

**KENAI CITY COUNCIL – REGULAR MEETING
MARCH 3, 2021 – 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 March 3, 2021, 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
Henry Knackstedt
Jim Glendening
Victoria Askin

Robert Molloy
Tea Winger
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 G.7. **Resolution No. 2021-13**
- Public Comment

MOTION:

Vice Mayor Molloy **MOVED** to approve the agenda with the requested additions and requested **UNANIMOUS CONSENT**. Council Member Askin **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**; and Council Member Glendening **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

1. **Tim Dillon** - Kenai Peninsula Economic Development District (KPEDD) Public Outreach and Engagement in the Development of the Kenai Peninsula's Comprehensive Economic Development Strategy.

Tim Dillon presented on KPEDD's Comprehensive Economic Development Strategy (CEDS), explaining what KPEDD does, how it is funded, and why the CEDS is so important right now. He emphasized that this strategy needs to be very diverse to support the large diversity of groups on the Peninsula, and discussed the variety of different outreach efforts that they have initiated. He outlined their main goals, noting that their number one overarching goal is to continue to develop the Kenai Peninsula brand for residents, visitors, and businesses and promote the expansion of recreational amenities and public access. The CEDS timeline was reviewed, along with what the City of Kenai and its community can do to support their goals.

C. UNSCHEDULED PUBLIC COMMENTS

Martin Mativa with Coming Attraction Theaters and the Extreme Fun Center thanked the City Council for making it easy to do business in Kenai, and for supporting local businesses with CARES funding. He noted that Kenai has been the easiest community that he's worked with, and relayed the good experience that he's had working with the City staff.

Brittany Brown, Executive Director of the Kenai Chamber of Commerce provided an update on the "Shop Here All Year" shop local program and touched on the Grocery and Necessary Household Goods program that began on March 1. She noted that, while too early to present data on the grocery program, she had seen how it complemented the shop local program and both programs have been boosted by running them concurrently. She reported that the shop local program now had 55 participating small businesses and 598 participants, and which translated into \$57,050 in direct incentives and a total of \$168,400 spent in our community.

D. PUBLIC HEARINGS

1. **Ordinance No. 3192-2021** - Increasing Estimated Revenues and Appropriations in the General Fund Parks, Recreation and Beautification Department, and Authorizing an Increase to the Multi-Purpose Facility Management Services Purchase Order to Red Line Sports for Additional Ice Maintenance Services.

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3192-2021 and Vice Mayor Molloy **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.

It was noted that this is a result of the City staff's proactive response to the increased interest in the Kenai Multi-Purpose Facility ice rink. Activity at the rink is significantly greater than previous years, due to the rink being open in January and February when other surrounding rinks were closed. The increased usage of the rink has resulted in greater projected revenues as well as increased maintenance costs.

VOTE:

YEA: Winger, Gabriel, Askin, Glendening, Knackstedt, Molloy, Pettey
NAY:

MOTION PASSED UNANIMOUSLY.

2. **Ordinance No. 3193-2021** - Accepting and Appropriating an Increase in the Title III Grant from the State of Alaska Department of Health and Social Services for Nutrition, Transportation and Support Services and a Grant from the United States Treasury Passed Through the State of Alaska Department of Health and Social Services to Support the Kenai Senior Center's Response to the COVID-19 Public Health Emergency.

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3193-2021 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.

Senior Center Director Romain was recognized for her hard work on obtaining these grants.

VOTE:

YEA: Askin, Glendening, Knackstedt, Molloy, Pettey, Winger, Gabriel
NAY:

MOTION PASSED UNANIMOUSLY.

3. **Ordinance No. 3194-2021** - Accepting and Appropriating Insurance Proceeds for Damage to Wellhouse Number One in the Water and Sewer Capital Projects Fund, Authorizing a Budget Transfer in the Water and Sewer Special Revenue Fund – Water Department, and Appropriating the Estimated Residual Amount Needed to Relocate the Damaged Facility to the Water and Sewer Complex on Shotgun Drive in the Water and Sewer and Water and Sewer Capital Project Funds.

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3194-2021 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.

City Manager Ostrander clarified that the lot is currently being leased from the State and once the facility is relocated off that site Administration will look into terminating that lease.

VOTE:

YEA: Glendening, Knackstedt, Molloy, Pettey, Winger, Gabriel, Askin
NAY:

MOTION PASSED UNANIMOUSLY.

4. **Resolution No. 2021-10** - Authorizing the City Manager to Execute a Professional Engineering Services Agreement for the Kenai Water, Sewer, and Waste Water SCADA Programming Services.

