

**KENAI CITY COUNCIL – REGULAR MEETING  
AUGUST 19, 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 August 19, 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 (absent)	

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.  | <b>Ordinance No. 3127-2020</b> <ul style="list-style-type: none"><li>• Memo Regarding Postponement</li></ul>  |
| Add to item G.11. | <b>Response to Governor Dunleavy’s Local Mitigation Level Recommendations</b> <ul style="list-style-type: none"><li>• Ketchikan Gateway Borough Mitigation Plan and Dashboard</li></ul> |

**MOTION:**

Vice Mayor Molloy **MOVED** to approve the agenda with the requested additions to the packet and requested **UNANIMOUS CONSENT**. Council Member Glendening **SECONDED** the motion.

**VOTE:** 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 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 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** – None.

**D. PUBLIC HEARINGS**

1. **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 July 1 Meeting, this item was Postponed to the 08/19/20 Council Meeting; a motion to enact is on the floor.*]

- **Substitute Ordinance No. 3127-2020**

**MOTION TO AMEND:**

Vice Mayor Molloy **MOVED** to amend Ordinance No. 3127-2020 by substitute ordinance and Council Member Navarre **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

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

**MOTION TO POSTPONE:**

Council Member Knackstedt **MOVED** to postpone Ordinance No. 3127-2020 to the October 21 meeting and Council Member Glendening **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

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

- 2. Ordinance No. 3150-2020** - Waiving Kenai Municipal Code 21.10.130 - Lease Execution, and Approving a Lease Execution Extension to May 31, 2021 to Schilling Rentals, LLC for Lot 5A, Block 1, FBO Subdivision 2018 Replat. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance No. 3150-2020 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.

An overview of the application as described in the memo was provided. Clarification was provided that the need for the flights by Guardian had decreased due to COVID-19 but that they were expected to increase again; further clarified that construction was dependent on a tenant.

**MOTION TO AMEND:**

Council Member Knackstedt **MOVED** to amend the final Whereas clause to correctly reflect the date of August 13 when the Airport Commission recommended approval and requested **UNANIMOUS CONSENT**. Vice Mayor Molloy **SECONDED** the motion.

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

**VOTE ON THE MAIN MOTION AS AMENDED:**

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

**MOTION PASSED UNANIMOUSLY.**

- 3. Ordinance No. 3151-2020** - 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. 3151-2020 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 this was intended to be the last change order for this project; boiler was included in the project.

**VOTE:**

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

**MOTION PASSED UNANIMOUSLY.**

4. **Ordinance No. 3152-2020** - Accepting and Appropriating a Project Ready Mini Grant from the Alaska State Library for Implementing the Know Your Neighbor: Kindness Kits Project at the Kenai Community Library. (Administration)

**MOTION:**

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3152-2020 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.

An overview of the contents of the kits was provided.

**VOTE:**

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

NAY:

**MOTION PASSED UNANIMOUSLY.**

5. **Ordinance No. 3153-2020** - Appropriating Excess Funds Received from the Issuance of General Obligation Refunding Bonds. (Administration)

**MOTION:**

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3153-2020 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.

An overview of the refunding bonds, as provided in the memo in the packet, was provided.

**VOTE:**

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

NAY:

**MOTION PASSED UNANIMOUSLY.**

6. **Ordinance No. 3154-2020** - Accepting and Appropriating a Grant from the National Marine Fisheries Service Passed Through the Pacific States Marine Fisheries Commission, Accepting and Appropriating Additional Insurance Proceeds, and Awarding a Contract for Repair to the Kenai City Dock for Damage Caused by Earthquakes in 2016 and 2018 and Installation of a Cathodic Protection System to Prevent Corrosion. (Administration)

**MOTION:**

Council Member Glendening **MOVED** to enact Ordinance No. 3154-2020 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.

Gratitude was expressed to Administration that no additional funds were needed and that the dock was up and running.

