

**KENAI CITY COUNCIL – REGULAR MEETING
FEBRUARY 4, 2026 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
VICE MAYOR VICTORIA ASKIN, PRESIDING**

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Kenai City Council was held on February 4, 2026, in City Hall Council Chambers, Kenai, AK. Vice Mayor Askin called the meeting to order at approximately 6:00 p.m.

1. Pledge of Allegiance

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

2. Roll Call

There were present:

Victoria Askin, Vice Mayor
Sovala Kisena
Deborah Sounart
Phil Daniel

Henry Knackstedt, Mayor (*remote participation*)
Bridget Grieme
Glenese Pettey

A quorum was present.

Also in attendance were:

**Josh Bolling, Student Representative
Terry Eubank, City Manager
Scott Bloom, City Attorney
David Swarner, Finance Director
Kevin Buettner, Planning Director (*remote participation*)
Lee Frey, Public Works Director
Shellie Saner, City Clerk

3. Agenda and Consent Agenda Approval

Vice Mayor Askin noted the following additions to the Packet:

Add to item E.2. **Public Hearing - Ordinance No. 3501-2026**
 • Amendment Memo

MOTION:

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

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

Vice Mayor Askin 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 and Custody Funds, 2025 Financial Performance, Financial Projections and Recommend 2026 Asset Allocation for the City's Permanent and Custody Funds, Chief Executive Officer Bill Lierman and Chief Investment Officer Brandy Niclai, from Alaska Permanent Capital Management.

Brandy Niclai provided a summary on the history, performance and future projections of the Permanent Funds; reviewed asset allocations, returns, withdrawal policies, past market performance; discussed current asset allocation relative to strategic weights and noted year-end cash levels were due to dividend and interest receipts and have since been redeployed; and discussed 2026 market outlook themes including equity valuation levels, earnings dependency, and increased exposure to AI-related sectors and emerging markets.

Bill Lierman provided a review on the City's custody assets, noting Alaska Permanent Management has managed the portfolio since November 2024 as a reserve fund held outside the City's primary cash pool; explained the composition of the portfolio; reviewed performance relative to benchmarks, noting the portfolio outperformed cash equivalents; discussed positioning the portfolio to lock in yields ahead of anticipated Federal Reserve rate cuts; and noted plans to request a future work session to review potential strategy adjustments.

C. SCHEDULED PUBLIC COMMENTS

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

Samantha Springer, Executive Director of the Kenai Chamber of Commerce, provided a review of the 2025 Annual report noting a successful year marked by operational stability, consistent programming, and community engagement; highlighted achievements including recognition as Chamber of the Year, expansion of historical and cultural programming, and updates to the Silver Salmon Derby; reported an early-year decline in visitor numbers that recovered by mid-year; noted continued strength in core programs; staffing and Board Member updates; and outlined upcoming events.

D. UNSCHEDULED PUBLIC COMMENTS - None.

E. PUBLIC HEARINGS

1. **Ordinance No. 3500-2026** - Sunsetting the Harbor Commission, Amending Kenai Municipal Code 1.90.010 - General Standards for Standing Advisory Commissions, Repealing Kenai Municipal Code 1.95.040 - Harbor Commission, Repealing Kenai Municipal Code 11.20 - Leasing of Tidelands, Amending Kenai Municipal Code 14.05.010 - Duties and Powers, Enacting Kenai Municipal Code 22.05.016 - Tidelands Available for Leasing, Enacting Kenai Municipal Code Chapter 22.10 - Tideland Leases for Shore Fisheries, and Amending Council Policy 20.020 to Reflect the Sunsetting of The Harbor Commission. (Administration)

MOTION:

Council Member Sounart **MOVED** to enact Ordinance No. 3500-2026. Council Member Daniel **SECONDED** the motion.

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

Appreciation to all Harbor Commission members was shared; and clarification was provided on the process necessary to reinstate the Harbor Commission in the future if needed.

VOTE:

YEA: Sounart, Knackstedt, Daniel, Grieme, Askin, Pettey, Kisena

NAY: None

**Student Representative Bolling: Yea

MOTION PASSED.

- 2. Ordinance No. 3501-2026** - Determining Four City-Owned Properties in the Beaver Loop Area are Not Needed for a Public Purpose and Authorizing Sale by Public Sealed Bid Auction. (Administration)

MOTION:

Council Member Sounart **MOVED** to enact Ordinance No. 3501-2026. Council Member Pettey **SECONDED** the motion.

Vice Mayor Askin 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 Sounart **MOVED** to amend the Ordinance No. 3504-2026 as follows:

Eleventh whereas clause to read, "at their regularly scheduled meeting on January 28, 2026, the City of Kenai Planning and Zoning Commission reviewed the proposed sale of the properties and recommended enactment to the City Council; and"

Council Member Pettey **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to amend.