MOTION:

Council Member Glendening **MOVED** to adopt Resolution No. 2021-10 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.

Public Works Director Curtin clarified that HDL Engineering was awarded the overall contract last year, Borealis Controls was the sub-consultant that does that does the SCADA design and integration, and this agreement includes both. The City has been working on assessing current infrastructure and has purchased some equipment to replace outdated equipment.

It was noted that this is likely the first step in a large project as our SCADA system is very outdated and it will require more work to get it where it needs to be, so there may be more legislation brought before Council for this in the future.

UNANIMOUS CONSENT was requested.

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

5. **Resolution No. 2021-11** - Approving the Use of the Fleet Replacement Fund for the Purchase of a Fifteen Passenger Van for the Kenai Senior Center Utilizing the State of Alaska Equipment Fleet Contract.

MOTION:

Council Member Glendening **MOVED** to adopt Resolution No. 2021-11 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.

It was clarified that this is part of the City plan that to reduce its fleet of vehicles, therefore reducing costs and acquiring a smaller but more efficient fleet that are safer for employees. This proposed van will replace three vehicles and is intended to be used for ten years before being transferred to Building Maintenance. It was noted that the lead time on this van is 4-5 months and it is expected that by the time it is received the Senior Center transportation program will be up to pre-COVID levels. The need for volunteer drivers was also mentioned.

UNANIMOUS CONSENT was requested.

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

6. **Resolution No. 2021-12** - A Resolution of the Council of the City of Kenai, Alaska Approving Development Incentives Per Kenai Municipal Code 21.10.100 Temporary Development Incentives for a Lease of Airport Reserve Lands Between The City of Kenai and Soar International Ministries on Tract A-2, General Aviation Apron Subdivision No. 7.

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-12 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.

It was noted that it is good to see an older building being repurposed and used on the airport and it speaks well to airport administration. Clarification was provided that this is the vacant lot along Willow Street directly adjacent to terminal building parking lot and that there are three to four other nearby hangers that there may be incentives for as well.

UNANIMOUS CONSENT was requested.

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

7. **Resolution No. 2021-13** - Requesting the US Secretary of Commerce Veto the North Pacific Fishery Management Council's Adoption of Measures that will Close Commercial Salmon Fishing in the Cook Inlet Exclusive Economic Zone.

MOTION:

Vice Mayor Molloy **MOVED** to adopt Resolution No. 2021-13 and Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened for public hearing.

Roland Maw, Executive Director of the United Cook Inlet Drift Association thanked Council and stated his support for this Resolution. He discussed the history of the Magnuson-Stevens Act in Alaska and how it has changed fishery management, including various amendments over the decades since its implementation, and how these changes relate to Alternatives 1, 2, 3, and 4.

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

Mayor Gabriel passed the gavel to Vice Mayor Molloy. He explained that this resolution is consistent with previous actions the Council has taken on this issue and that the City is well aware of the economic importance of this fishery to our coastal communities. He noted that we are down to very few processing businesses in Cook Inlet and once we lose them it will be very hard to bring them back. He recalled that when Alternative 4 came into play, public comment was overwhelmingly opposed to it yet it still passed; he believes this resolution is the next step in the process to halt this and move towards a more agreeable settlement of this issue. He noted that this would be available for the entire Council to sign. Vice Mayor Molloy returned the gavel.

It was reiterated that a similar resolution was passed by the Kenai Peninsula Borough Assembly, and it would be good to be consistent with them. Council agreed that Alternative 4 would have a severe economic impact, and they agreed they would all like to sign the resolution.

VOTE:

YEA: Askin, Glendening, Knackstedt, Molloy, Pettey, Winger, Gabriel

NAY:

MOTION PASSED UNANIMOUSLY.

E. MINUTES

1. *Regular Meeting of February 3, 2021.

Approved by the consent agenda.

G. NEW BUSINESS

1. *Action/Approval - Bills to be Ratified.

Approved by the consent agenda.

2. *Ordinance No. 3195-2021 - Accepting and Appropriating Funds in the Airport Fund, and Accepting Grants from the Federal Aviation Administration Under the Coronavirus Response and Relief Supplemental Appropriation Act, 2021.

Introduced by the consent agenda and Public Hearing set for March 17, 2021.

3. **Action/Approval** - Confirmation of Sarah Douthit, Nominated by the Mayor to Fill a Vacancy on the Beautification Committee.

