chamber of Commerce & Visitor Center reported upcoming events: June 14 Lemonade Day; Fourth of July parade; Industry Appreciation Day; and planning for Peggy Arness's 100<sup>th</sup> birthday celebration.

**E. PUBLIC HEARINGS**

1. **Ordinance No. 3470-2025** - Amending the Official Zoning Map and Land Use Table by Rezoning Twenty-Eight Properties Located Near the Intersection of the Kenai Spur Highway and Wildwood Drive from Suburban Residential (RS) to General Commercial (CG) Zoning District. (Administration)

*[Clerk's Note: Council Member Douthit declared a possible conflict with Ordinance No. 3470-2025 and Resolution No. 2025-32, as he owns some of the affected properties. Vice Mayor Knackstedt ruled a conflict did exist and Council Member Douthit abstained from discussion and voting on the ordinance and resolution.]*

**MOTION:**

Council Member Sounart **MOVED** to enact Ordinance No. 3470-2025. Council Member Daniel **SECONDED** the motion.

Vice Mayor Knackstedt opened the floor for public comment.

Alex Douthit addressed the Council stating the rezone would eliminate zoning inconsistencies in the area; align zoning with existing commercial use, mirroring zoning across the highway; and noted several letters of support were received, with no letter of opposition submitted.

It was noted that one parcel was not included as the owner was not a party of the application, staff confirmed the exclusion did not constitute spot zoning.

**VOTE:**

YEA: Knackstedt, Askin, Kisen, Gabriel, Daniel, Sounart

NAY: None

ABSTENTION: Douthit

\*\*Student Representative Tanner: Yea

**MOTION PASSED.**

2. **Resolution No. 2025-32** - Declaring a Right-Of-Way for a 60' by 156' Portion of the Unnamed Road Along Wildwood Drive as Dedicated on Lots 11& 12, Block 8, Black Gold Estates 2025 Replat (Plat K1399), Not Needed for a Public Purpose and Consenting to Its Vacation. (Administration)

*[Clerk's Note: Council Member Douthit abstained from discussion and voting on the resolution.]*

**MOTION:**

Council Member Sounart **MOVED** to adopt Resolution No. 2025-32. Council Member Daniel **SECONDED** the motion.

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

It was reported that although the right-of-way was not currently needed for a public purpose, no staff recommendation was made due to the ongoing unresolved ownership matter between the Kenai Native Association (KNA) and the State of Alaska (SOA).

Council discussion in opposition to the Resolution included concerns regarding the timing of the vacation and how it may affect the ongoing discussion with the state to secure funding for improvements to Wildwood Drive, which serves a State facility; the ongoing dispute between KNA and SOA regarding ownership of Wildwood Drive; and until the ownership issue is resolved, the City cannot guarantee that the right-of-way will not be needed for public purpose.

Council comments in support of the Resolution included similar properties at the front end had already been vacated; cautioned against setting a precedent of partial approvals, which may discourage investments; creating contiguous lots could benefit land owners; and supporting the vacation promoted development.

Clarification was provided that KNA was allotted a specific amount of land from the SOA, they currently claim that they did not receive the full allotment because a specific number of those acres are what encompasses Wildwood Drive; KNA wants to be compensated for the land not received; KNA does not have issue with the City continuing to maintain what it historically has maintained; KNA's argument is that they should be compensated for their land.

**VOTE:**

YEA: Daniel

NAY: Askin, Kisen, Gabriel, Sounart, Knackstedt

ABSTENTION: Douthit

\*\*Student Representative Tanner: Nay

**MOTION FAILED.**

3. **Resolution No. 2025-33** - Authorizing Award of the City-Owned Lands Appraisal Contract. (Administration)

**MOTION:**

Council Member Sounart **MOVED** to adopt Resolution No. 2025-33. Council Member Daniel **SECONDED** the motion.

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

It was reported that there were a number of city-owned lands leased, that are required to have appraisals done on years ending in zero or five; this will allow appraisal of those properties.

**UNANIMOUS CONSENT** was requested.

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

4. **Resolution No. 2025-34** - Authorizing the City Manager to Enter into an Agreement for Janitorial Services at the Kenai Municipal Airport Terminal. (Administration)

**MOTION:**

Council Member Sounart **MOVED** to adopt Resolution No. 2025-34. Council Member Daniel **SECONDED** the motion.