**VOTE:**

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

**MOTION PASSED UNANIMOUSLY.**

7. **Resolution No. 2020-68** - Declaring the Ten-Foot Utility Easement Adjoining the Southern Boundary of Lot 4, Eventyr Subdivision (Plat KN 83-149) and the Ten-Foot Utility Easement Excluding the West Ten Feet Adjoining the North Boundary of Lot 5 and the Ten-Foot Utility Easement Adjoining the North and East Boundary of Lot 6 Eventyr Subdivision No. 2 (Plat KN 86-75) Granted on Plat KN 83-1149 and Plat KN 86-75 Are Not Needed for a Public Purpose and Consenting to Their Vacation. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2020-68 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.**

8. **Resolution No. 2020-69** - Authorizing the City Manager to Enter a Design Agreement with the Department of the Army for the Design for the Kenai Bluffs Bank Stabilization Project. (Administration)

**MOTION:**

Vice Mayor Molloy **MOVED** to adopt Resolution No. 2020-69 and requested **UNANIMOUS CONSENT**. 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.

It was noted that this agreement would allow the project design to begin immediately; specified City and Army Corps of Engineers involvement. It was suggested a work session be scheduled to refresh the public and Council on the project.

An overview of the beginning phases of the Pre-Construction, Engineering, and Design Agreement was provided. Clarification was provided that surveying had already been completed.

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

**E. MINUTES**

1. \*Regular Meeting of August 5, 2020. (City Clerk)

Approved by the consent agenda.

**F. UNFINISHED BUSINESS**

1. **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 July 1 Meeting, this Item was Postponed to the 08/19/20 Council Meeting; a motion to enact is on the floor.]*

**MOTION TO POSTPONE:**

Vice Mayor Molloy **MOVED** to postpone Ordinance No. 3128-2020 to the October 21 meeting and Council Member Knackstedt **SECONDED** the motion and requested **UNANIMOUS CONSENT.**

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

**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 Marijuana Licenses for Red Run Cannabis Company, LLC and Red Run Cannabis Cultivators, LLC. (City Clerk) Approved by the consent agenda.

Approved by the consent agenda.

4. \*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)

Introduced by the consent agenda and public hearing set for September 2, 2020.

5. \*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)

Introduced by the consent agenda and public hearing set for September 2, 2020.

6. **\*Ordinance No. 3157-2020** - Amending Kenai Municipal Code Section 1.85.010 – Report of Financial and Business Interests, to Allow for Certification by Municipal Officers that a Previously Filed Statement of Disclosure Remains Accurate and Approving an Alternate Certification. (Vice Mayor Molloy)

Introduced by the consent agenda and public hearing set for September 2, 2020.

7. **\*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)

Introduced by the consent agenda and public hearing set for September 2, 2020.

8. **\*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)

Introduced by the consent agenda and public hearing set for September 2, 2020.

9. **Action/Approval** - Six-Month Extension Request from SOAR International Ministries, Inc. for Lease Application Expiration for the Undeveloped Portion of Tract A, General Aviation Apron No. 2. (Administration)

#### **MOTION:**

Council Member Knackstedt **MOVED** to approve a six-month extension request from SOAR International Ministries, Inc. 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:** There being no objections, **SO ORDERED**.

10. **Discussion** - City Response to COVID-19. (Administration)

The number of cases, case rate, and hospitalizations were provided; also noted there were no changes in the level of facilities open. Brought attention to Ordinance No. 3158-2020 that was introduced at this meeting, noting Administration would have a recommendation at the September 2<sup>nd</sup> meeting regarding the specifics of fund distribution.

Council and Commission meeting protocols, including cameras in Chambers, providing details of who was in the room during meetings, and sending a reminder to Commission members was discussed.

**11. Discussion - City of Kenai Response to Governor Dunleavy's Local Mitigation Level Recommendations and Consideration of Joint Work Session with the City Of Soldotna Council. (City Manager)**

An example of a mitigation plan by the Ketchikan Gateway Borough was provided in the laydown materials; cases within the community and providing information to the residents so informed decisions could be made was discussed.

