

**KENAI CITY COUNCIL – REGULAR MEETING
AUGUST 5, 2026 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
MAYOR HENRY H. KNACKSTEDT, PRESIDING**

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Kenai City Council was held on August 5, 2026, in City Hall Council Chambers, Kenai, AK. Mayor Knackstedt called the meeting to order at approximately 6:00 p.m.

1. Pledge of Allegiance

Mayor Knackstedt led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Henry Knackstedt, Mayor
Sovala Kisena
Phil Daniel

Victoria Askin, Vice Mayor (*remote participation*)
Bridget Grieme
Deborah Sounart (*remote participation*)

A quorum was present.

Absent:

Glenese Pettey

Also in attendance were:

**Josh Bolling, Student Representative
Terry Eubank, City Manager
Scott Bloom, City Attorney
David Swarner, Finance Director
Kevin Buettner, Planning Director
Tyler Best, Parks and Recreation Director
Ryan Coleman, Police Chief
Shellie Saner, City Clerk

3. Agenda and Consent Agenda Approval

Mayor Knackstedt noted the following additions to the Packet:

- | | |
|-------------------|--|
| Add to item E. 1. | Public Hearing - Ordinance No. 3534-2026 <ul style="list-style-type: none">• Amendment Memorandum |
| Add to item E. 3. | Public Hearing - Ordinance No. 3536-2026 <ul style="list-style-type: none">• Amendment Memorandum |
| Add to item H. 6. | New Business - Ordinance No. 3541-2026 <ul style="list-style-type: none">• Request to Remove from the Agenda Memorandum |

MOTION:

Council Member Daniel **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.

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 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. Oath of Office - Ryan Coleman, Chief of Police

Mayor Knackstedt administered the Oath of Office to Police Chief Ryan Coleman.

C. SCHEDULED PUBLIC COMMENTS

1. 2026 Housing Assessment Report, Kenai Peninsula Economic Development District Economist, Andy Wink.

Mr. Wink provided a presentation summarizing the findings of the recent Kenai Peninsula Housing Assessment Report, noting the City of Kenai population growing in 2025 ranked second among the Kenai Peninsula Borough's ten largest communities; he highlighted the demographic and economic trends affecting the local housing market; reviewed housing market conditions and home prices; and referenced lessons learned from other communities related to large energy projects and affordable housing strategies.

D. UNSCHEDULED PUBLIC COMMENTS

James Baisden addressed the Council regarding assessments of residential property and the increase in residential property taxes; he requested the Council consider residential property tax exemptions or other measures to lessen the impact of escalating property tax on homeowners; and noted concerns on the financial burden to seniors, disabled veterans and young homeowners and renters.

City Council members thanked Mr. Baisden for the information and materials provided and his continued community involvement.

Duane Bannock addressed the Council in support of Mr. Baisden's comments; and urged the Council to address residential property taxes through Council action.

James Harpring addressed the Council in support of Mr. Baisden's comments; recommended consideration for an outside consultant who could offer unbiased analysis and additional options.

A City Council work session to discuss residential property tax exemptions was scheduled for August 19, 2026, at 4:00 p.m.

E. PUBLIC HEARINGS

1. Ordinance No. 3534-2026 - Amending Kenai Municipal Code 7.25.030 - Unbudgeted Appropriations, to Allow the City Manager to Appropriate Donations and Grants Under Ten Thousand Dollars. (Askin, Grieme)

MOTION:

Council Member Daniel **MOVED** to enact Ordinance No. 3534-2026. Council Member Grieme **SECONDED** the motion.

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

It was reported the intent of the ordinance was to streamline the process of accepting donations and grants by reducing the amount of Council and staff time required for routine approval items.

There was discussion regarding maintaining a process that kept the Council and public informed about donations and grants received; and procedures moving forward were discussed.

MOTION TO AMEND:

Council Member Daniel **MOVED** to amend the Ordinance No. 3534-2026 as follows:

Title to read, "An Ordinance Amending Kenai Municipal Code 7.25.030 - Unbudgeted Appropriations, to Allow the City Manager to Appropriate Donations and Grants [UNDER] of Ten Thousand Dollars or Less."

Third whereas clause to read, "amending KMC 7.25.030 to allow the City Manager to appropriate grants and donations [UNDER] of \$10,000 or less will reduce administrative effort in legislative preparation, streamline council meetings, and allow for greater efficiency in appropriating grants and donations by eliminating the typical two meeting ordinance process; and,"

Section 1., to read, "For any expenditures not provided an authorization in the budget for the fiscal year, except as provided below, the Council shall authorize such expenditures by ordinance, making the required appropriation. For donations and grants to the City or any of its departments [UNDER] of ten thousand dollars or less, the Council conditionally delegates its appropriation authority to the City Manager, who will report all such intended appropriations to the Council at a Council Meeting, prior to the appropriation being made, at which time any Council Member may object to the intended appropriation by the City Manager, and the appropriation will be brought to the Council at a future meeting by Ordinance. If no objection is received when presented to the Council, the City Manager may make the appropriation."