Vice Mayor Knackstedt 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.**

**F. MINUTES**

1. \*Regular Meeting of May 7, 2025. (City Clerk)

**G. UNFINISHED BUSINESS**

1. **Ordinance No. 3469-2025** - Amending KMC 1.85.060-Conflicts of Interest Prohibited, to Allow Municipal Officers and City Employees to Participate in Certain Sales Open to the Public Through a Public Process and Narrowing the Existing Prohibition on Purchases to Personal Property Items. (Douthit) *[On 05/07/25 this item was postponed to 05/21/25]*
- **Ordinance No. 3469-2025 Substitute** - Amending KMC 1.85.060-Conflicts of Interest Prohibited, to Allow City Employees to Participate in Certain Sales Open to the Public Through a Public Process and Narrowing the Existing Prohibition on Purchases to Personal Property Items. (Douthit)

*[Clerk's Note: The motion to enact Ordinance 3469-2025 was on the floor from the May 7, 2025 City Council Meeting.]*

**MOTION TO AMEND BY SUBSTITUTE:**

Council Member Douthit **MOVED** to amend Ordinance No. 3469-2025 by Ordinance No. 3469-2025 Substitute. Council Member Daniel **SECONDED** the motion.

**UNANIMOUS CONSENT** was requested on the motion to amend by substitute.

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

It was reported that the Substitute would allow City employees to participate in City land sales; Officers of the City would still be prohibited from participating.

**MOTION TO AMEND:**

Council Member Douthit **MOVED** to amend Ordinance No. 3469-2025 Substitute, Section 1, paragraph 1.85.060(i) by inserting a new final sentence as follows:

- (i) A municipal officer or employee of the City of Kenai is prohibited from bidding upon or otherwise obtaining any personal property items which are unneeded or surplus by the City. Municipal employees may bid or propose on real property sales, or other interests in real property, when offered to the general public. A municipal employee cannot acquire a real property interest through a negotiated sale or lease not available or advertised to the general public and may not acquire property in which they were in a position to obtain information not available to the general public with regard to the property itself or process of sale. Municipal Officers may not submit bids, proposals, or otherwise purchase real property from the City.

Council Mayor Gabriel **SECONDED** the motion.

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

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

Clarification was provided that municipal officers were defined in Kenai Municipal Code; Planning Department employees were not municipal officers; the Planner would be unable to participate as they are the employee responsible for the sale process; and any other employee who had information not available to the general public would also be prohibited.

Vice Mayor Knackstedt opened the floor for public comment.

Jeff Twait addressed the Council in opposition to the Substitute Ordinance, noting that this feels like he is being penalized as a Planning and Zoning Commissioner for his service.

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

**VOTE ON MAIN MOTION AS AMENDED:**

YEA: Gabriel, Daniel, Sounart, Knackstedt, Askin, Douthit, Kisen

NAY: None

\*\*Student Representative Tanner: Yea

**MAIN MOTION AS AMENDED PASSED.**

**H. NEW BUSINESS**

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

Approved by the consent agenda.

**2. \*Ordinance No. 3471-2025 - Adopting the Annual Budget, Salary Schedule and Employee Classification Plan for the Fiscal Year Commencing July 1, 2025 and Ending June 30, 2026 and Committing \$2,850,457 of General Fund, Fund Balance for Future Capital Improvements. (Administrations)**

Introduced by the consent agenda and Public Hearing set for June 4, 2025.

**3. \*Ordinance No. 3472-2025 - Accepting and Appropriating Grant Funds from the Alaska High Intensity Drug Trafficking Area for Drug Investigation Overtime Expenditures. (Administration)**

Introduced by the consent agenda and Public Hearing set for June 4, 2025.

**4. \*Ordinance No. 3473-2025 - Accepting and Appropriating a Grant Received Through the American Society for the Prevention of Cruelty to Animals to the Kenai Animal Shelter for Attendance at the Alaska Animal Control Association 2025 Training Conference. (Administration)**

Introduced by the consent agenda and Public Hearing set for June 4, 2025.

**5. \*Ordinance No. 3474-2025 - Increasing Estimated Revenues and Appropriation in the Wastewater, Water & Sewer, and Municipal Roadway Improvements Capital Project Funds to Transfer Residual Balance from Completed Projects Back to their Original Funding Sources. (Administration)**

Introduced by the consent agenda and Public Hearing set for June 4, 2025.

**6. \*Ordinance No. 3475-2025 - Increasing Estimated Revenues and Appropriations in the General Fund – Legislative Department and Increasing the Purchase Order Amount to BDO USA, P.C. for the FY2024 and FY2025 Financial Audits. (Administration)**

Introduced by the consent agenda and Public Hearing set for June 4, 2025.

**7. Action/Approval** - Extension to Memorandum of Understanding with the Kenai Historical Society.  
(Administration)

**MOTION:**

Council Member Daniel **MOVED** to approve the Extension to Memorandum of Understanding with the Kenai Historical Society. Council Member Sounart **SECONDED** the motion.

