

**KENAI CITY COUNCIL – REGULAR MEETING
JUNE 19, 2019 – 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 19, 2019, 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	Robert Molloy (absent)
Henry Knackstedt	Tim Navarre
Jim Glendening	Robert Peterkin
Glenese Pettey	

A quorum was present.

Also in attendance were:

Paul Ostrander, City Manager
Scott Bloom, City Attorney
Jamie Heinz, City Clerk

3. Agenda Approval

Mayor Gabriel noted the following revisions to the packet:

Add to item D.8.	Resolution No. 2019-41 <ul style="list-style-type: none">• Exhibit A – Fee Schedule
Add to item J.1.	City Manager's Report <ul style="list-style-type: none">• Public Works Midmonth Report

MOTION:

Council Member Knackstedt **MOVED** to approve the agenda with the requested revisions to the packet and Council Member Glendening **SECONDED** the motion.

MOTION TO AMEND:

Vice Mayor Navarre **MOVED** to amend the agenda by adding an Executive Session item entitled, "Discussion of Kenai Visitor Center Management a Matter of Which the Immediate Knowledge may have an Adverse Effect upon the Finances of the City [AS44.62.310(c)(1)]" and requested **UNANIMOUS CONSENT**. Council Member Glendening **SECONDED** the motion.

VOTE ON THE MOTION TO AMEND: There being no objections, **SO ORDERED**.

UNANIMOUS CONSENT was requested on the main motion.

VOTE ON THE MAIN MOTION: There being no objections, **SO ORDERED**.

4. Consent Agenda

MOTION:

Council Member Knackstedt **MOVED** to approve the consent agenda and requested **UNANIMOUS CONSENT**. Vice Mayor Navarre **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: There being no objections, **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 PUBLIC COMMENTS – None

C. UNSCHEDULED PUBLIC COMMENTS

Jodi Stuart provided an update on the dog park noting the area within Daubenspeck Park had been cleared and the buffer left between the cleared area and the parking area would be limbed in the near future. She also noted that they would be getting help to remove stumps soon and then holding an open house.

D. PUBLIC HEARINGS

1. **Ordinance No. 3069-2019** – Appropriating FY2019 Budgeted Funds for Municipal Roadway Improvements in the Municipal Roadway Improvements Capital Project Fund for Future Roadway Projects. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3069-2019 and Council Member Peterkin **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

Clarification was provided the projects would begin in the coming weeks.

VOTE:

YEA: Knackstedt, Glendening, Pettey, Navarre, Peterkin, Gabriel
NAY:

MOTION PASSED UNANIMOUSLY.

2. **Ordinance No. 3070-2019** – Authorizing a Budget Transfer in the General Fund, Decreasing Estimated Revenues and Appropriations in the Senior Citizen Special Revenue Fund and Appropriating FY2019 Budgeted Amounts in the Senior Center Improvement Capital Project Fund for Carpet Replacement. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3070-2019 and Council Member Glendening **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

VOTE:

YEA: Knackstedt, Glendening, Pettey, Navarre, Peterkin, Gabriel
NAY:

MOTION PASSED UNANIMOUSLY.

3. **Ordinance No. 3071-2019** – Increasing Estimated Revenues and Appropriations in the General, Airport Special Revenue, Personal Use Fishery Special Revenue, and Senior Citizen Special Revenue Funds; Authorizing the Binding of Insurance Coverage for the City for the Period of July 1, 2019 through June 30, 2020; and Authorizing Execution of a Three-Year Agreement for Insurance Coverage. (Administration)
 - a. Motion for Introduction
 - b. Motion for Second Reading (Requires a Unanimous Vote)
 - c. Motion for Adoption (Requires Five Affirmative Votes)

MOTION FOR INTRODUCTION:

Vice Mayor Navarre **MOVED** to introduce Ordinance No. 3071-2019 and Council Member Peterkin **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

VOTE ON INTRODUCTION:

YEA: Knackstedt, Glendening, Pettey, Navarre, Peterkin, Gabriel
NAY:

MOTION PASSED UNANIMOUSLY.