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

MOTION TO AMEND:

Council Member Sounart **MOVED** to amend the Ordinance No. 3501-2026 as follows:

Insert a new sixth whereas clause to read, "the City's intent in offering these parcels for sale is to facilitate gravel extraction, and the properties are being made available for that purpose exclusively, subject to all applicable zoning, permitting, and regulatory requirements."

Council Member Pettey **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to amend.

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

Clarification was provided regarding the access points to the properties.

VOTE ON MAIN MOTION AS AMENDED:

YEA: Knackstedt, Daniel, Grieme, Askin, Pettey, Kisena, Sounart

NAY: None

**Student Representative Bolling: Yea

MAIN MOTION AS AMENDED PASSED.

- 3. Ordinance No. 3502-2026** - Authorizing the City Manager to Reimburse Annual Leave Used by Firefighter Garrick Martin for Attending a Paramedic Internship Program. (Administration)

MOTION:

Council Member Sounart **MOVED** to enact Ordinance No. 3502-2026. Council Member Grieme **SECONDED** the motion.

Vice Mayor Askin 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 Administration looking into options to handle this type of reimbursement administratively.

VOTE:

YEA: Daniel, Grieme, Askin, Pettey, Kisen, Sounart, Knackstedt

NAY: None

**Student Representative Bolling: Yea

MOTION PASSED.

- 4. Ordinance No. 3503-2026** - Increasing Estimated Revenues and Appropriations in the Water & Sewer Capital Project Fund and Accepting a Loan from the State Revolving Fund Program for the Water Treatment Pumphouse Project. (Administration)

MOTION:

Council Member Sounart **MOVED** to enact Ordinance No. 3503-2026. Council Member Daniel **SECONDED** the motion.

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

A summary overview of the memorandum as attached to Ordinance No. 3503-2026 was provided; clarification was provided that this was a forgivable loan, and the benchmarks associated receiving reimbursement were discussed.

VOTE:

YEA: Grieme, Askin, Pettey, Kisen, Sounart, Knackstedt, Daniel

NAY: None

**Student Representative Bolling:

MOTION PASSED.

- 5. Resolution No. 2026-10** - Authorizing the Use of the Equipment Replacement Fund for the Purchase of a New Trackless MT7 with Snow Blower Attachment. (Administration)

MOTION:

Council Member Sounart **MOVED** to adopt Resolution No. 2026-10. Council Member Pettey **SECONDED** the motion.

Vice Mayor Askin 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 expected delivery was six months from contract approval.

UNANIMOUS CONSENT was requested.

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

- 6. Resolution No. 2026-11** - Designating the Investment and Allocation Plan for the City's Permanent Funds and Establishing Appropriate Benchmarks to Measure Performance for Calendar Year 2026. (Administration)

MOTION:

Council Member Sounart **MOVED** to adopt Resolution No. 2026-11. Council Member Daniel **SECONDED** the motion.

Vice Mayor Askin 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 January 21, 2026. (City Clerk)

G. UNFINISHED BUSINESS - None.

H. NEW BUSINESS

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

Approved by the consent agenda.

2. ***Ordinance No. 3504-2026** - Accepting and Appropriating an Increase in the Title III Grant from the State of Alaska Department of Health, Division of Senior and Disabilities Services, for Nutrition, Transportation, and Support Services. (Administration)

Introduced by the consent agenda and Public Hearing set for February 18, 2026.

3. **Action/Approval** - Confirmation of Mayoral Nomination for a Partial Term Appointment of Scott Bremer to the Airport Commission. (Knackstedt)

MOTION:

Council Member Sounart **MOVED** to confirm the appointment of Scott Bremer to the Airport Commission. Council Member Pettey **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion.

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

4. **Discussion** - Scheduling a Work Session with Alaska Permanent Capital Management to Discuss Potential Amendments to Kenai Municipal Code Investment Options. (Administration)

The work session was scheduled for April 1, 2026 at 4:00 p.m.

I. COMMISSION / COMMITTEE REPORTS

1. Council on Aging Commission

No report, next meeting February 12, 2026.

2. Airport Commission

No report, next meeting February 12, 2026.

3. Harbor Commission

No report.

4. Parks and Recreation Commission

No report, next meeting February 5, 2026.

5. Planning and Zoning Commission

Council Member Kisena reported on the January 28, 2026 meeting; the February 11, 2026 meeting was cancelled; and next meeting February 25, 2026.

6. Beautification Commission

No report, next meeting April 14, 2026.

J. REPORT OF THE MAYOR

Mayor Knackstedt reported on the following:

- Thanked Vice Mayor Asking for presiding during the meeting.
- Requested Council consider potential reductions in plan review fees, particularly related to review for identical buildings.
- Attended a regional meeting with Borough and City leaders to discuss regional issues including school funding, taxes, housing, and the LNG project.
- Participating in a discussion regarding schools closing pools; the need for clear cost information; and Borough Mayor Micciche would be gathering additional information.
- Attending and participating in the Senior Center Volunteer appreciation dinner.