It was reported this would extend the existing agreement regarding the Historic Cabin in Old Town Kenai.

*[Clerk's Note: Vice Mayor Knackstedt and Council Member Askin declared a conflict with the extension of the agreement as they were both members of the Historical Society Board. Vice Mayor Knackstedt passed the gavel to Council Member Sounart.]*

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

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

*[Clerk's Note: Council Member Sounart returned the gavel to Vice Mayor Knackstedt.]*

**8. Discussion** – Scheduling a Board of Adjustment Appeal Hearing. (City Clerk)

The Board of Adjustment Appeal Hearing was scheduled for July 2, 2025 at 2:00 p.m.

**I. COMMISSION / COMMITTEE REPORTS**

1. Council on Aging Commission

No report, next meeting June 12, 2025.

2. Airport Commission

Council Member Daniel reported on the May 8, 2025 meeting.

3. Harbor Commission

No report, next meeting June 9, 2025.

4. Parks and Recreation Commission

No report, next meeting June 5, 2025.

5. Planning and Zoning Commission

Council Member Sounart reported on the May 14, 2025 meeting.

6. Beautification Commission

Council Member Daniel reported on the May 13, 2025 meeting.

**J. REPORT OF THE MAYOR**

Mayor Gabriel thanked Deputy Clerk Thibodeau for her service to the City and reported on the following:

- Reminded everyone of the upcoming Memorial Day Services

**K. ADMINISTRATION REPORTS**

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

- Recognition of Police Officer Megan Williams for being recognized by the University of Alaska, Fairbanks as the Outstanding Graduate Student for the Department of Justice.
- Fire Marshal Jeremy Hamilton received is associates degree in Fire Science.
- Updates on the Bluff Stabilization Project are being posted on the City website.
- Provided a recruitment update.

- Slash disposal site will open on May 29, 2025, hours of operation are Thursday's through Sunday's 10:00 a.m. to 6:00 p.m.
- Kenai Kite Festival is scheduled for Saturday, May 31, 2025, 3:00 p.m. in Millennium Square.
- Annual Community Plant Day is Saturday, May 31, 2025.
- Kenai Animal Shelter Annual Animal Fair is schedule for Saturday, June 14, 2025, 10:00 a.m. to 2:00 p.m. at the Kenai Green Strip.

2. City Attorney - No report.

3. City Clerk – No report.

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

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

2. Council Comments

Council Member Askin thanked Deputy Clerk Thibodeau for her service to the City and Council Member Daniel for filling her during the Beautification Commission meeting; and stated her appreciation for being able to attend the meeting remotely.

Council Member Douthit stated his appreciation for local teachers and school activities; thanked staff for their work on the dugout project; and thanked Council members for a productive discussion during the meeting.

Student Representative Tanner reported on the upcoming Connections Homeschool Graduation ceremony; Kenai Alternative High School last day is May 22, 2025; and provided an update on the sports schedule for Kenai Central High School.

Council Member Sounart reported attending the Boys and Girls Club opening; thanked Deputy Clerk Thibodeau for her service to the City; thanked the staff for the dugout project; and congratulated Student Representative Tanner for a well performed trumpet solo at the spring recital.

Council Member Daniel thanked Deputy Clerk Thibodeau for her service to the City; thanked staff for the dugout project; stated his appreciation for local teachers and school activities; reported volunteering for the Mountain View Elementary year-end barbecue; and noted the visible progress on the Bluff Stabilization project.

Council Member Kisena thanked staff for the work on the dugout project; thanked staff for maintaining clean safe trails, streets and public lands; thanked Deputy Clerk Thibodeau for her service to the City; and thanked those responsible for installing protective nets at the Little League girls' softball fields.

Vice Mayor Knackstedt thanked Deputy Clerk Thibodeau for her service to the City; reported attending the May 9, 2025 Kenai Inn ribbon cutting ceremony and May 17, 2025 Boys and Girls Club ribbon cutting ceremony; and reported observations of the barge deliveries for the Bluff Stabilization project.

**M. EXECUTIVE SESSION - None.**

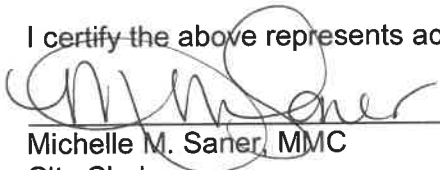
**N. PENDING ITEMS - None.**

**O. ADJOURNMENT**

**P. INFORMATIONAL ITEMS - None.**

There being no further business before the Council, the meeting was adjourned at 8:37 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of May 21, 2025.

  
\_\_\_\_\_  
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 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.*