MOTION FOR SECOND READING:

Vice Mayor Navarre **MOVED** to hold the second reading on Ordinance No. 3071-2019 and Council Member Glendening **SECONDED** the motion

VOTE ON SECOND READING:

YEA: Knackstedt, Glendening, Pettey, Navarre, Peterkin, Gabriel
NAY:

MOTION PASSED UNANIMOUSLY.

MOTION FOR ENACTMENT:

Vice Mayor Navarre **MOVED** to enact Ordinance No. 3071-2019 and Council Member Glendening **SECONDED** the motion

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

MOTION TO AMEND:

Council Member Knackstedt **MOVED** to amend by deleting Airport Special Revenue Fund Estimated Revenues and Appropriations and associated amounts within Section 1 and Council Member Glendening **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

VOTE ON THE AMENDMENT: There being no objections, **SO ORDERED.**

MOTION TO AMEND:

Council Member Knackstedt **MOVED** to amend by deleting "Airport Special Revenue," in the title and Council Member Pettey **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

VOTE ON THE AMENDMENT: There being no objections, **SO ORDERED.**

VOTE ON MOTION TO ENACT AS AMENDED:

YEA: Knackstedt, Glendening, Pettey, Navarre, Peterkin, Gabriel
NAY:

MOTION PASSED UNANIMOUSLY.

4. **Resolution No. 2019-37** – Authorizing the City Manager to Enter Into an Automated Teller Machine (ATM) Concession for the Kenai Municipal Airport. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2019-37 and requested **UNANIMOUS CONSENT**. Council Member Peterkin **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

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

5. **Resolution No. 2019-38** – Amending City Council Policy 2017-01, Procedures for the Use and Management of City Issued Mobile Devices, to Provide Procedures for Planning and Zoning Commission Use and Make Other Housekeeping Amendments. (Council Member Knackstedt)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2019-38 and Council Member Glendening **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

It was noted that the Planning and Zoning Commission had requested devices to be able to go paperless and clarification was provided that the amendments to the policy provided for the Planning and Zoning Commission to be issued mobile devices for their use.

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

6. **Resolution No. 2019-39** – Authorizing the Transfer of Funds from the General Fund Library Department to the General Fund Buildings Department; and Authorizing the Issuance of a Purchase Order in the Amount of \$16,795.00 for the Replacement of ADA Automatic Door Operators at the Library. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2019-39 and Council Member Glendening **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

Clarification was provided that the transfer was to affect the FY2019 budget and that the failing operations of the door were potentially due to weather.

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

7. **Resolution No. 2019-40** – Authorizing a Budget Transfer in the General Fund – Police Department for the Purchase of a Forensic Investigation Tool. (Administration)

MOTION:

Council Member Glendening **MOVED** to adopt Resolution No. 2019-40 and Council Member Peterkin **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

Clarification was provided that an ordinance had been enacted at the June 5th meeting appropriating the funds in the FY2019 budget, however, the funds were needed in a different account based on the cost of the tool which was why the resolution transferring the funds was necessary.

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

8. **Resolution No. 2019-41** – Authorizing a Facility Management Agreement with the Boys & Girls Club of the Kenai Peninsula, Inc. for the Operation and Management of the Kenai Recreation Center in the Amount of \$130,000 Per Year. (Administration)

MOTION:

Council Member Glendening **MOVED** to adopt Resolution No. 2019-41 and Council Member Knackstedt **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

Clarification was provided that there were some changes proposed to the specific performance requirements of the agreement relating to hours of operations on Sundays, the need for a deposit for after-prom and after-graduation activities, and the need to add Boys and Girls Club Activities.

MOTION TO AMEND:

Council Member Knackstedt **MOVED** to amend Section 1 of the resolution to read, "That the Kenai City Council authorizes the City Manager to execute a Facility Management Agreement with the Boys & Girls Club of the Kenai Peninsula, Inc., similar to the attached agreement," and Council Member Pettet **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

VOTE TO AMEND: There being no objection, **SO ORDERED.**

UNANIMOUS CONSENT was requested on the main motion as amended.