MOTION:

Vice Mayor Molloy **MOVED** to confirm Mayoral Nominations for Appointment of Sarah Douthit to the Beautification Committee. Council Member Askin **SECONDED** the motion.

Kaye Reed was thanked for her service.

UNANIMOUS CONSENT was requested.

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

4. **Discussion** - Remote Electronic Participation in Council Meetings by Council Members and the Public.

Discussion involved how Council Members can participate remotely in the future when they are unable to be at Council in person. Options were reviewed.

City Clerk noted that video conferencing software licensing was purchased for COVID-19, and reviewed the features that were subscribed to adding the total current costs were \$2,000. Reviewed cost of video conferencing features for various options, whether public would be allowed to participate or if it would be limited to Council only, and whether it would involve changes to KMC or the creation of a new policy.

Discussion on this topic included:

- While it's preferable see people in person, a lot of people don't feel comfortable coming to public or crowded places and providing Zoom access to meetings would allow them to still participate;
- Clarification was provided that, prior to COVID-19, all public comment was made in-person and the only remote participation was done telephonically by Council Members;
- People can watch City Council Meetings live or recorded on the City of Kenai's YouTube channel;
- Calling in to a meeting tends to be less effective, especially when you have an item on the agenda. There have been times in the past that three Council members are on the phone due to travel;
- Great for members of the public like Mr. Dillon to have the option participate remotely;
- Good to hear the discussion and look proactively at what could happening after the emergency declaration;
- There seems to be two tracks of consideration: one for public participation, and one for how Council and commission/committees manage their business. It is imperative that commissions get back to meeting in person for more effective discussion;
- If there is a member who doesn't feel comfortable meeting in person, at what point to we say that they must attend in person? We can send correspondence requesting that they meet in person, but demanding it may be a legal question;

- Zoom participation has been a benefit to commissioners with families and with health concerns, but there are also people who are able to come in that choose Zoom instead of in-person attendance;
- Suggestion that a statement be signed by commissioners who choose to Zoom confirming that they are not comfortable attending in person;
- Support for in-person public participation, but allow travelling Council members and scheduled presenters on Zoom;
- During the November 23, 2020 meeting with Dr. Zink, she had suggested her immunity might be achieved by July;
- Would like to see Council take the lead in getting back to normal;
- An ordinance will be developed addressing virtual participation for Council only, and the rest of the discussion regarding commission and public participation will be developed down the road.

5. Discussion - Water and Sewer Service Penalty, Interest, and Shutoffs for Non-Payment Beyond the COVID-19 Disaster Emergency Declaration.

Administration's recommendation of Option No. 2 was discussed, which would provide a grace period after the expiration of the Disaster Declaration which would give customers time to get caught up on delinquent accounts without facing shut off or accruing penalty or interest. There was support for confession of judgement being added, and City Attorney Bloom recommended that we allow for two-year payment plans and suspend all penalty and interest as long as they are current on the payment plan and we hold a confession of judgment in the case of non-payment. He noted that the City frequently worked with people in this situation, and if a payment was missed they allow for some leniency. However if the emergency declaration expires, the City would be bound to follow code, very delinquent accounts would be shut off, and an ordinance would be needed to suspend this code. What could be done is create a unique payment plan which would not accrue penalty and interest as long as they were current on payment plan and it could be completed within two years.

Another option discussed would be to assign all or part of a customer's Permanent Fund Dividend payment, and it was noted that the amount of upcoming PFDs is unknown and also if they will be garnished for other purposes. The option to lien the property was also suggested in the case that the customer falls off the payment plan, and it was noted that the City frequently implements payment plans like this successfully.

The issue of using CARES Act funding for utility relief was raised and it was clarified that there was specific federal guidance during the first round of funding which prohibited it. City Attorney Bloom also explained that if customers do not complete the necessary paperwork to participate in this program, their accounts will be treated pursuant to code and normal shutoff procedures. However, there is still time for them to sign up as long as the Emergency Declaration is in place. The current procedures for delinquent accounts and shutoffs were explained.

It was noted that payment plans are established with very specific parameters that are developed with the customer's financial situation in mind, because the City does not want to push someone into a plan that they cannot afford.

There was a general consensus that Council supported Option No. 2.

6. Discussion - COVID-19 Response.

City Manager Ostrander reported that there was one employee in COVID-19 protocol, and Central Peninsula Hospital reported two hospitalizations. The City is coordinating with local seafood processors to vaccinate employees who will be coming in for the upcoming fishing season, and they will also be holding a vaccination clinic at the Beacon facility on March 13, 2021. He reported that the Senior Center has initiated a phased opening, and will soon be adding back transportation services; they will continue to open slowly as long as numbers stay low. The Kenai Recreation Center will also continue opening more programs as numbers stay low, and plan on adding a basketball league. Discussion included additional services at the Rec Center and the change of management from the Boys & Girls Club to City employees.

