

**KENAI CITY COUNCIL – REGULAR MEETING
SEPTEMBER 2, 2020 – 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 September 2, 2020, 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
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 agenda and packet:

- | | |
|-------------------|--|
| Add to item D.1. | Ordinance No. 3155-2020 <ul style="list-style-type: none">• Postponement Memo |
| Add to item D.2. | Ordinance No. 3156-2020 <ul style="list-style-type: none">• Amendment Memo |
| Add to item D.6. | Resolution No. 2020-70 <ul style="list-style-type: none">• Application Forms |
| Add to item D.12. | Resolution No. 2020-74 <ul style="list-style-type: none">• Agreement |

- Add to item D.13. **Resolution No. 2020-75**
 - Amendment Memo

- Add to item G.2. **Purchase Orders Over \$15,000**
 - Revised List

- Add to item J.1. **City Manager's Report**
 - Informational Memo

MOTION:

Vice Mayor Molloy **MOVED** to approve the agenda with the requested additions to the packet and moving item G.5 to the first item following Unscheduled Public Comments and requested **UNANIMOUS CONSENT**. Council Member Knackstedt **SECONDED** the motion.

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

4. Consent Agenda

MOTION:

Council Member Knackstedt **MOVED** to approve the consent agenda with the revised Purchase Order list over \$15,000. Vice Mayor Molloy **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

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 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

1. Twyla Mundy - Plan of Action-Need for Cold-Weather Shelter, Temporary Housing.

Janice Nightingale spoke of the need for emergency cold-weather shelter in the Kenai/Soldotna area. She presented statistics on the homelessness on the Kenai Peninsula. She noted there were several empty buildings in the area that could be utilized for this purpose and requested collaboration between the municipalities to come along side with these service organizations to provide a solution to the need.

C. UNSCHEDULED PUBLIC COMMENTS

The new Executive Director of the Kenai Chamber of Commerce and Visitors Center, Brittany Brown was introduced and welcomed by City Council.

Bill Dunn thanked Administration and City Attorney for including a report about bluff erosion and potential for mitigation measures for bluff erosion on Toyon Way, understanding the challenges that the City would face supporting mitigating this erosion. He asked City Council to support to the extent possible, with the possibility with moving forward with the Local Improvement District (LID) and having a study or engineers estimate for the seawall portion and an idea on the costs, as well as a possibility of a storm water drainage on Toyon Way, and a commitment to educate the public.

City Planner, Elizabeth Appleby expressed gratitude for her time employed at the City of Kenai and Council members thanked her for her service to the City.

[Clerk's Note: This item was moved to be heard first prior to public hearings at approval of the agenda.]

G.5. Action/Approval - Special Use Permit to Boys and Girls Club of the Kenai Peninsula for Temporary Use of Facilities at the Fire Training Facility. (Administration)

MOTION:

Vice Mayor Molloy **MOVED** to approve the Special Use Permit to the Boys and Girls Club of the Kenai Peninsula for Temporary Use of Facilities at the Fire Training Facility and Council Member Knackstedt **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

Clarification was provided about the facility uses.

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

D. PUBLIC HEARINGS

- 1. Ordinance No. 3155-2020** - Increasing Estimated Revenues and Appropriations in the Airport Improvements Capital Project Fund and Accepting a Grant from The Federal Aviation Administration for Phase One Construction of a New Sand Storage Facility. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3155-2020 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.

MOTION TO POSTPONE:

Council Member Knackstedt **MOVED** to postpone Ordinance No. 3155-2020 to the September 16 meeting and requested **UNANIMOUS CONSENT**. Council Member Peterkin **SECONDED** the motion.

VOTE ON THE POSTPONEMENT: There being no objection; **SO ORDERED.**

- 2. Ordinance No. 3156-2020** - Increasing Estimated Revenues and Appropriations in the Water and Sewer Special Revenue and Water and Sewer Improvements Capital Project Funds and Awarding a Construction Agreement for Improvements to the Wasting Activated Sludge Pumps at the Waste Water Treatment Plant. (Administration)

4. **Resolution No. 2020-73** - Further Extending the Disaster Emergency Declaration for the City of Kenai Made on March 18, 2020 in Response to the COVID-19 Health Emergency. (Administration) [*Clerk's Note: Ordinance No. 3158-2020 is contingent upon this resolution being adopted.*]

MOTION:

Vice Mayor Molloy **MOVED** to adopt Resolution No. 2020-73 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.

The City Manager provided a brief overview of the executive powers granted by Council and the purpose of the extension.