Council Member Kisenia **SECONDED** the motion.

There was discussion regarding the proposed amendment.

VOTE ON MOTION TO AMEND:

YEA: Daniel, Kisenia, Knackstedt

NAY: Grieme, Askin, Sounart

ABSENT: Pettey

MOTION TO AMEND FAILED TO PASS.

VOTE ON MAIN MOTION:

YEA: Grieme, Askin, Kisenia, Sounart, Knackstedt, Daniel

NAY: None

ABSENT: Pettey

**Student Representative Bolling: Yea

MAIN MOTION PASSED.

[Clerk's Note: Council Member Sounart arrived in Council Chambers at 6:46 p.m.]

2. **Ordinance No. 3535-2026** - Removing Public Purpose Designations on Kenai Peninsula Borough Parcel Numbers 04711308, 04711309, 04711310, 04711311, 04711312, and 04108003, to Accommodate Disposal Recommendations in the City of Kenai Land Management Plan. (Administration)

MOTION:

Council Member Daniel **MOVED** to enact Ordinance No. 3535-2026. Council Member Kisenia **SECONDED** the motion.

Mayor Knackstedt opened the floor for public comments. 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. 3535-2026 was provided; and clarification was provided regarding types of buildings allowed the Central Commercial Zoning District.

VOTE:

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

NAY: None

ABSENT: Pettey

**Student Representative Bolling: Yea

MOTION PASSED.

3. **Ordinance No. 3536-2026** - Increasing Estimated Revenues and Appropriations in the Municipal Roadway Improvement Capital Fund for the Partial Construction of Water, Sewer and Sixth Street, accepting a US Department of Housing and Urban Development Community Development Block Grant Passed Through the State of Alaska Department of Commerce, Community, and Economic Development and Accepting Funding from the Kenai Peninsula Housing Initiative. (Administration) [KMC 1.15.070(d)]

1. Motion for Introduction
2. Motion for Second Reading (Requires a Unanimous Vote)
3. Motion for Enactment (Requires Five Affirmative Votes)

MOTION:

Council Member Daniel **MOVED** to introduce Ordinance No. 3536-2026. Council Member Sounart **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to introduce.

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

MOTION:

Council Member Daniel **MOVED** to conduct the second reading on Ordinance No. 3536-2026. Council Member Kisen **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to conduct the second reading.

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

MOTION:

Council Member Daniel **MOVED** to enact Ordinance No. 3536-2026. Council Member Sounart **SECONDED** the motion.

Mayor Knackstedt opened the floor for public comments. 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. 3536-2026 was provided.

MOTION TO AMEND:

Council Member Daniel **MOVED** to amend Ordinance No. 3536-2026 as follows:

Section 3., to read, "That estimated revenues and appropriations be increased as follows:

Municipal Roadway Improvement Capital Project Fund:

Increase Estimated Revenues:

Federal Grant

\$525,000

Donation

250,000

\$(725,000) 775,000

Increase Appropriations –

Council Member Sounart **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: Kisenia, Sounart, Knackstedt, Daniel, Grieme, Askin

NAY: None

ABSENT: Pettey

**Student Representative Bolling: Yea

MAIN MOTION AS AMENDED PASSED.

4. **Resolution No. 2026-54** - Authorizing a Contract to Purchase Computer Equipment.
(Administration)

MOTION:

Council Member Daniel **MOVED** to adopt Resolution No. 2026-54. Council Member Sounart **SECONDED** the motion.

Mayor Knackstedt opened the floor for public comments. 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 July 8, 2026. (City Clerk)

Approved by the consent agenda.

G. UNFINISHED BUSINESS - None.

H. NEW BUSINESS

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

Approved by the consent agenda.

2. ***Ordinance No. 3537-2026** - Increasing Estimated Fiscal Year 2026 Revenues and Appropriations in the General Fund - Police Department and Accepting a Grant from the US Department of Transportation Passed Through the State of Alaska Department of Transportation and Public Facilities for Traffic Enforcement Overtime Expenditures. (Administration)

Introduced by the consent agenda and Public Hearing set for August 19, 2026.

3. ***Ordinance No. 3538-2026** - Increasing Estimated Fiscal Year 2026 Revenues and Appropriations in the General Fund - Police Department and Accepting a Grant from the Alaska High Intensity Drug Trafficking Area for Drug Investigation Overtime Expenditures. (Administration)

Introduced by the consent agenda and Public Hearing set for August 19, 2026.