H. COMMISSION / COMMITTEE REPORTS

1. Council on Aging – No report. Next meeting March 11, 2021 at the Senior Center with social distancing.
2. Airport Commission – No report. Next meeting March 11, 2021.
3. Harbor Commission – No report. Next meeting March 8, 2021.
4. Parks and Recreation Commission – No report. Next meeting March 4, 2021.
5. Planning and Zoning Commission – No report. Next meeting March 10, 2021.
6. Beautification Committee – No report. Next meeting April 13, 2021.
7. Mini-Grant Steering Committee – No report.

I. REPORT OF THE MAYOR

Mayor Gabriel reported on the following:

- Thanked Council for their support on Resolution No. 2021-13;
- Presented the 3rd annual State of the City address with City Manager Ostrander at the Kenai Chamber of Commerce. Thanked City Manager Assistant Cunningham for her work on the presentation;
- City Employee evaluations are coming up.

J. ADMINISTRATION REPORTS

1. City Manager - City Manager P. Ostrander reported on the following:
 - Address concerns raised at the last Council meeting about non-Kenai businesses receiving Kenai CARES funds, and reported that that the business in question did not receive CARES grant funds from the City of Kenai nor the Kenai Peninsula Borough;
 - Attended department budget meetings, and together are working on narratives to ensure meaningful goals that can be measured;
 - The City will be actively recruiting over the next month for four positions, including three administrative positions in Public Works and an Airport Manager;

- Recognized Fire Chief Prior for going above and beyond by becoming our expert in COVID-19 vaccination, getting approved to become a vaccination provider, and doing an excellent job at hosting clinics;
 - Update on Bluff project: RFP opens tomorrow.
2. City Attorney – No report.
 3. City Clerk – City Clerk J. Heinz noted she and the Deputy Clerk had attended virtual training on software that the City owned and thanked Council for the opportunity for training.

K. ADDITIONAL PUBLIC COMMENT

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

Council Member Askin reported that she had participated in some national Zoom meetings through her work and in speaking to people from other areas had observed that there is envy about Kenai's response to COVID-19 and how we've continued open meetings.

Council Member Glendening noted that had liked Vice Mayor Molloy's approach to include discussion on remote participation before bringing an ordinance to Council. He also stated that he is heartened by the level of participation in the voucher programs.

Council Member Pettey reported that she attended the Chamber of Commerce luncheon and that it was good to see friends and to hear the City's report which provided transparency to the community. Noted that she is thankful to play a part in that.

Council Member Winger recognized that March is Women in History month, and noted historical events relating to women in history. She pointed out the difference in women's rights in the United States as compared to Saudi Arabia. She stated that she would like to see the City of Kenai initiate a campaign to bring awareness to human trafficking and domestic violence.

Vice Mayor Molloy thanked Council Member Winger for her comments about women in history, and noted that our current State law on stalking is inadequate due to needing to prove crimes. He pointed out that in the mid-80's, the City of Kenai donated property to what became the Leeshore Center. He noted that he is looking forward to the City taking management responsibilities of the Recreation Center and adding programs to that; also expressed appreciation for the remote participation discussion. Commended Mayor Gabriel and City Manager Ostrander for the great presentation at Chamber of Commerce luncheon and thanked the public that has been spending money in Kenai as well as the collectors and remitters of sales tax.

Council Member Knackstedt echoed Vice Mayor Molloy's comments and thanked Mayor Gabriel and City Manager Ostrander for presentation at the Chamber of Commerce. He expressed appreciation for the well-done presentation, noting that the visuals were great. Reported that he received his COVID-19 vaccination, and noted that it is good that more vaccines are coming in.

L. EXECUTIVE SESSION – None.

M. PENDING ITEMS – None.

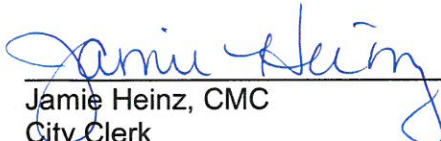
N. ADJOURNMENT

O. INFORMATION ITEMS

1. Purchase Orders Between \$2,500 and \$15,000.

There being no further business before the Council, the meeting was adjourned at 9:28 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of March 3, 2021.



Jamie Heinz, CMC
City Clerk

