

MOTION:

Council Member Knackstedt **MOVED** to approve the consent agenda and requested **UNANIMOUS CONSENT**. Vice Mayor Molloy **SECONDED** the motion.

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

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 councilmember 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

1. **Branden Bornemann, Kenai Watershed Forum** - The Value of Non-profits in Our Community and a Highlight of the Ways in Which the Kenai Watershed Forum and the City of Kenai Have Successfully Partnered with One Another Past, Present, and Future.

Mr. Bornemann noted the value of non-profit agencies in communities in Alaska, provided a history of the Kenai Watershed Forum, and what the Forum does in the City and on the Kenai Peninsula.

2. **Jennifer LeMay, LeMay Engineering** - City of Kenai Draft Hazard Mitigation Plan Presentation.

Ms. LeMay noted her work with the City on revising the Hazard Mitigation Plan, the benefits of having a plan, and provided an overview of the project to revise the plan. She also reviewed the hazards identified as risks to the City along with mitigation goals and actions for the City.

3. **Joy Merriner, BDO Inc.** - Presentation of the FY19 City of Kenai Comprehensive Annual Financial Report.

Ms. Merriner spoke regarding the FY19 Audit Wrap-up document, the Single Audit Report, and the Comprehensive Annual Financial Report (CAFR) noting her firm, BDO, Inc., issued unmodified, clean opinions, meaning the City followed the adopted standards for governmental agencies. She noted there were a lot of grant, procurement, and reporting requirements for the federal grant for the Airport's Terminal Rehabilitation Project and reported there were no issues with those requirements. She added that the CAFR would be submitted to the Alaska Government Finance Officers Association.

C. UNSCHEDULED PUBLIC COMMENTS

Nick Miller spoke regarding internet sales tax noting small businesses use the internet to buy product that can't be purchased in Kenai or Alaska and suggesting something needed to be set in place so resale ability in the borough could be used online.

Bill Dunn spoke regarding the Hazard Mitigation Plan noting the focus of bluff erosion mitigation plan was a mile long stretch in the river and suggested the Mitigation Plan was an opportunity to provide education to the public on protecting the entire bluff. He pointed out people slid down the bluff but there was more bluff than just what the Corps of Engineers had identified. He also pointed out that in 2009, protection of the dunes near the beaches was in the Hazard Mitigation Plan and fencing was enough to discourage people from doing more damage to the dunes suggesting most people wanted to do the right thing and sometimes need a little guidance.

Hunter Beck invited Council to a spaghetti feed and auction benefitting the Students in Transition Program noting the definition of homeless as defined by the Students in Transition Program.

MOTION:

Council Member Navarre **MOVED** to donate \$250 from the Legislative Budget to the Students in Transition Program and Council Member Glendening **SECONDED** the motion.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

D. PUBLIC HEARINGS

Clerk's Note: There was no objection to item D.5. being taken up at this time.

5. **Resolution No. 2019-76** - Identifying the Projects to be Funded through State of Alaska Grant No. 15-DC-078 for Personal Use Fishery Related Improvements on North and South Beaches. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2019-76 and Vice Mayor Molloy **SECONDED** the motion.

Mayor Gabriel opened for public hearing.

Tea Winger spoke against inclusion of the campground option citing expansion, operation cost, maintenance, accessibility, and public safety concerns. She suggested the proximity to the care center, should remain secluded and recommended the matter be postponed until a site visit could be conducted; also suggested it be put out for proposal for a developer to design and/or build.

Reese Ramsdell spoke against inclusion of the campground on Spruce Street noting problems with transients, trespassing, and maintenance issues; also noted the campground would not be big enough to serve the dipnet fishery users.

There being no one else wishing to be heard, the public hearing was closed.

Clarification was provided the estimates provided were preliminary numbers and the resolution authorized pursuing additional information with an engineer's estimate, the intent to make the campground more functional was to purchase neighboring property, and phasing the project was an option.

There was discussion regarding best use of the property, the need for a campground, the cost of an engineer's estimate for the campground, alternative locations for a campground, and other projects not listed. Clarification was provided the grant funds would not be available for a campground further away from the beach.

MOTION:

Vice Mayor Molloy **MOVED** to amend Section 1 to read "that the City of Kenai identifies vault restroom construction, Little League permanent restrooms, and South Beach shack replacement as three of the projects to be funded through State of Alaska grant 15-DC-078," and Council Member Knackstedt **SECONDED** the motion.