VOTE ON THE MAIN MOTION AS AMENDED: There being no objection, **SO ORDERED.**

9. **Resolution No. 2019-42** – Awarding an Agreement for Providing and Servicing Portable Restrooms and Dumpsters on the North and South Kenai Beaches, Including Portable Restrooms at the City Dock, During the 2019 Personal Use Fishery. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2019-42 and Council Member Glendening **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

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

10. **Resolution No. 2019-43** – Awarding An Agreement For Providing And Servicing Road Accessible Dumpsters At The End Of South Spruce Street, Kenai Little League Parking Lot And Kenai City Dock During The 2019 Personal Use Fishery. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2019-43 and requested **UNANIMOUS CONSENT**. Council Member Glendening **SECONDED** the motion.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

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

11. **Resolution No. 2019-44** – Supporting Kenai Peninsula Borough Ordinance 2019-11, Repealing KPB 5.18.430(F) which Requires Voter Approval to Increase the Sales Tax Cap. (Vice Mayor Navarre)

MOTION:

Vice Mayor Navarre **MOVED** to adopt Resolution No. 2019-44. Council Member Knackstedt **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

Mayor Gabriel opened for public hearing; there being no one wishing to be heard, the public hearing was closed.

There was objection to unanimous consent.

The sponsor noted that after the joint work session with the Kenai Peninsula Borough Assembly he requested the resolution and asked for support. He pointed out the only option for the Kenai Peninsula Borough to increase revenue was to increase property tax and removal of the tax cap expanded ways to increase revenues.

It was suggested it was reasonable for the tax cap dollar amount to increase given changes in the cost of living since the tax cap had been in place.

It was noted the matter affected residents of the City that paid property taxes and the ability to increase the sales tax cap closed the gap more evenly as non-residents would be helping.

VOTE:

YEA: Knackstedt, Glendening, Pettey, Navarre, Gabriel
NAY: Peterkin

MOTION PASSED.

E. MINUTES

1. *Regular Meeting of May 15, 2019

Approved by the consent agenda.

2. *Regular Meeting of June 5, 2019

Approved by the consent agenda.

F. UNFINISHED BUSINESS

1. **Ordinance No. 3068-2019** – Amending Kenai Municipal Code 14.20.320- Definitions and 14.20.330- Standards for Commercial Marijuana Establishments to Prohibit Onsite Consumption of Marijuana at Retail Marijuana Stores Requiring an Onsite Consumption Endorsement. (Council Members Pettey and Glendening)

[Clerk's Note: This Item was Postponed from the June 5 Meeting to This Meeting; A Motion to Enact is On the Floor]

- **Substitute Ordinance No. 3068-2019** – Amending Kenai Municipal Code 14.20.320 – Definitions, and Implementing a Moratorium Prohibiting Onsite Consumption of Marijuana at Retail Marijuana Stores Requiring an Onsite Consumption Endorsement Until July 1, 2021.

A history of the onsite consumption provisions enacted by the state, the failed City ordinance containing provisions for the City, and the proposed ordinance to prohibit onsite consumption was provided. It was noted local police officers expressed public safety concerns and concerns with the inability to test for driving under the influence. It was suggested the ordinance protected public safety and public health and supported quality of life in the City.

It was suggested that current needs of the industry were being met and no need had been expressed to necessitate providing for onsite consumption.

MOTION TO AMEND:

Vice Mayor Navarre **MOVED** to amend by Substitute Ordinance No. 3068-2019. The motion failed for lack of a second.

It was reiterated a need in the industry could not be substantiated and exorbitant fees and requirements to provide onsite consumption were pointed out.

It was suggested things would change as others around the state provided for onsite consumption and a moratorium would allow the City to flex with changes.

There was concern with the message allowing for onsite consumption sent to youth.

VOTE ON THE MAIN MOTION:

YEA: Knackstedt, Glendening, Pettey, Navarre, Gabriel
NAY: Peterkin

MOTION PASSED.

G. NEW BUSINESS

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

Approved by the consent agenda.

2. ***Action/Approval** – Purchase Orders Over \$15,000. (Administration)

Approved by the consent agenda.

