

**KENAI CITY COUNCIL – REGULAR MEETING
SEPTEMBER 2, 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 September 2, 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	Victoria Askin, Vice Mayor
Sovala Kisena	Bridget Grieme
Glenese Pettey	Deborah Sounart (<i>remote participation</i>)
Phil Daniel	

A quorum was present.

Also in attendance were:

Scott Bloom, City Attorney
Kevin Buettner, Planning Director (*remote participation*)
Lee Frey, Public Works Director
Ryan Coleman, Police Chief
Shellie Saner, City Clerk
Logan Parks, Deputy 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. 3542-2026 <ul style="list-style-type: none">• Public Comments |
| Add to item E.3. | Public Hearing - Resolution No. 2026-59 <ul style="list-style-type: none">• Request to Postpone Indefinitely |
| Add to item E.4. | Public Hearing - Resolution No. 2026-60 <ul style="list-style-type: none">• Resolution No. 2026-60 (Substitution) |

[Clerk's Note: Agenda item H. 2. Ordinance No. 3544-2026 was added to the Consent Agenda.]

MOTION:

Vice Mayor Askin **MOVED** to approve the agenda and consent agenda with the requested revisions. Council Member Daniel **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 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 - None.

E. PUBLIC HEARINGS

- 1. Ordinance No. 3542-2026** - Providing for the Submission to the Qualified Voters of the City of Kenai, at the Regular Election to be Held on November 3, 2026, the Question of Enacting Kenai Municipal Code, Section 7.05.031- Residential Property Tax Exemption, to Establish a Residential Property Tax Exemption in the Amount of \$75,000. (Knackstedt, Kisená)

MOTION:

Vice Mayor Askin **MOVED** to enact Ordinance No. 3542-2026. Council Member Daniel **SECONDED** the motion.

Mayor Knackstedt opened the floor for public comment.

Duane Bannock addressed the Council in support of Ordinance No. 3542-2026, noting the potential financial benefit of the proposed property tax exemption to homeowners, particularly young families and first-time homeowners; and supported increasing senior citizen and disabled property tax exemptions to align with those offered by the Kenai Peninsula Borough and indicated his intent to bring those proposals forward for future consideration.

Jim Butler addressed the Council in support of Ordinance No. 3542-2026, noting the proposed property tax exemption would provide an incentive for homeownership and investment in the community, particularly for young families choosing to reside in Kenai.

John Ulen addressed the Council in support of Ordinance No. 3542-2026, noting the proposed property tax exemption would provide an incentive for young families to reside in Kenai.

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

There was discussion regarding describing the proposed property tax exemption as an incentive; clarification was provided that Alaska Statute defines the provision as an exemption and that incentive language could be incorporated into a whereas clause.

MOTION TO AMEND:

Vice Mayor Askin **MOVED** to amend Ordinance No. 3542-2026 as follows:

Sixth whereas clause to read, "an estimated [1,435] 1,421 property owners will be eligible for the proposed exemption exempting an estimated [\$101,655,600] \$99,743,700 in property value, including \$3,346,500 of disabled veteran exemptions (49), [\$35,037,400] \$36,221,900 of senior exemptions [(533)] (551), and [\$63,271,700] \$60,175,300 of eligible property exemptions that do not qualify for the senior or disabled veteran exemption [(853)] 821; and,"

Seventh whereas clause to read, "the total financial impact to the City, at its current tax rate of 4.35 mills, is estimated to be [\$442,202] 433,855 annually with the maximum savings to an individual property owner of \$326.25 annually; and,"

Council Member Daniel **SECONDED** the motion to amend.

UNANIMOUS CONSENT was requested on the motion to amend.

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

MOTION TO AMEND:

Council Member Danie **MOVED** to amend Ordinance No. 3542-2026 as follows:

Section 3, Fiscal Impact paragraph to read, "Eligible property owners could see up to a \$326.25 a reduction in their annual property tax liability due to a portion of their permanent place of residence assessed value being exempt from taxation. If approved, an estimated 1,421 property owners may be eligible, resulting in the exemption of \$99,743,700 in property from taxation and reducing the City of Kenai's real property tax revenue by \$433,885 annually based on the City's currently adopted mill rate of 4.35."

Council Member Petty **SECONDED** the motion to amend.

UNANIMOUS CONSENT was requested on the motion to amend.

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

[Clerk's Note: There was a 10 minute recess.]

MOTION TO AMEND:

Council Member Petty **MOVED** to amend Ordinance No. 3542-2026 as follows:

Eighth whereas clause to read, "Whereas, it is intended that this exemption if approved by the voters incentivizes primary home ownership in Kenai; and,"

Vice Mayor Askin **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, Daniel, Grieme, Askin, Petty, Kisen, Sounart

NAY: None

MAIN MOTION AS AMENDED PASSED.

2. **Ordinance No. 3543-2026** - Increasing Estimated Revenues and Appropriations in the Airport Improvements Capital Project Fund and Accepting a Grant From the Federal Aviation Administration and Awarding a Contract for the Airport Perimeter and Security Fence Project. (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:

Vice Mayor Askin **MOVED** to introduce Ordinance No. 3543-2026. Council Member Grieme **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to introduce.