VOTE ON THE AMENDMENT:

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

NAY:

MOTION PASSED UNANIMOUSLY.

A boardwalk project in the area of the dunes was discussed.

UNANIMOUS CONSENT was requested.

VOTE ON THE MAIN MOTION AS AMENDED: There being no objections; **SO ORDERED.**

MOTION:

Council Member Navarre **MOVED** to direct Administration to provide another recommendation at the first meeting in January and Council Member Knackstedt **SECONDED** the motion.

Clarification was provided the Harbor Commission and Parks and Recreation Commission had recommended another project.

UNANIMOUS CONSENT was requested.

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

1. **Ordinance No. 3095-2019** - Increasing Estimated Revenues and Appropriations in the General Fund – Police Department and Accepting a Grant from the Department of Justice for the Purchase of Ballistic Vests. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3095-2019 and Vice Mayor Molloy **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, Molloy, Navarre, Gabriel, Peterkin
NAY:

MOTION PASSED UNANIMOUSLY.

2. **Ordinance No. 3096-2019** - Determining that Real Property Described as Lot One (1), Aleyeska Subdivision Part 3, According to Plat No. 1531 and Lot One A (1-A), Aleyeska Subdivision Part 3, According to Plat K-1531, City-Owned Airport Land Located Outside the Airport Reserve, is not Needed for a Public Purpose and Authorizing the Sale of the Property to MITAK, LLC. (Administration)

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3096-2019 and Council Member Glendening **SECONDED** the motion.

Mayor Gabriel opened for public hearing.

Lindsay Olson noted he was present to answer questions and expressed appreciation for working with the Administration.

There being no one else wishing to be heard, the public hearing was closed.

Mr. Olson was thanked for investing in the City.

MOTION TO AMEND:

Council Member Glendening **MOVED** to amend by inserting the words, "as if vacant," in Section 3, Subsection a, after the words, "a value determined by an appraisal performed on the property," and Vice Mayor Molloy **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 replacing quitclaim with warranty in Section 4 and Vice Mayor Molloy **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

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

VOTE ON THE MAIN MOTION AS AMENDED:

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

NAY:

MOTION PASSED UNANIMOUSLY.

3. **Ordinance No. 3097-2019** - Increasing Estimated Revenues and Appropriations in the Terminal Improvements Capital Fund, and Authorizing an Increase to the Construction Purchase Order to Blazy Construction, Inc. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3097-2019 and Vice Mayor Molloy **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 over \$980,000 in change orders and the FAA approved over \$800,000 of those and this ordinance appropriated the last of the reimbursement funds so they could be spent.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

4. **Resolution No. 2019-71** - Repealing Policy No. 2017-02, Supervisory Sub-Committee. (Council Member Knackstedt) *[Clerk's Note: At its November 6 meeting Council postponed this item to the December 4 meeting; a motion to adopt is on the floor.]*
 - **Substitute Resolution No. 2019-71** – Amending Council Policy 2017-02, Establishing Procedures and Responsibilities of the Sub-Committee of Council for the Supervision of the City Attorney, City Clerk, and City Manager for Improved Efficiency. (Council Members Knackstedt and Navarre)

Clarification was provided the resolution was brought forth because the subcommittee hadn't been meeting the requirements of the policy and it was thought to eliminate it.

It was pointed out that in the past employees had met individually with council members and discussed personnel problems and this sub-committee was a mechanism for Council to meet with its employees.

MOTION TO AMEND:

Council Member Navarre **MOVED** to amend by Substitute Resolution No. 2019-71 and Council Member Knackstedt **SECONDED** the motion.

It was noted the policy could be amended further in the future if needed but did not want to eliminate it.

There was discussion regarding communicating concerns, conflict supervision, and the entire body being involved in discussions regarding its employees.

VOTE ON THE AMENDMENT:

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

MOTION PASSED UNANIMOUSLY.

MOTION TO AMEND:

Council Member Glendening **MOVED** to amend section D – Duties, of the policy, to state, “The Supervisory Sub-Committee shall make reports to Council,” in the second paragraph and Council Member Navarre **SECONDED** the motion.

There was discussion regarding written reports on file in the Clerk’s Office and executive sessions.

The amendment motion was withdrawn.

VOTE ON THE MAIN MOTION:

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

MOTION PASSED UNANIMOUSLY.