3. ***Action/Approval** – Non-Objection to the Renewal of a Marijuana Retail Store License for Cook Inlet Cannabis Company, D/B/A East Rip. (City Clerk)

Approved by the consent agenda.

4. ***Action/Approval** – Special Use Permit to Alaska Air Fuel, Inc. for Aircraft Loading and Parking on the Apron. (Administration)

Approved by the consent agenda.

5. ***Action/Approval** – Special Use Permit to Crowley Fuels, LLC for Aircraft Loading and Parking on the Apron. (Administration)

Approved by the consent agenda.

6. ***Action/Approval** – Special Use Permit to Empire Airlines, Inc. for Aircraft Parking on the Apron. (Administration)

Approved by the consent agenda.

7. ***Action/Approval** – Special Use Permit to Everts Air Fuel, Inc. for Aircraft Loading and Parking on the Apron. (Administration)

Approved by the consent agenda.

8. ***Action/Approval** – Special Use Permit to United Parcel Service Company for Aircraft Loading and Parking on the Apron. (Administration)

Approved by the consent agenda.

9. **Action/Approval** – Special Use Permit to James Doyle d/b/a Weaver Brothers for Truck and Trailer Storage. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to approve a Special Use Permit to James Doyle d/b/a Weaver Brothers for truck and trailer storage and requested **UNANIMOUS CONSENT**. Council Member Peterkin **SECONDED** the motion.

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

10. **Action/Approval** – Special Use Permit to Alaska Salmon Fertilizer for Filet Services to Collect Fish Cleaning Waste. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to approve a Special Use Permit to Alaska Salmon Fertilizer for filet services to collect fish cleaning waste and requested **UNANIMOUS CONSENT**. Council Member Glendening **SECONDED** the motion.

It was noted the sanitary filleting of fish and the use of wastes was a win-win for the City and dipnet fishery users.

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

11. **Action/Approval** – Confirm Mayoral Nomination for Recommendation of City of Kenai Representative to Kenai Peninsula Borough Planning and Zoning Commission. (Mayor Gabriel)

MOTION:

Council Member Glendening **MOVED** to confirm the Mayor's nomination of Diane Fikes for recommendation for the City of Kenai Representative to Kenai Peninsula Borough Planning and Zoning Commission and requested **UNANIMOUS CONSENT**. Council Member Knackstedt **SECONDED** the motion.

Appreciation was expressed for Ms. Fikes' willingness to serve in this way.

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

12. **Discussion** – Land Sale and Leasing Policies and Procedures. (Administration)

City Manager Ostrander noted the information provided was a lot to digest and administration wanted to provide an opportunity to discuss and ask questions; he added the overall Land Management Plan was expected to be developed by Winter 2020.

It was suggested contours be provided for creeks or ravines as a layer to turn on and off in the geographic information system software to help show those features.

Appreciation was expressed for the work put into the policies and procedures to provide clarity for residents and business owners. It was suggested some subdivisions and a business park be created to be put on the market.

It was noted Council wanted to see the project move forward on the proposed trajectory.

Gratitude was expressed for the amount of work and diligence on the project.

H. COMMISSION/COMMITTEE REPORTS

1. Council on Aging – It was reported the Council heard about satisfaction survey results, grant filings, and project updates at their June 13 meeting; next meeting July 11.

2. Airport Commission – It was reported the Commission heard an update on the Terminal Renovation Project, discussed the condition of Willow Street, and heard an update regarding the Kenai Peninsula Air Fair; next meeting July 11.
3. Harbor Commission – It was reported the Commission recommended priorities for the Capital Improvement Projects associated with the Harbor; next meeting August 12.
4. Parks and Recreation Commission – No report; next meeting August 1.
5. Planning and Zoning Commission – It was reported that at their June 12 meeting the Commission approved a Conditional Use Permit for extraction of gravel, approved the transfer of two Conditional Use Permits for the same applicant due to a name change for hotel and guide services, and recommended the City Planner send a letter to a developer for a one time extension to finalize their plat; next meeting June 26.
6. Beautification Committee – No report; next meeting September 10.
7. Mini-Grant Steering Committee – No report.