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

MOTION:

Council Member Petty **MOVED** to conduct the second reading on Ordinance No. 3543-2026. Vice Mayor Askin **SECONDED** the motion.

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

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

MOTION:

Vice Mayor Askin **MOVED** to enact Ordinance No. 3543-2026. Council Member Petty **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. 3543-2026 was provided.

Clarification was provided regarding the project cost difference; previously appropriated design funding; construction administration and administrative costs; and that a future resolution would be brought forward to approve the contract.

VOTE:

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

NAY: None

MOTION PASSED.

3. Resolution No. 2026-59 - Authorizing a Contract Award for the Sixth Street Construction Project. (Administration)

MOTION:

Vice Mayor Askin **MOVED** to adopt Resolution No. 2026-59. Council Member Daniel **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 requesting postponement indefinitely was provided.

MOTION:

Vice Mayor Askin **MOVED** to postpone Resolution No. 2026-59 indefinitely. Council Member Pettey **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to postpone indefinitely.

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

4. Resolution No. 2026-60 - Authorizing a Contract Award for the Strategic Plan Consulting Services. (Administration)

MOTION:

Vice Mayor Askin **MOVED** to adopt Resolution No. 2026-60. Council Member Daniel **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.

MOTION:

Vice Mayor Askin **MOVED** to amend Resolution No. 2026-60 by Substitution Resolution No. 2026-60. Council Member Daniel **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to amend by Substitution.

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

A summary overview of the memorandum as attached to Resolution No. 2026-60 Substitute was provided.

UNANIMOUS CONSENT was requested the substitute.

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

MOTION PASSED.

F. MINUTES

1. *Regular Meeting of August 19, 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. 3544-2026** - Amending Kenai Municipal Code Chapter 1.56 Kenai Municipal Library Department, Removing the Library Regulations from the Appendices of Kenai Municipal Code, and Amending the City of Kenai Schedule of Rates, Changes, and Fees for Housekeeping Purposes and to Align the Library with Other City Departments. (Administration)

Approved by the consent agenda.

[Clerk's Note: Ordinance No. 3544-2026 was added to the consent agenda.]

I. COMMISSION / COMMITTEE REPORTS

1. Council on Aging Commission

No report, next meeting September 10, 2026.

2. Airport Commission

No report, next meeting September 10, 2026.

3. Parks and Recreation Commission

Council Member Grieme reported on the August 27, 2026 Work Session Tour, next meeting September 3, 2026.

4. Planning and Zoning Commission

Vice Mayor Askin reported on the August 26, 2026 meeting, next meeting September 9, 2026.

5. Beautification Commission

No report, next meeting September 8, 2026.

J. REPORT OF THE MAYOR

Mayor Knackstedt reported on the following:

- Met with ENSTAR President John Sims regarding natural gas supply concerns and the potential for shortages during the upcoming winter.
- Attended the Kenai Peninsula Food Bank Soup Supper fundraiser; Industry Appreciation Day; and the Old Timers Luncheon.
- The 2026 Kenai Silver Salmon Derby was cancelled.

K. ADMINISTRATION REPORTS

1. City Manager - Acting City Manager Frey reported on the following:
 - Welcomed new firefighter Malena Grieme, and new janitors Mathyas Smith and Ellis Notmeyer.
 - Congratulated Branden Skinner on his promotion to Lead Operator and Animal Control Chief Ian Braman on his selection as President of the Alaska Animal Control Association Board.
 - Provided an update on open recruitment.
 - Wildwood Drive repave was preliminary scheduled for late September.
 - Provided an update on the Small Community Air Service Development Grant application.
 - The Kenai Silver Salmon Derby would not be held in 2026 and was anticipated to return in 2027.
 - The annual public surplus auction was completed and a second auction would be held for remaining items.
2. City Attorney - No report.
3. City Clerk - City Clerk Saner reported on the following:
 - Alaska Municipal League Annual Conference in December.
 - Mobile Food Vendor webpage and application have been updated.
 - Candidate filing period updates for Kenai and surrounding communities.

L. ADDITIONAL PUBLIC COMMENTS

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

Duane Bannock addressed the Council with appreciation for their action and unanimous support for Ordinance No. 3542-2026 and he indicated support for any additional public informational work session the City may choose to hold on the subject.

2. Council Comments

Council Member Kisenia appreciated public participation and the respectful exchange of differing opinions.

Council Member Sounart wished everyone well.

Council Member Daniel reminded motorists to watch for children as the school year begins.

Council Member Grieme recognized National Library Card Month and encouraged community members to get their library card.

Council Member Pettey stated her appreciation for the opportunity to serve and represent the community.

Vice Mayor Askin reported attending Industry Appreciation Day and the Food Bank fundraiser.

M. EXECUTIVE SESSION - None.

N. PENDING ITEMS

O. ADJOURNMENT

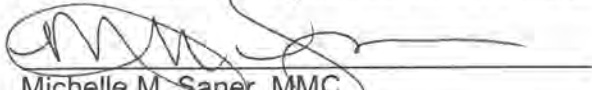
P. INFORMATIONAL ITEMS - None.

There being no further business before the Council, the meeting was adjourned at 7:20 p.m.

P. INFORMATIONAL ITEMS - None.

There being no further business before the Council, the meeting was adjourned at 7:20 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of September 2, 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.*