

**KENAI CITY COUNCIL – REGULAR MEETING
FEBRUARY 17, 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 February 17, 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	Robert Molloy
Henry Knackstedt	Teea Winger
Jim Glendening	Glenese Pettey
Victoria Askin	

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 J.1. **City Manager Report**
- Food Bag Photos

MOTION:

Vice Mayor Molloy **MOVED** to approve the agenda with the requested additions and with the revision of moving Ordinance No. 3191-2021 to be considered first under public hearings 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 and requested **UNANIMOUS CONSENT**; and Council Member Askin **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

C. UNSCHEDULED PUBLIC COMMENTS

Brittany Brown, Executive Director of the Kenai Chamber of Commerce provided an update on the "Shop Here All Year" program noting that she had seen a lot of excitement among local businesses and the public. She added they were still reaching out to eligible small businesses in order to encourage and help them to apply. She explained that the impact has already been significant for small businesses, with over \$41,100 being spent in the City in just 2 weeks. The success of the program can be credited to an effective marketing campaign which has included radio and print advertising, and a marketing video that has been widely shared on social media. She also noted they have been working with the individuals to help them apply their receipts.

Brent Hibbert, Kenai Peninsula Borough Assembly President, thanked the Council for their efforts to help local businesses and residents. He noted that he's heard from many members of the community that they appreciate their efforts as well, and expressed gratitude for the Chambers of Commerce in Kenai and Soldotna. He provided a brief update of the actions of the most recent Borough Assembly meeting.

D. PUBLIC HEARINGS

- 10. Ordinance No. 3191-2021** - Increasing Estimated Revenues and Appropriations in the General Fund to Provide Assistance to Kenai Residents Impacted by the COVID-19 Public Health Emergency with the Purchase of Groceries and Necessary Household Goods in Kenai and Award a Professional Service Agreement to the Kenai Chamber of Commerce and Visitors Center for Administration of the Program.

[Clerk's note: During Agenda Approval this item was moved to the top of Public Hearings.]

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3191-2021 and Council Member Pettey **SECONDED** the motion.

Mayor Gabriel opened for public hearing.

Katherine Uei noted that she felt that the program application was offensive, because she believed people should not have to prove they were impacted by the COVID-19 public health emergency. She noted that every person has been impacted by COVID-19 in some way, and that people may not participate because they don't want to have to humble themselves by proving that they are in poverty. She expressed appreciation for the Chamber of Commerce's energy in implementing the Shop Here All Year program, but also noted that she felt offended and accused when they had reached out to her daughter to clarify details about an application that Katherine had submitted.

Duane Bannock stated his support for this Ordinance, noting that this program strikes right to the heart of the concerns he had expressed during the Council Meeting of January 20, 2021. He requested clarification on the Definitions section of the program which lists eligible grocers by name, and recommended that the Ordinance define eligible stores as SNAP providers in order to clarify that groceries purchased at convenience stores would apply as well. Thanked the Council for the work they've done on this program.

Todd Smith thanked the Council, Administration and staff for the work they've done in handling the COVID-19 relief funds the City has received, recognizing that it is an inherently complicated situation that can't be done perfectly. He noted that the community had worked together to identify areas where local relief could help to cover gaps left by State and Federal funding, and that the Kenai Peninsula had done a better job of this than anywhere else in the State. He stated that he thinks the City is doing a great job, and he believes it is appropriate to use the relief funds to help people and fill in these gaps, as well as to offset municipal costs in an unpredictable time.

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

MOTION TO AMEND:

Vice Mayor Molloy **MOVED** to amend Ordinance No. 3191-2021 by making the following changes:

- Section 2 of the Ordinance to read: "That the City Manager is authorized to execute a professional service agreement with the Kenai Chamber of Commerce and Visitor Center, Inc. for administration of the program for a total cost not to exceed \$15,000 including up to \$5,000 to promote the program and up to \$10,000 for program administrative support.
- Agreement with the Chamber by Amending Article 3 to read: "The Owner shall compensate the Service Provider for actual administrative as follows: Administrative Costs not to exceed \$15,000 including up to \$5,000 to promote the program and up to \$10,000 for program administration and support. And fund the program through the Service Provider for up to \$200,000."