I. REPORT OF THE MAYOR

Mayor Gabriel reported on the following:

- Attended the Historical Buildings of Kenai Art Show.
- Attended the Kenai Peninsula Air Fair noting he delivered a military appreciation proclamation at the event;
- Attended the inaugural Kite Festival noting the community involvement to make it successful;
- Commended Allie Ostrander on her third straight national championship in steeplechase in addition to a record she set;
- Provided a reminder of the upcoming Fourth of July parade.

J. ADMINISTRATION REPORTS

1. City Manager – P. Ostrander reported on the following:
 - Toured homeless camps with Kenai Police Department;
 - Noted new restrictions at the library addressing people who made the facility uncomfortable for residents and families;
 - A new fire engine was being built and a change order issued; expected delivery later this year;
 - Design of the Alaska Regional Fire Training Facility was on schedule with expected completion July 31.
 - Issued a temporary Certificate of Occupancy for Coming Attractions Theater;
 - The City was assisting the community group with the driveway and some cleanup of mulch and debris at the dog park;
 - Developed a method to get cranes at the dock operational this summer;
 - Work ongoing with the Corps of Engineers to provide funding for the design work to ensure the project continued moving forward.
2. City Attorney – No Report.

3. City Clerk – J. Heinz reported on training recently attended.

K. ADDITIONAL PUBLIC COMMENT

1. Citizens Comments (*Public comment limited to five (5) minutes per speaker*)

Al Weeks thanked the City Council members for their service and devotion to the City suggesting that even if residents did not attend meetings, it was not because they did not care. He noted he informs his congregation of items of importance to them. He also expressed gratitude to the sponsors of the ordinance to prohibit onsite consumption for their courage. Al expressed concern about the City not treating businesses within the City equally and suggested the City was picking and choosing based on tax revenue.

Sherry Innes noted she had just returned from the Galapagos Islands and noted the many rules in place when visiting to keep the islands and wildlife safe suggesting the Council was elected to ensure the residents and the community were preserved and protected. She expressed gratitude for the adoption of the ordinance prohibiting onsite consumption.

2. Council Comments

Council Member Knackstedt wished the Deputy Clerk and her new baby well.

Vice Mayor Navarre also congratulated the Deputy Clerk and her family, congratulated the winners of the Chamber of Commerce awards.

Council Member Pettey noted it was an honor to serve on the City Council adding the longer she served the more she understood the intricacies of government and how much it took to make the City run smoothly. She added that she wanted to leave a legacy to be proud of for children and grandchildren.

Council Member Glendening noted he attended the Kenai Peninsula Air Fair, attended a recent dog park meeting, attended the Chamber of Commerce awards ceremony, attended the Kenai Historic Building art show, noted the land lease work session was very informative, and noted an upcoming event at the Elks Lodge benefitting the LeeShore Center.

Council Member Peterkin noted he attended the Chamber of Commerce Awards Luncheon and thanked the Chamber Director and Chamber Board.

L. EXECUTIVE SESSION

[Clerk's Note: This item was added during approval of the agenda.]

1. Discussion of Kenai Visitor Center Management a Matter of Which the Immediate Knowledge may have an Adverse Effect upon the Finances of the City [AS44.62.310(c)(1)].

MOTION:

Vice Mayor Navarre **MOVED** to enter into executive session to discuss the Visitor Center Management a matter of which the immediate knowledge may have an adverse effect upon the

Finances of the City [AS44.62.310(c)(1) and requested the attendance of City Manager, City Attorney, and Finance Director, as needed. Council Member Peterkin **SECONDED** the motion.

VOTE:

YEA: Knackstedt, Glendening, Pettey, Molloy, Peterkin, Navarre, Gabriel
NAY:

MOTION PASSED UNANIMOUSLY.

Council reconvened in open session, and noted for the record that they had discussed the Kenai Visitor Center management and gave administration direction.

M. **PENDING ITEMS** – None.

N. **ADJOURNMENT**

There being no further business before the Council, the meeting was adjourned at 9:41 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of June 19, 2019.



Jamie Heinz, CMC
City Clerk