UNANIMOUS CONSENT was requested.

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

5. **Ordinance No. 3158-2020** - Increasing Estimated Revenues and Appropriations in the COVID-19 CARES Act Recovery Fund and Accepting a CARES Act Grant Passed Through the Kenai Peninsula Borough. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3158-2020 and Council Member Navarre **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 Ordinance No. 3158-2020 by amending Section 3 by replacing First Responder & Incident Management Team Payroll - General Contingency \$X,XXX,XXX.XX with \$675,524.00; Business and Not-for-Profit Entity Recovery Grants - General Contingency X,XXX,XXX.XX with \$2,000,000.00; CARES Act Administration & Non-Payroll Expenditures - General Contingency X,XXX,XXX.XX with \$0.00; Individual Assistance Grants - General Contingency X,XXX,XXX.XX with \$0.00; City Resiliency and Recovery - General Contingency X,XXX,XXX.XX with \$0.00; and Vice Mayor Molloy **SECONDED** the motion.

MOTION TO AMEND THE AMENDMENT:

Council Member Knackstedt **MOVED** to amend the first line of Section 3 replacing the amount of \$675,524.00 with \$675,524.94 and Council Member Navarre **SECONDED** the motion and requested **UNANIMOUS CONSENT.**

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

UNANIMOUS CONSENT was requested one the amended amendment.

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

VOTE ON THE MAIN MOTION AS AMENDED:

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

NAY:

MOTION PASSED UNANIMOUSLY.

6. **Resolution No. 2020-70** - Amending the City's Grant Disbursement Program for Small Businesses and Non-Profit Organizations Utilizing Funds from the Coronavirus Aid, Relief, And Economic Security (CARES) Act and Authorizing the City Manager to Enter into Agreements with Alaska Housing Finance Corporation (AHFC) for Housing Relief Program Administration and with the Kenai Peninsula Food Bank for Food Distribution in Kenai. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2020-70 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.

The City Manager referred to the memo in the packet and provided an overview of the City's Grant Disbursement Program. It was noted there were over 300 applicants and clarification was provided regarding individual businesses located both in Kenai and Soldotna, grants for qualifying commercial fisherman, grant allocation amounts, eligibility requirements, and the approval process.

Grant Project Lead, Larry Persily and staff were thanked for the excellent work on this project.

UNANIMOUS CONSENT was requested.

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

7. **Ordinance No. 3159-2020** - Accepting and Appropriating a Municipal Arts & Culture Matching Grant from the Rasmuson Foundation in the COVID-19 CARES Act Recovery Fund. (Administration)

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3159-2020 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.

Council Members Knackstedt and Glendening disclosed they were board members of the Kenai Historical Society but there would be no financial benefit with this Ordinance. Mayor Gabriel ruled it was not a conflict and both may participate.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

8. **Ordinance No. 3160-2020** - Increasing Estimated Revenues and Appropriations in the Airport Special Revenue and the Airport Equipment Capital Project Fund and Decreasing Revenues and Appropriations in the Airport Equipment Capital Project Fund for Costs Ineligible Under the Federal Aviation Administration's Airport Improvement Grant Program for the Purchase of Snow Removal Equipment (SRE) - Loader With Attachments. (Administration)

MOTION FOR INTRODUCTION:

Council Member Knackstedt **MOVED** to introduce Ordinance No. 3160-2020 and Council Member Navarre **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.

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

MOTION FOR SECOND READING:

Council Member Knackstedt **MOVED** to hold the second reading on Ordinance No. 3160-2020; Vice Mayor Molloy **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

VOTE ON SECOND READING: There being no objections, **SO ORDERED.**

MOTION FOR ENACTMENT:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3160-2020 and Council Member Navarre **SECONDED** the motion.

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

VOTE ON ENACTMENT:

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

MOTION PASSED UNANIMOUSLY.

9. **Ordinance No. 3161-2020** - Increasing Estimated Revenues and Appropriations in the COVID-19 Cares Act Recovery Fund and Accepting a CARES Act Grant Passed through the Kenai Peninsula Borough for Kenai Senior Center Expenditures in Response to the COVID-19 Public Health Emergency. (Administration)

MOTION FOR INTRODUCTION:

Vice Mayor Molloy **MOVED** to introduce Ordinance No. 3161-2020 and 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.

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

MOTION FOR SECOND READING:

Vice Mayor Molloy **MOVED** to hold the second reading on Ordinance No. 3161-2020; Council Member Knackstedt **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

VOTE ON SECOND READING: There being no objections, **SO ORDERED**.