Council Member Pettey **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

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

Mayor Gabriel passed the gavel to Vice Mayor Molloy. He explained that the deliberation over the Shop Here All Year program that took place during the Council meeting of January 20, 2021 had raised a lot of good points about the need for grocery assistance to be included, but that he did not support including groceries in that program because it was targeted specifically towards businesses that had been financially impacted. Ordinance 3191-2021 will create a program to

address those specific grocery needs of City residents, and focused on helping people who need grocery assistance. He noted that he had heard some concerns about limiting the program to only include Kenai residents, but explained that the City only has a finite amount of money with which to best serve their constituents. While this may not help individuals living outside city limits who shop in Kenai, the Kenai Peninsula Borough or the City of Soldotna can help them by implementing the same kind of program, and this would result in the residents of Kenai not having to compete with non-residents for these dollars. He clarified that the application would be made as simple as possible with only a checkbox to self-certify eligibility. As with the Shop Here All Year program, the Chamber will be providing progress reports on the success of this program. Vice Mayor Molloy returned the gavel.

MOTION TO AMEND:

Council Member Glendening **MOVED** to amend Ordinance No. 3191-2021 by striking Kenai residents and/or adding the word individuals in the following locations:

- On Kenai Grocery and Necessary Household Goods Program:
 1. Purpose to read: "To help ~~Kenai residents~~ individuals financially impacted by the COVID-19 Public Health Emergency double their money for the purchase of groceries and necessary household goods."
 2. Program Description to read: "~~Kenai residents~~ individuals who self-certify that they have been financially impacted by the COVID-19 Public Health Emergency will receive vouchers in increments of \$100, up to \$200, after providing receipts from stores selling groceries and necessary household goods. Vouchers will be issued on a first-come, first-serve basis, concluding on April 30, or when funds run out. Vouchers must be spent by May 31, 2021. Voucher's will be issued to a Kenai store selling groceries and necessary household items of the ~~resident's~~ individual's choice that are participating in the program and located in Kenai.
- On Ordinance 3191-2021:
 1. First Whereas to read: "WHEREAS, the COVID-19 Public Health Emergency has significantly impacted many ~~Kenai residents~~ individuals through lost income and or increased expenses; and,"
 2. Fourth Whereas to read: "WHEREAS, other data similarly shows an increase in financial hardship for ~~residents~~ individuals in the City, with more ~~residents~~ individuals behind on City water and sewer accounts now than prior to the Public Health Emergency and Homer Electric Association reports that it has a number of members in Kenai and other areas that have signed SB-241 Agreements indicating they are experiencing financial hardship due to the Public Health Emergency; and,"
 3. Seventh Whereas to read: "WHEREAS, the program will be funded up to \$200,000 plus an administrative fee and be administered by the Kenai Chamber of Commerce and Visitor Center, Inc. and will provide vouchers to local participating retail businesses selling groceries and necessary household goods in increments of \$100 up to a total of \$200 per ~~resident~~ individual who self certifies that they have been financially impacted by COVID-19 and who turns in receipts for groceries or necessary household goods up to \$200 from Kenai retail businesses in the months of March and April; and,"
 4. Tenth Whereas to read: "WHEREAS, these funds remain available in the General Fund if further assistance is necessary to support ~~residents~~ individuals and businesses that continue to be impacted by the COVID-19 pandemic; and,"
 5. Eleventh Whereas to read: "WHEREAS, the funding for this program can be attributed to some of the CARES Act funds the City had originally allocated to use for direct assistance to businesses, nonprofits, individuals and Kenai residents; and,"

6. Section 1 to read: "That the City Manager is authorized to establish a program up to \$200,000 to provide ~~Kenai residents~~ individuals who self-certify that they have been financially impacted by the COVID-19 Public Health Emergency, vouchers in \$100 increments up to \$200, to use at local retail establishments selling groceries or necessary household goods, upon submission of receipts from similar retail establishments on a dollar for dollar basis.

Council Member Winger **SECONDED** the motion.

Discussion on the amendment to Ordinance 3191-2021 included:

- Kenai being an area-wide commercial center;
- The contributions to the local economy;
- That it will bring comfort to our traditional customers and increase the velocity of dollars in our local economy;
- Corresponds with the objectives of companion Ordinance 3177-2021;
- A broad invitation to local shoppers is an indication of good policy;
- Mountain View Elementary has one of the highest rates of free or discounted lunches, and is a Title 1 school that is attended by many children of non-residents who come to Kenai for education and for grocery shopping;
- As of now, there is no talk of a program like this from the Kenai Peninsula Borough;
- These dollars are in the City of Kenai General Fund, and our job is to use them for the benefit of the City of Kenai and its residents;
- To expand the scope of participation beyond Kenai residents would be like using Capital Fund dollars to fund a project in Nikiski—it doesn't benefit Kenai residents;
- The self-certification box is not a significant deterrent to application. Self-certification is also consistent with other COVID-19 grant applications for businesses and non-profits, in which there is no proof needed.

