

**KENAI CITY COUNCIL – REGULAR MEETING
JUNE 4, 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 June 4, 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	Henry Knackstedt, Vice Mayor
Phil Daniel	Deborah Sounart (<i>remote attendance</i>)
Alex Douthit	Victoria Askin
Sovala Kisenia	

A quorum was present.

Also in attendance were:

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 E. 1. | Public Hearing - Ordinance No. 3471-2025 <ul style="list-style-type: none">• Informational Memo |
| Add to item E. 8. | Public Hearing - Resolution No. 2025-37 <ul style="list-style-type: none">• Memo• Map |

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.

Beth Odom, Kenai Resident addressed the Council in opposition to Ordinance No. 3478-2025.

There being no one else wishing to comment, 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 - None.

D. UNSCHEDULED PUBLIC COMMENTS

Patty See, Kenai Resident addressed the Council noting the City was doing a wonderful job; the Airport Landscaping is beautiful; removal of the beetle kill is making the community safer; requested the City look into long-term permanent artwork for light posts; and she noted concerns with the condition of the paved trails along the Kenai Spur Highway.

Beth Odom, Kenai Resident addressed the Council with concerns regarding when the water bottle filling station will be installed at the Rec Center; and the condition of the Field of Flowers.

Samantha Springer, Executive Director of the Kenai Chamber of Commerce & Visitor Center addressed the Council regarding the upcoming Lemonade Day; First Friday; coordination with the Library for a Cultural Story Time; preparations for the upcoming 4th of July Parade; and Aleutian Airways Grand Opening at the Kenai Airport.

E. PUBLIC HEARINGS

- 1. 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. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3471-2025. 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.

MOTION TO AMEND:

Council Member Kisenia **MOVED** to amend the Fiscal Year 2026 Draft Budget Document as follows:

Amend the position title from Administrative Assistant II, to Administrative Assistant III in the following locations:

General Fund - City Clerk, page 72
Organizational Chart
Staffing Table
Average Overtime Table

Authorized Personnel Staffing Table, page 333
Department: City Clerk

Organization Chart, page 338

Department: City Clerk

Amend the position grade from 14 to 15 in the following locations:

General Fund - City Clerk, page 72

Staffing Table, Proposed FY26-Grade Column and Projected FY27-Grade Column.

Authorized Personnel Staffing Table, page 333

Department: City Clerk, FY2026-Grade Column.

Vice Mayor Knackstedt **SECONDED** the motion.

It was reported that this would expand the responsibilities of the Deputy Clerk as the lead for City Records Management Program, aligns the position with similar Administrative Assistant III positions; and allows for recruitment and retention of qualified candidates.

UNANIMOUS CONSENT was requested on the motion to amend.

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

MOTION TO AMEND:

Vice Mayor Knackstedt **MOVED** to amend the Fiscal Year 2026 Draft Budget Document as follows:

General Fund - Legislative, page 83

Increase the Grants to Agencies section by an additional \$500; and,

General Fund - Legislative, page 84

Add Industry Appreciation Day to the 5047 Grants to Agencies list for \$500.

For an overall increase of \$500 to the Fiscal Year 2026 Annual Budget Document.

Council Member Askin **SECONDED** the motion.

It was reported that this item was removed as a result of the Budget Work Session; the event added value to our community and this amendment put the funding back into the budget.

UNANIMOUS CONSENT was requested on the motion to amend.

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

MOTION TO AMEND:

Council Member Douthit **MOVED** to amend the Fiscal Year 2026 Draft Budget Document as follows:

General Fund - Legislative, page 83

Increase the Grants to Agencies section from \$500 to \$1,000; and,

General Fund - Legislative, page 84

Increase Bridges Community Resource Network in the 5047 Grants to Agencies list from \$500 to \$1,000.

For an overall increase of \$500 to the Fiscal Year 2026 Annual Budget Document.

Council Member Daniel **SECONDED** the motion.

There was discussion regarding the huge impact on our community from Project Homeless Connect; Bridges Community Resources did not request the increase, the amendment was brought forward to acknowledge the great work they do here.

UNANIMOUS CONSENT was requested on the motion to amend.