MOTION FOR ENACTMENT:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3161-2020 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.

VOTE ON ENACTMENT:

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

NAY:

MOTION PASSED UNANIMOUSLY.

10. **Resolution No. 2020-71** - Approving an Airline Operating Agreement and Terminal Area Lease with Corvus Airlines, Inc., D/B/A Ravn Alaska. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2020-71 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.

MOTION TO POSTPONE INDEFINITELY:

Council Member Knackstedt **MOVED** to postpone Resolution No. 2020-71 indefinitely and Vice Mayor Molloy **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

VOTE TO POSTPONE INDEFINITELY: There being no objections, **SO ORDERED.**

11. **Resolution No. 2020-72** - Approving the Execution of a Forty-Five Year Lease of Airport Reserve Lands Using the Standard Lease Form Between the City of Kenai and Alaska Air Fuel, Inc., for a Portion of Lot 5, FBO Subdivision No. 8. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2020-72 and Council Member Pettey **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 on the subdivision plan changes since the Airport Commission and Planning and Zoning Commission reviewed it.

UNANIMOUS CONSENT was requested.

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

12. **Resolution No. 2020-74** - Amending the Agreement for Emergency Services Training and Clinical Experiences with the University of Alaska to Accommodate Overnight Stays and Update Insurance Requirements. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2020-74 and Council Member Navarre **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 replacing the attached agreement with what was provided in the laydown; Council Member Navarre **SECONDED** the motion and requested **UNANIMOUS CONSENT.**

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

UNANIMOUS CONSENT was requested on the main motion.

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

13. **Resolution No. 2020-75** - Adopting Joint Resolution No. 2020-001 of the Assembly of the Kenai Peninsula Borough and Councils of the City of Kenai and City of Soldotna Encouraging All Residents to Take the Necessary Precautions and Follow the Recommended

Preventative Measures of the CDC to Reduce the Spread of COVID-19 in Our Community During the Public Health Emergency. (Mayor Gabriel)

MOTION:

Vice Mayor Molloy **MOVED** to adopt Resolution No. 2020-75 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.

A brief overview of this item was provided, noting this authorized Mayor Gabriel to sign the joint resolution.

MOTION TO AMEND:

Council Member Navarre **MOVED** to amend the tenth whereas clause to read, "the Assembly of the Kenai Peninsula Borough will consider Joint Resolution 2020-001 at their September 15, 2020 Assembly Meeting and the Council of the City of Soldotna will be considering Joint Resolution 2020-001 at their September 23, 2020 Council Meeting."; Vice Mayor Molloy **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

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

VOTE ON MAIN MOTION AS AMENDED:

YEA: Gabriel, Knackstedt, Molloy, Navarre

NAY: Peterkin, Glendening, Pettey

MOTION PASSED.

E. MINUTES

1. *Regular Meeting of August 19, 2020. (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. ***Action/Approval** - Purchase Orders over \$15,000. (Administration)

Approved by the consent agenda.

3. ***Ordinance No. 3162-2020** - Amending Municipal Code Section 23.50.010 – Employee Classification, to Amend a Class Title in the Supervisory and Professional Class. (Administration)

Introduced by the consent agenda and public hearing set for September 16, 2020.

4. **Action/Approval** - Amending an Employment Agreement between the City of Kenai and City Clerk, Jamie Heinz, to Extend the Agreement. (Mayor Gabriel)

MOTION:

Council Member Knackstedt **MOVED** approve extending the agreement with the City Clerk; Council Member Navarre **SECONDED** and requested **UNANIMOUS CONSENT**.

It was clarified this would extend the agreement with the City Clerk for another three years.

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

6. **Discussion** - Response to COVID-19. (Administration)

The number of cases, case rate, and hospitalizations were provided, noting the Kenai area was in the medium-risk rate but heading in the right direction as case rates were lowering; and an update of the mitigation plan was provided.

H. COMMISSION / COMMITTEE REPORTS

1. Council on Aging – No report; next meeting September 10.
2. Airport Commission – No report; next meeting September 10.
3. Harbor Commission – No report.
4. Parks and Recreation Commission – It was reported a work session would be held tomorrow, September 3 to tour the City’s parks.
5. Planning and Zoning Commission – It was reported the Commission considered and approved a preliminary plat to combine lots, and held a public hearing for a variance permit at their meeting on August 26; next meeting September 9.
6. Beautification Committee – No report; next meeting September 8.
7. Mini-Grant Steering Committee – No report.