Clarification was provided that if the amendment passes the title will need to be amended, but would not need to be re-advertised.

MOTION TO AMEND THE AMENDMENT:

Council Member Glendening **MOVED** to amend the title of Ordinance No. 3191-2021 to read: "AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE GENERAL FUND TO PROVIDE ASSISTANCE TO INDIVIDUALS IMPACTED BY THE COVID-19 PUBLIC HEALTH EMERGENCY WITH THE PURCHASE OF GROCERIES AND NECESSARY HOUSEHOLD GOODS IN KENAI AND AWARD A PROFESSIONAL SERVICE AGREEMENT TO THE KENAI CHAMBER OF COMMERCE AND VISITORS CENTER FOR ADMINISTRATION OF THE PROGRAM." Council Member Winger **SECONDED** the motion.

Discussion on the amendment to Ordinance 3191-2021 continued:

- We're not the Borough or the City of Soldotna, and it's a bad precedent for us to spend City of Kenai General Fund dollars on Soldotna or Borough residents in the way this amendment would have us do;
- The General Fund was used to fund Ordinance No. 3177-2021 ("Shop Here All Year" program,) and it is appropriate to use it here. We can't parse out and say we can use general fund money for other programs and not for this;

- Not passing the amendment would send a wrong message that we're happy and grateful for outside money, but don't appreciate non-residents who shop here enough to include them in this program;
- This money originated from CARES Act funding that opened up money in our General Fund;
- The spirit of Ordinance No. 3177-2021 is to support all Kenai Peninsula residents, we should be offering this to our neighbors to participate in this and not just city residents;
- Many people living outside city limits consider Kenai their base and spend their money here;
- We would be jeopardizing the purpose of the program by having Kenai residents compete for these dollars with non-residents;
- A resolution was proposed for the Council to ask the Kenai Peninsula Borough Assembly to consider a similar program.

VOTE ON AMENDMENT TO THE AMENDMENT:

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

MOTION PASSED.

VOTE ON AMENDMENT:

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

MOTION PASSED.

MOTION TO AMEND:

Vice Mayor Molloy **MOVED** to amend by changing the Kenai Grocery and Necessary Household Goods Program, under Definitions, to read: "Stores Selling Grocery and Necessary Household Items include Kenai Walmart, Kenai Safeway, IGA, Three Bears, Maggie's General Store and Retail SNAP providers. Financially Impacted by the COVID-19 Public Health Emergency means, a person has lost income, or experienced increased personal expenses due to impacts from the COVID-19 public Health Emergency." Council Member Askin **SECONDED** the motion.

It was clarified that the list of stores listed in the agreement is not meant to be exclusive, and retail SNAP providers could already be considered as included in the scope of the program. Noted that we don't want to use SNAP providers as a strict definition, as it would best to approach this program with an attitude of lenience and use broader terms because there are a lot of ways "groceries and necessary household items" can be defined by individuals.

A suggestion was made for businesses to have printed marketing materials on-site to signify that they are participating in this program.

Concern was raised on the legality of using SNAP purchases for this program, noting that it would be inappropriate for people to use government money spent on groceries to receive more government money for groceries without spending out of their own pockets.

Vice Mayor Molloy changed the wording of his motion to replace "Retail SNAP Providers" with "Convenience Stores." There was concurrence of the Second.

Clarification was provided that a list of convenience stores would be provided by Administration.

VOTE ON AMENDMENT:

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

MOTION PASSED UNANIMOUSLY.

MOTION TO AMEND:

Council Member Winger **MOVED** to amend the budget of the program to \$335,000 with \$15,000 in administrative costs for a total of \$350,000. Glendening **SECONDED** the motion.

It was noted that this amendment would make this program's budget equal to that of Ordinance No. 3177-2021 ("Shop Here All Year" program), and it would be good to see both programs run coherently with each other. Increasing the funding would allow for more people to participate, greater outreach, and for greater tax revenue. There is a great need for this, and allocating more money will help more people achieve food security in our community.