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

MOTION TO AMEND:

Council Member Douthit **MOVED** to amend the Fiscal Year 2026 Draft Budget Document as follows:

General Fund - Legislative, page 83

Increase the Grants to Agencies section by an additional \$2,500; and,
General Fund - Legislative, page 84
Add Child Advocacy Center to the 5047 Grants to Agencies list for \$2,500.

For an overall increase of \$2,500 to the Fiscal Year 2026 Annual Budget Document.

Council Member Daniel **SECONDED** the motion.

It was reported that initially this was to assist with the federal funding deficit; the Alaska Legislature has since approved State funding to assist with the deficit; funding from the City could be used as a local match for grant applications; they had originally asked for more; and the agency worked in our community helping children.

There was discussion regarding the agency having received State funding since their presentation; having more information from the agency would help in this decision making process; and questions arose regarding the location of their main office and where they operate here in the City.

[Clerk's Note: The motion to amend was withdrawn with the consent of the second. (KMC 1.15.060(g))]

MOTION TO AMEND:

Council Member Kisenia **MOVED** to amend the Fiscal Year 2026 Draft Budget Document as follows:

General Fund - Legislative, page 83
Increase the Grants to Agencies section from \$2,500 to \$5,000; and,
General Fund - Legislative, page 84
Increase Kenai Watershed Forum in the 5047 Grants to Agencies list from \$2,500 to \$5,000.
For an overall increase of \$2,500 to the Fiscal Year 2026 Annual Budget Document.

Vice Mayor Knackstedt **SECONDED** the motion.

It was reported the amendment was proposed to acknowledge the services that Kenai Watershed Forum provided to our community through the work they do; their agency does a number of tests along the Kenai River; and earlier this year they provided multiple detailed presentations on their work.

There was discussion regarding the agency using the City's Lab for testing as an in-kind donation; this increase would be \$3,500 increase from the previous years funding.

VOTE ON THE MOTION TO AMEND:

YEA: Kisenia

NAY: Sounart, Knackstedt, Askin, Douthit, Gabriel, Daniel

MOTION TO AMEND FAILED.

MOTION TO AMEND:

Council Member Askin **MOVED** to amend Ordinance No. 3471-2025:

Title to read, "An Ordinance 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] 2,848,077 of General Fund, Fund Balance for Future Capital Improvements."

Sixth whereas clause to read, "in recognition of deferred and ongoing maintenance needs of City facilities and in support of the City's Fiscal Year 2026 – 2030 Capital Improvement Plan (The Plan), Council commits \$[2,850,457] 2,848,077 towards funding of The Plan for fiscal years 2026-2030."

Section 2 to read, "The following sums of money are hereby appropriated for the operations of the City of Kenai for the fiscal year commencing on the first day of July, 2025, and ending the 30th day of June, 2026, to be expended consistent with and subject to the restrictions, procedures, and

purposes set forth in the Code of the City of Kenai and to be expended substantially by line item in the manner shown in the budget adopted by Section 1 hereof:

General Fund	\$[22,494,988] <u>22,495,988</u>
Enterprise Fund –	
Congregate Housing Fund	751,454
Internal Service Funds:	
Equipment Replacement Fund	276,969
Fleet Replacement Fund	102,267
Employee Health Care Fund	<u>3,157,196</u>
Total Internal Service Funds	3,536,432
Special Revenue Funds:	
Personal Use Fishery Fund	555,396
Water & Sewer Fund	3,444,818
Airport Fund	4,993,258
Senior Citizen Fund	<u>1,117,500</u>
Total Special Revenue Funds	10,110,972
Permanent Funds:	
Airport Land Sale Permanent Fund	1,099,774
General Land Sale Permanent Fund	<u>159,045</u>
Total Permanent Revenue Funds	1,258,819
Capital Project Funds:	
Park Improvement	120,000
Flight Service Station Improvement	400,000
City Hall Improvement	75,000
Municipal Roadway Improvement	1,400,000
Congregate Housing Improvement	100,000
Airport Improvement	1,265,100
Water & Sewer Improvement	450,000
Waste Water Treatment Plant Equipment	<u>50,000</u>
Total Capital Project Funds	3,860,100
Debt Service Fund – Library Expansion Bonds	130,625
Total All Funds	\$[42,143,390] <u>42,144,390</u>

Section 3 to read, “Council hereby commits \$[2,850,457] 2,848,077 of Unassigned General Fund, Fund Balance for future renovations and improvements to City facilities.”