**H. COMMISSION / COMMITTEE REPORTS**

1. Council on Aging – It was reported that the Council reviewed criteria for a phased reopening and would be approving a phased plan in the future; also heard about a Phone Buddy Program being developed and maintenance being performed; next meeting September 10.
2. Airport Commission – It was reported the Commission recommended approval of the SOAR extension request and Schilling lease execution extension; also recommended approval of a new 45-year lease to Alaska Air Fuel; next meeting September 10.
3. Harbor Commission – It was reported the commission heard an update on the Personal Use Fishery as well as projects associated with the fishery and the dock; next meeting October 12.
4. Parks and Recreation Commission – It was reported the commission ratified the decision to meet in an in-person hybrid manner and discussed changes in the Kenai River Marathon protocols; next meeting September 3.
5. Planning and Zoning Commission – It was reported the Commission reapproved a plat with additional changes, approved a variance, conditional use permit, and development in the THZ zone for Kenaitze, and recommended approval of a new lease for Alaska Air Fuel; next meeting August 26.
6. Beautification Committee – It was reported the committee toured the flowerbeds; next meeting September 8.
7. Mini-Grant Steering Committee – No report.

**I. REPORT OF THE MAYOR**

Mayor Gabriel reported on the following:

- Attended Representative Knopp's memorial service and Celebration of Life where he delivered a proclamation;
- Attended virtual meetings with leaders from the City of Soldotna and the Kenai Peninsula Borough regarding a local COVID-19 mitigation plan.

**J. ADMINISTRATION REPORTS**

1. City Manager - City Manager P. Ostrander reported on the following:
  - Noted an update on the former Spurr Motel was provided in the packet;



- Attended meetings regarding passing Kenai Peninsula Borough CARES Act funds through to the cities;
  - The Boys and Girls Club of the Kenai Peninsula is interested in leasing space in the BEACON building;
  - Exploring using CARES Act funds to provide tents to locals schools to manage lunch time for students;
  - Upcoming surplus auction; and
  - City Planner's resignation.
2. City Attorney – No report.
  3. City Clerk – City Clerk J. Heinz reported on the following:
    - Candidates running for election in the local election;
    - Primary Election update.

**K. ADDITIONAL PUBLIC COMMENT**

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

Everyone wished the City Planner well in her future endeavors.

Council Member Knackstedt wished the other candidates well in their election efforts.

Vice Mayor Molloy expressed appreciation to the candidates running for election and congratulated them.

Council Member Glendening expressed appreciation for the Kenai Historical Society Newsletter, attended the market in Old Town, and appreciated the ability to meet in person.

Council Member Peterkin noted it was good to see everyone.

Council Member Navarre noted he attended Representative Knopp and Greg Bell's memorial services; also reported on the recent Alaska Municipal League Board Meeting.

**L. EXECUTIVE SESSION**

1. Review and Discussion of the Terms of an Employment Agreement Extension for the 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 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.

**MOTION:**

Vice Mayor Molloy **MOVED** to enter into Executive Session to Review and Discussion of the Terms of an Employment Agreement Extension for the 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 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 and requested that the City Clerk and City Attorney be available as needed. Council Member Knackstedt **SECONDED** the motion.

**VOTE:**

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

**MOTION PASSED UNANIMOUSLY.**

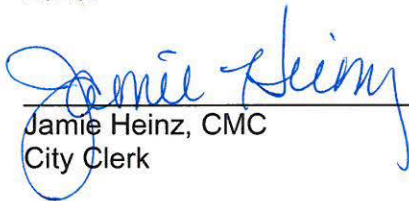
Council reconvened in regular session and it was noted for the record that the Council met in executive session to review and discuss the Employment Agreement with the City Clerk and direction would be provided to Human Resources.

**M. PENDING ITEMS**

**N. ADJOURNMENT**

There being no further business before the Council, the meeting was adjourned at 9:05 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of August 19, 2020.

  
\_\_\_\_\_  
Jamie Heinz, CMC  
City Clerk