K. ADMINISTRATION REPORTS

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

- Provided a video of the new ambulance power loader, which improves safety for firefighters and patients while loading and unloading patients.
- Staffing update: New utility operators were expected to start in March; welcomed new building official Chandra Mayeux and returning Police Officer Sarah Herrin; and ongoing recruitment for Airport Manager and Firefighter.
- Bridge Access Pedestrian Pathway design is complete; State of Alaska plans to align the Pedestrian Pathway project with the Asphalt Preservation project; bidding was anticipated for May; and the City strongly discouraged full closure of the Warren Ames Bridge.
- Kenai Peninsula Housing Initiative (KPHI) grant application for 20 senior and low-income housing units was not funded; funding was received for construction of one low-income fourplex; and continue coordination with on a Community Development Block Grant for water and sewer.
- School pool closure update and potential Borough participation moving forward.
- Recognized fire, police and dispatch personnel for responses to multiple serious structure fires and life saving efforts during January.
- Transition of the City's bid and RFP process to Bid Express was completed.
- A request from Kenai Peninsula Economic Development District to become a strategic asset partner regarding workforce development initiatives.
- A meeting was scheduled with the Chamber Board to review the community survey results.

2. City Attorney - No report.

3. City Clerk - City Clerk Saner reported on the following:

- Update on the Special Election procedures taking place.

L. ADDITIONAL PUBLIC COMMENTS

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

2. Council Comments

Student Representative Bolling thanked Vice Mayor Askin for visiting the Leadership class; provided an update on winter activities at Kenai Central High School, noting the strong participation and community turnout at athletic events; and students were looking forward to the upcoming Job Shadow event.

Council Member Kisena congratulated the Chamber for all of their accomplishments, Scott Bremer for his appointment to the Airport Commission, and the three new City employees; and he gave a shout out to our public safety departments for their efforts in the last month.

Council Member Pettet thanked City Manager Eubank for the video of the new stretcher, noting the enhancement to the safety of our firefighters and patients.

Council Member Daniel recognized the Chamber for all their efforts; and thanked City Manager Eubank for sharing the video.

Council Member Sounart echoed Council Member Kisena and Daniel comments; and recognized the Public Works Department employees for keeping up with the snow, rain and keeping the roads safe.

Council Member Grieme stated her appreciation for the Kenaitze Joint Work Session and the staff members who attended; and recognized the efforts of the Public Safety Departments.

Vice Mayor Askin stated she agreed with the other Council members recognitions and comments; reported attending the Senior Center Appreciation event; and stated her appreciation for the Kenaitze Joint Work Session.

M. EXECUTIVE SESSION

1. New Gas Storage Facility within the City of Kenai. Pursuant to AS 44.62.310(c)(1) a Matter of which the Immediate Knowledge may have an Adverse Effect upon the Finance of the City and AS 44.62.310(c)(3) a Matter which by Law, Municipal Charter, or Ordinance are required to be Confidential. (Administration)

[Clerk's Note: Vice Mayor Askin passed the gavel to Council Member Sounart and declared a possible conflict with the discussion of New Gas Storage Facility as she was an employee of one of the companies involved. Council Member Sounart ruled a conflict did exist and Vice Mayor Askin exited the meeting at 7:40 p.m., abstaining from participating in the Executive Session and discussion of the subject.]

MOTION:

Council Member Grieme **MOVED** to enter into executive session to discuss a New Gas Storage Facility within the City of Kenai which may be a subject that immediate knowledge would clearly have an adverse effect upon the finances of the City and is a matter which by law, municipal charter, or ordinance is required to be confidential. The executive session will include Mayor Knackstedt, City Council Members, Manager Eubank, Attorney Bloom and Planning Director Buettner. Council Member Kisena **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

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

MOTION:

Council Member Grieme **MOVED** to reconvene into regular session. Council Member Kisena **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

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

[Clerk's Note: The Council entered into executive session at 7:40 p.m. and reconvened into regular session at 8:52 p.m.]

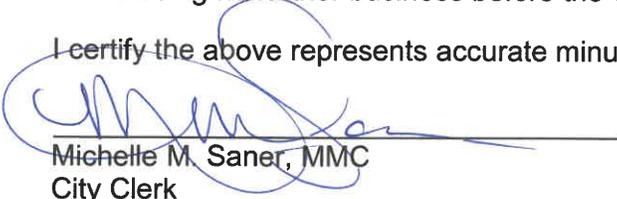
N. PENDING ITEMS - None.

O. ADJOURNMENT

P. INFORMATIONAL ITEMS - None.

There being no further business before the Council, the meeting was adjourned at 8:53 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of February 4, 2026.



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.*