4. ***Ordinance No. 3539-2026** - Amending Kenai Municipal Code Section 14.20.030 - Establishment of Zones and Official Map to Add Airport Light Industrial. (Administration)

Introduced by the consent agenda and Public Hearing set for August 19, 2026.

5. ***Ordinance No. 3540-2026** - Accepting and Appropriating a Gift Distribution from Meals on Wheels of America to the Kenai Senior Center. (Administration)

Introduced by the consent agenda and Public Hearing set for August 19, 2026.

6. ***Ordinance No. 3541-2026** - Amending the Official Zoning Map by Rezoning of Parcels 04923002, 04923003, and 04923004 with Physical Addresses of 5940 & 5968 Kenai Spur Highway and 220 N. Fern Street, from Limited Commercial (LC) to Rural Residential (RR). (Administration)

[Clerk's Note: Ordinance No. 3541-2026 was removed from the agenda during the approval of the agenda.]

I. COMMISSION / COMMITTEE REPORTS

1. Council on Aging Commission

Vice Mayor Askin reported on the July 9, 2026 meeting; next meeting is September 10, 2026.

2. Airport Commission

No report, the next meeting is canceled.

3. Parks and Recreation Commission

No report, a Work Session - Tour is scheduled for August 27, 2026.

4. Planning and Zoning Commission

No report, the next meeting is August 12, 2026.

5. Beautification Commission

No report, a Work Session - Tour is scheduled for August 11, 2026.

J. REPORT OF THE MAYOR

Mayor Knackstedt reported on the following:

- Welcomed Ryan Coleman as the new Chief of Police.
- Participating by grilling hot dogs the Kenai Peninsula Food Bank community food drive event at the Kenai Oilers baseball game.
- Noted the economical challenges affecting commercial fisherman due to the poor salmon run.

K. ADMINISTRATION REPORTS

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

- Staffing update: Airport Manager Rick Johnson will Start September 14; welcomed new staff members Peter Raypold Controller, Seth Ballantyne Police Officer and John Burton as Utility Operator; promotion of Justin Wik to Lead Utility Operator; and listed vacant positions.
- Request for Proposal was issued for the City's first five-year strategic plan.
- Meetings attended:
 - Alaska Housing Finance Corporation to discuss housing development opportunities
 - Statewide scenario planning evaluation discussion included Kenai Municipal Airport as a potential forward location.
 - Kenai Peninsula Borough School District to discuss a funding request related to operation of Kenai Central High School pool.

- City is eligible for a 1.46 million from the Alaska Drinking Water Fund, this would be a 100 percent forgivable loan.
 - Personal Use Fisher concluded on July 31, revenues were expected to be within one to two percent of budget.
 - Recognized the Salmon Frenzy volunteers and the Kenai Central High School Ski Team for their assistance with traffic control and cleanup.
 - Summer reading program was successful.
 - Upcoming events: City online surplus auction and Kenai area wide Old Timers Luncheon hosted by the Kenai Senior Center.
2. City Attorney - No report.
 3. City Clerk - City Clerk Saner reported on the following:
 - Upcoming election deadlines; candidate packets for City Offices were available; and absentee voting in the Primary was being held at the Kenai Mall.
 - Leif Hansen memorial walkway maps have been added to the Leif Hansen Memorial Park webpage.

L. ADDITIONAL PUBLIC COMMENTS

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

Student Representative Bolling congratulated Chief Coleman and reminded everyone that school starts on August 19, 2026.

Council Member Daniel congratulated Chief Coleman and stated his appreciation for Mr. Baisden and Bannock for bringing the personal property tax exemption matter to the Council.

Council Member Sounart congratulated Chief Coleman and thanked Mr. Baisden and Bannock.

Vice Mayor Askin congratulated Chief Coleman and thanked Mr. Baisden and Bannock.

Council Member Grieme congratulated Chief Coleman and thanked his family for supporting him in his career; reminded everyone the summer reading program is ending; and noted attending the Kenai, Soldotna and Nikiski parades.

Council Member Kisenia congratulated Chief Coleman and stated it was nice to be back.

M. EXECUTIVE SESSION - None.

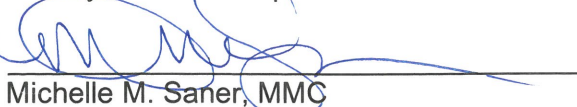
N. PENDING ITEMS - None.

O. ADJOURNMENT

P. INFORMATIONAL ITEMS - None.

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

I certify the above represents accurate minutes of the Kenai City Council meeting of August 5, 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.*