5. **Resolution No. 2019-76** - Identifying the Projects to be Funded through State of Alaska Grant No. 15-DC-078 for Personal Use Fishery Related Improvements on North and South Beaches. (Administration)

[Clerk’s Note: This item was considered before item D.1.]

6. **Resolution No. 2019-77** - Authorizing a Sole Source Purchase Agreement for Proprietary Water Treatment Chemicals for the City’s Water Treatment Plant to Nalco, an Ecolab Company. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2019-77 and Vice Mayor Molloy **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 objections; **SO ORDERED.**

7. **Resolution No. 2019-78** - Authorizing the City Manager to Enter Into an Amended Restaurant Concession Agreement with the Kenai Municipal Airport. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2019-78 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.

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

E. MINUTES

1. *Regular Meeting of November 6, 2019 (City Clerk)

Approved by the consent agenda.

F. UNFINISHED BUSINESS – None.

G. NEW BUSINESS

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

Approved by the consent agenda.

2. ***Ordinance No. 3098-2019** - Increasing Estimated Revenues and Appropriations in the General Fund, Police Department and Amending Kenai Municipal Code Sections 23.25.040 – Appointee Compensation, 23.25.065 – Shift Differential Pay, 23.50.010 – Employee Classification, and 23.55.030 – Qualification Pay to Improve Recruitment and Retention for Police Officers and Other Eligible Employees Receiving Shift Differential Pay. (Administration)

Introduced by the consent agenda and public hearing set for December 18.

3. ***Ordinance No. 3099-2019** - Amending Kenai Municipal Code Section 23.50.010 – Employee Classification to Amend Class Titles in the Public Works Water and Sewer and Wastewater Classes.(Administration)

Introduced by the consent agenda and public hearing set for December 18.

4. ***Ordinance No. 3100-2019** - Increasing Estimated Revenues and Appropriations by \$4,786.53 in the General Fund - Police Department for Drug Investigation Overtime Expenditures. (Administration)

Introduced by the consent agenda and public hearing set for December 18.

5. **Discussion** – Old Town Kenai Signage (Council Member Knackstedt)

It was noted there were no signs on the Kenai Spur Highway directing visitors to Old Town Kenai; further noted there were businesses and sights in the area. Clarification was provided Administration was working on concepts for signage and an audio tour for the area and would bring the topic back for additional discussion in the future.

6. **Discussion** - Kenai Peninsula Borough Substitute Ordinance 2019-24 - Adopting KPB 20.80, Subdivision Private Streets and Gated Subdivisions. (Administration)

Clarification was provided the substitute ordinance was currently being considered by the Kenai Peninsula Borough Assembly and it had been postponed to give cities an opportunity to weigh in.

The necessity of the ordinance, the borough having platting powers, City roads being incorporated into a gated subdivision, platting recommendations from the City being upheld by the borough, and road standards were topics discussed.

It was noted the topic would be brought back for further discussion.

7. **Discussion** – Potential Parcel Purchase by Ron Hyde. (Administration)

It was noted Mr. Hyde was considering purchasing a parcel from the City for the purpose of building a hangar for an airship. Clarification was provided on the size of the parcel.

Access to the beach, impacts to wetlands, zoning, and the property being in the City's land sale inventory were topics discussed.

It was noted an application would be brought forth.

H. COMMISSION/COMMITTEE REPORTS

1. Council on Aging – No report; next meeting December 12.
2. Airport Commission – No report; next meeting December 12.
3. Harbor Commission – It was reported the Commission met jointly with the Parks and Recreation Commission and made recommendations for Personal Use Fishery related improvements; next meeting is a Special Meeting on January 6.
4. Parks and Recreation Commission – It was reported the Commission met jointly with the Harbor Commission and made recommendations for Personal Use Fishery related improvements; next meeting December 5.
5. Planning and Zoning Commission – It was reported that at their November 13 meeting the Commission approved a Conditional Use Permit for a gunsmithing business, approved an amendment for a Conditional Use Permit for resource extraction, and heard an update regarding the Kenai Peninsula Borough's subdivision ordinance; next meeting December 11.
6. Beautification Committee – No report; next meeting January 14.
7. Mini-Grant Steering Committee – No report.