I. REPORT OF THE MAYOR

Mayor Gabriel thanked those that provided public comment, welcomed the new Director of the Kenai Chamber of Commerce and Visitors' Center, wished farewell to the City Planner and a Happy Labor Day weekend to everyone.

J. ADMINISTRATION REPORTS

1. City Manager - City Manager P. Ostrander reported on the following:
 - Actively advertising the City Planner position;

- He was asked to participate in a small group of municipal officials to help the Alaska Municipal League's approach with the State's fiscal crisis;
 - CARES Act grant program update, noting the modification of purchase orders amount as described in the laydown; and
 - The Preconstruction Engineering Design agreement for the Bluff Erosion Project should be available for signature next week.
2. City Attorney – City Attorney S. Bloom reported on his written report as provided in the packet on the proposed LID for Toyon Way, seeking direction for Administration by Council.
 3. City Clerk – City Clerk J. Heinz reported that the Deputy Clerk, Jacquelyn LaPlante turned in her resignation today to be a stay at home mom and her last day is October 6.

K. ADDITIONAL PUBLIC COMMENT

1. Citizens Comments (*Public comment limited to five (5) minutes per speaker*) – None.
2. Council Comments

Council Member Navarre wished everyone a Happy Labor Day weekend.

Council Member Peterkin expressed thanks for a great meeting and discussion.

L. EXECUTIVE SESSION

1. Review and Discussion of the Terms of Employment Agreements for the City Manager, City Attorney, and City Clerk which, Pursuant to AS 44.62.310(c)(2) May be a Subject that Tends to Prejudice the Reputation and Character of the City Manager, City Attorney, and City Clerk 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.

a. Action/Approval – Amending an Employment Agreement between the City of Kenai and City Attorney, Scott Bloom. (Mayor Gabriel)

b. Action/Approval - Amending an Employment Agreement between the City of Kenai and City Manager, Paul Ostrander. (Mayor Gabriel)

c. Action/Approval - Amending an Employment Agreement between the City of Kenai and City Clerk, Jamie Heinz. (Mayor Gabriel)

MOTION:

Vice Mayor Molloy **MOVED** to enter into executive session to review and discuss the terms of employment agreements for the City Manager, City Attorney, and City Clerk which, pursuant to AS 44.62.310(c)(2) may be a subject that tends to prejudice the reputation and character of the City Manager, City Attorney, and City Clerk 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. Council Member Knackstedt **SECONDED** the motion.

VOTE:

YEA: Gabriel, Peterkin, Glendening, Pettey, Molloy, Navarre, Knackstedt
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 employment agreements for the City Manager, City Attorney, and City Clerk.

MOTION:

Vice Mayor Molloy **MOVED** to approve amending an employment agreement between the City of Kenai and City Attorney, Scott Bloom with directions on compensation to be given to the HR Director. Council Member Knackstedt **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

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

MOTION:

Vice Mayor Molloy **MOVED** to approve amending an employment agreement between the City of Kenai and City Manager, Paul Ostrander with directions on compensation to be given to the HR Director. Council Member Knackstedt **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

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

MOTION:

Vice Mayor Molloy **MOVED** to approve amending an employment agreement between the City of Kenai and City Clerk, Jamie Heinz with directions on compensation to be given to the HR Director. Council Member Knackstedt **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

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

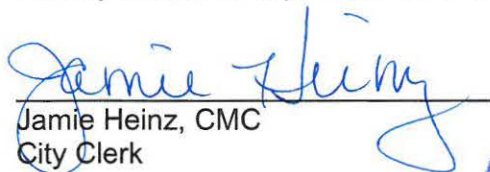
M. PENDING ITEMS

1. **Substitute Ordinance No. 3127-2020** - Repealing and Replacing Kenai Municipal Code Title 6 - Elections to Provide Clarity, Process Improvements, and Increase Voter Accessibility through Vote By Mail Elections. (Council Member Peterkin) *[Clerk's Note: At the August 19 Meeting, this item was Postponed to the 10/21/20 Council Meeting; a motion to enact is on the floor.]*
2. **Ordinance No. 3128-2020** - Amending Kenai Municipal Code Section 1.85.040 – Records Public, To Provide For A Record Retention Length. (City Clerk) *[Clerk's Note: At the August 19 Meeting, this item was Postponed to the 10/21/20 Council Meeting; a motion to enact is on the floor.]*

N. ADJOURNMENT

There being no further business before the Council, the meeting was adjourned at 10:50 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of September 2, 2020.


Jamie Heinz, CMC
City Clerk