Vice Mayor Knackstedt **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to amend.

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

VOTE ON MAIN MOTION AS AMENDED:

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

NAY: None

MAIN MOTION AS AMENDED PASSED.

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

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3472-2025. 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.

VOTE:

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

NAY: None

MOTION PASSED.

3. **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)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3473-2025. 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.

VOTE:

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

NAY: None

MOTION PASSED.

4. **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)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3474-2025. 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 this represents unspent fund from Capital Projects and returns those funds to their original funding source.

VOTE:

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

NAY: None

MOTION PASSED.

5. **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)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3475-2025. Council Member Akin **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: Gabriel, Daniel, Sounart, Knackstedt, Askin, Douthit, Kisená

NAY: None

MOTION PASSED.

- 6. Resolution No. 2025-35** - Approving a Memorandum of Understanding Between the City of Kenai and the Salamatof Tribe to Recognize Areas of Mutual Concern and Support, establish a Framework for Cooperative Relationships, and Promote Government-to-Government Communication for the Benefit of the Community of Kenai as a Whole. (Daniel)

MOTION:

Council Member Daniel **MOVED** to adopt Resolution No. 2025-35. 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 this and the next resolution would establish a collaborative framework and formal relationship with the tribes; and provided opportunities to work mutually on projects that are concerns to both the City and Tribe.

There was discussion in support and appreciation stated for Council Member Daniel for bringing the Resolution forward.

UNANIMOUS CONSENT was requested.

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

- 7. Resolution No. 2025-36** - Approving a Memorandum of Understanding Between the City of Kenai and the Kenaitze Indian Tribe to Recognize Areas of Mutual Concern and Support, establish a Framework for Cooperative Relationships, and Promote Government-to-Government Communication for the Benefit of the Community of Kenai as a Whole. (Daniel)

MOTION:

Council Member Daniel **MOVED** to adopt Resolution No. 2025-36. Vice Mayor 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.

It was reported this was very similar to the previous Resolution and provided framework for the existing relationship with Kenaitze.

UNANIMOUS CONSENT was requested.

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

- 8. Resolution No. 2025-37** - Approving a Limited Road Maintenance Agreement Between the City of Kenai and the Kenaitze Indian Tribe. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2025-37. 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 Tribe plans to develop the parcel for senior housing; they will build the road to City standards; the Tribe will be responsible for keeping the road clear for maintenance; the City will review and approve engineering plans before construction begins; and the Tribe will provide easements for water and sewer utilities.

UNANIMOUS CONSENT was requested.

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

9. Resolution No. 2025-38 - Renaming South Spruce Street to Kenai Beach Street.
(Knackstedt)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2025-38. 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 this was brought forward to provide clarity to residents and visitors; addresses the informal reference to the as “road to the beach”; and would reduce confusion.

There was discussion regarding property owners having to update their mailing addresses, signage and business materials.

MOTION TO REFER AND POSTPONE:

Vice Mayor Knackstedt **MOVED** to refer Resolution No. 2025-38 to the June 25, 2025 Planning and Zoning Commission meeting for recommendation, and postpone Resolution No. 2025-38 to the July 2, 2025 City Council Meeting. Council Member Askin **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to refer and postpone.

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

10. Resolution No. 2025-39 - Fixing the Rate of Levy of Property Tax for the Fiscal Year
Commencing July 1, 2025 and Ending June 30, 2026. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2025-39. 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.

Appreciation was stated for the ability to bring forward a level property rate.

UNANIMOUS CONSENT was requested.

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

11. Resolution No. 2025-40 - Amending the Comprehensive Schedule of Rates, Charges and Fees to Incorporate Fiscal Year 2026 Budget Changes to Include Adjusting Airport Fees, Animal Control Fees, Library Fees, Multipurpose Facility Fees, Building Permit Fees and Adjusting the Monthly Rental Rates for Vintage Pointe. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2025-40. 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 this was a final step in the budget process and incorporated changes in the fee schedule.

UNANIMOUS CONSENT was requested.