I. REPORT OF THE MAYOR

Mayor Gabriel reported on the following:

- Attended Veteran's Day event in Soldotna;
- Attended the 50th Anniversary Celebration of the refinery;
- Attended the Alaska Conference of Mayors meetings where school district funding and funding in general was discussed;
- Attended the Thanksgiving meal at the Senior Center sponsored by Hilcorp;
- Provided a reminder for the upcoming Christmas Comes to Kenai event;
- Attended the Boys and Girls Club auction;
- Commended the Finance Director and the Finance Department for another clean audit and noted a Certificate of Achievement the Finance Director was awarded by the Government Finance Officers Association.

J. ADMINISTRATION REPORTS

1. City Manager – City Manager P. Ostrander reported on the following:

- Attended the recent Alaska Municipal Managers Association Conference; appreciated the opportunity;
- Hosted Policy with a Pint during Startup Week noting three priorities that came up;
- Continuing work on branding for the City; planned a work session on January 15 to present to Council;
- Noted the ongoing work on the Hazard Mitigation Plan and noted reasons to pursue the plan;
- Applied for a seat on the Kenai Peninsula Borough Anadromous Fish Habitat Protection Task Force;
- Commended the Finance Department on their work on the Comprehensive Annual Financial Report;
- Provided updates on the Terminal Rehabilitation Project and the Bluff Erosion Project.

2. City Attorney – City Attorney S. Bloom reported on the following:

- Attended the recent Alaska Municipal Attorneys Association Conference;
- Was appointed to Alaska Municipal League's Sales Tax Commission Board; adopted bylaws; would continue to keep Council informed.

3. City Clerk – City Clerk J. Heinz reported on the following:

- Attended training at the Alaska Association of Municipal Clerks Annual Conference;
- Noted upcoming personal leave.

K. ADDITIONAL PUBLIC COMMENT

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

None.

2. Council Comments

Council Member Knackstedt noted he attended the Alaska Municipal League Conference and suggested organizing a meeting of the City Councils on the Peninsula once or twice a year; regretted missing the installation of the City Clerk as First Vice President of the Alaska Association of Municipal Clerks (AAMC) due to weather; attended the Christmas Comes to Kenai event; heard positive comments on snow plowing efforts; and, thanked the Finance Department for their work.

Council Member Pettey expressed appreciation for the opportunity to attend the Alaska Municipal League Conference; noted she attended the Boys and Girls Club auction; expressed gratitude for Hilcorp's donation for the Senior Center Thanksgiving meal; thanked the Finance Department for looking out for the City's best interest.

Council Member Glendening noted he had recently travelled; networking with the audience was beneficial; attended the joint meeting of the Harbor and Parks and Recreation Commissions; the Hazard Mitigation Plan discussion was informative; and expressed support for the City Clerk's installation as the AAMC First Vice President.

Council Member Peterkin noted and upcoming Cook Inlet Regional Citizen's Advisory Council meeting in Anchorage and expressed gratitude to the Finance Department.

Vice Mayor Molloy thanked the presenters and those that spoke during public comments at the meeting, congratulated the Finance Department on a clean audit, and congratulated the City Clerk on installation as First Vice President of AAMC.

L. EXECUTIVE SESSION

1. Review and Discussion of the Terms of an Employment Agreement Extension for the City Manager which Pursuant to AS 44.62.310(C)(2) May be a Subject that Tends to Prejudice the Reputation and Character of the Applicant and per AS 44.62.310(c)(1) is a Matter of which the Immediate Knowledge may have an Adverse Effect Upon the Finances of the City.

MOTION:

Vice Mayor Molloy **MOVED** to enter into executive session to review and discuss the terms of an employment agreement extension for the City Manager which may be a subject that tends to prejudice the reputation and character of the City Manager and is a matter of which the immediate knowledge may have an adverse effect upon the finances of the City. [AS44.62.310(C)(1)(2)]; requested the attendance of City Manager, Paul Ostrander, and the City Attorney as needed. Council Member Knackstedt **SECONDED** the motion.

VOTE:

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

NAY:

MOTION PASSED UNANIMOUSLY.

Council reconvened in open session and it was noted for the record that Council met in executive session and reviewed and discussed the terms of an employment agreement extension for the

City Manager's Contract. It was also noted a mutually agreed upon contract extension would be an approval item at a future meeting.

M. PENDING ITEMS – None.

N. ADJOURNMENT

There being no further business before the Council, the meeting was adjourned at 11:20 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of December 4, 2019.


Jamie Heinz, CMC
City Clerk