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

F. MINUTES

1. *Regular Meeting of May 21, 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** - 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** - Special Use Permit to Empire Airlines, Inc. for Use of 11,250 Square Feet of Apron Space at the Kenai Municipal Airport for Aircraft Parking. (Administration)

Approved by the consent agenda.

4. ***Action/Approval** - First Amendment to the Agreement with Tyler Distributing Company, Inc. for ATM Services at the Kenai Municipal Airport Terminal. (Administration)

Approved by the consent agenda.

5. ***Ordinance No. 3476-2025** - Increasing Estimated Revenues and Appropriations in the General Fund - Fire Department Personnel Budget for Fiscal Year 2025 for Unanticipated Overtime Costs Resulting from Vacancies and Retirements. (Administration)

Introduced by the consent agenda and Public Hearing set for June 18, 2025.

6. ***Ordinance No. 3477-2025** - 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 a Ballistic Vest. (Administration)

Introduced by the consent agenda and Public Hearing set for June 18, 2025.

7. ***Ordinance No. 3478-2025** - Enacting Kenai Municipal Code Section 13.30.070 - Travel Through Private or Public Property, and Incorporating a Fine into Kenai Municipal Code 13.10.015 - Minor Offense Fine Schedule. (Administration)

Introduced by the consent agenda and Public Hearing set for June 18, 2025.

I. COMMISSION / COMMITTEE REPORTS

1. Council on Aging Commission

No report, next meeting June 12, 2025.

2. Airport Commission

No report, next meeting June 12, 2025.

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 Askin reported on the May 28, 2025 meeting, next meeting June 25, 2025.

6. Beautification Commission

No report, next meeting September 9, 2025.

J. REPORT OF THE MAYOR

Mayor Gabriel thanked Vice Mayor Knackstedt for filling in and reported on the following:

- Viewing the ongoing Bluff Stabilization Project.
- Congratulated the Kenai Central High School Girls Soccer Team for winning State.
- Attending the Kite Festival.

K. ADMINISTRATION REPORTS

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

- Congratulated Police Officer, Luke Michaels for graduating from the Trooper Academy.
- Currently recruiting for a police officer, animal control officer, administrative assistant in the Planning Department and Parks and Recreation attendants.
- Congratulated Director Best and the Parks staff for a successful Kite Festival and Plant Day.
- Bluff Project update included plans to create a time-lapse video using drone footage of the project.
- Upcoming site visit with the Army Corps of Engineers on the Bluff Project.

2. City Attorney - No Report.

3. City Clerk - Update on Business Licensing.

L. ADDITIONAL PUBLIC COMMENTS

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

Marion Nelson, Board Member for the Kenai Art Center addressed the Council regarding the upcoming show, "Clay on Display"

2. Council Comments

Vice Mayor Knackstedt expressed his appreciation for the regular F-22 flyovers; reported attending the community Memorial Day events and Kite Festival; and thanked the Parks & Recreation Department for placing American Flags along the road.

Council Member Kisena thanked Director Best and staff for the Kite Festival, noting the positive feedback he heard; and encouraged residents to explore the Kenai trail systems.

Council Member Daniel thanked the Administration for their work on the Memorandum of Understandings with the Tribes; reported attending the Mountain View last day of school barbeque; and noted he was looking forward to Lemonade Day and the Air Fair.

Council Member Askin congratulated new Police Officer, Luke Michaels; thanked Director Best and staff for the amazing work they do; noted it was interesting to watch the activity on the Bluff Stabilization Project; and thanked the Administration for the budget process.

Council Member Sounart thanked the Administration for the budget process; Director Best and staff for the Kite Festival; noted watching the Bluff Stabilization Project activity; and wished everyone a happy summer.

Council Member Douthit stated he had been touring trade schools with his son, and missing out on some of the local activities; noted he was looking forward to the results of the Parks & Recreation Master Plan; and thanked the Parks and Recreation Department for the hard work they do.

M. EXECUTIVE SESSION - None.

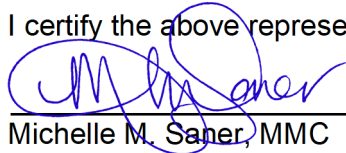
N. PENDING ITEMS - None.

O. ADJOURNMENT

P. INFORMATIONAL ITEMS - None.

There being no further business before the Council, the meeting was adjourned at 8:04 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of June 4, 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.*