It was clarified that the increase in dollar amount does not include an increase for administrative costs, and if it was necessary they would bring an appropriation to Council in the future.

VOTE ON AMENDMENT:

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

MOTION FAILED.

MOTION TO AMEND:

Council Member Winger **MOVED** to amend by adding a bullet on Kenai Grocery and Necessary Household Goods Program under Participating Rules that reads: "SNAP and WIC are not eligible payments." Council Member Glendening **SECONDED** the motion.

Concerns were expressed about people who receive SNAP using their benefits for the program, noting that the intent is to get money back into the economy as well as getting them access to food. It was stated that there should be some investment from the participants to get their vouchers, and it would not be appropriate for government money to be used to receive more government money. It was clarified that SNAP purchases are itemized on receipts and would be clearly identifiable.

VOTE ON AMENDMENT:

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

MOTION PASSED UNANIMOUSLY.

MOTION TO AMEND:

Council Member Winger **MOVED** to amend by adding a bullet on Kenai Grocery and Necessary Household Goods Program under Participating Rules that reads: "Tobacco and liquor are not eligible purchases." Council Member Glendening **SECOND** the motion.

VOTE ON AMENDMENT:

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

NAY:

MOTION PASSED UNANIMOUSLY.

Concerns were raised about allowing national chains and C corporations traded on the U.S. stock exchange to become voucher merchants when those businesses were excluded from being "Shop Here All Year" voucher merchants, and it was stated that it would be preferable if those vouchers were to go only to local businesses. Clarification was provided that the purpose of this program is primarily to help residents who were financially impacted by COVID-19, and we don't want to limit residents to only certain stores if that's not their preferred grocery store.

MOTION TO AMEND:

Council Member Winger **MOVED** to amend so that the only participating voucher merchant would be IGA/Country Foods, Three Bears Kenai, Maggie's General Store, any not C corporations traded on the U.S. stock exchange.

The motion died for lack of a second.

Clarification was provided that, although there is a legal limitation on using General Fund dollars for a public purpose, spending these dollars for non-residents to buy groceries meets that public purpose because it has the secondary effect of helping Kenai businesses.

Clarification was provided that the businesses that are identified by name in the program definitions will have to submit an application to the Chamber of Commerce to become participating voucher merchants.

VOTE ON MAIN MOTION AS AMENDED:

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

NAY:

MOTION PASSED UNANIMOUSLY.

1. **Ordinance No. 3182-2021** - Increasing Estimated Revenues and Appropriations in the Airport Special Revenue Fund for the 2021 Airport Sand Screening Project.

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3182-2021 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.

It was noted that the quantity and quality of the sand is vital to the safety and operations of the Kenai Airport, and that this is a great way of looking at some cost-saving.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

2. **Ordinance No. 3183-2021** - Increasing Estimated Revenues and Appropriations in the General Fund – Police Department, and Accepting a Grant From the US Department of Transportation Passed through the State of Alaska Department of Transportation and Public Facilities for Traffic Enforcement Overtime Expenditures.

MOTION:

Council Member Askin **MOVED** to enact Ordinance No. 3183-2021 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.

Police Chief Ross was thanked for all the hard work and extra effort the Kenai Police Department does for the community.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

3. **Ordinance No. 3184-2021** - Amending Kenai Municipal Code 23.30.050 – Business Hours and Hours of Work to Allow for Alternate Work Schedules in the Police Department.

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3184-2021 and Council Member Askin **SECONDED** the motion.

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

Chief Ross clarified that this would change the Kenai Municipal Code by removing language which specifies that police department staff work four shifts of ten hours per week, to which an exception has been made during the COVID-19 public health emergency. This would allow them to keep this beneficial schedule beyond the current emergency.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

4. **Ordinance No. 3185-2021** - Increasing Estimated Revenues and Appropriations in the Airport Special Revenue and Airport Improvements Capital Project Funds and Amending a Professional Services Agreement for the 2021 Airfield Drainage Rehabilitation Project at the Kenai Municipal Airport.

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3185-2021 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.

Appreciation was expressed for the thoroughness of the memo from Public Works Director Curtin.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

5. **Ordinance No. 3186-2021** - Increasing Estimated Revenues and Appropriations in the General Land Sale Permanent Fund to Transfer Earnings in Excess of Budgeted Amounts to the City's General Fund.

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3186-2021 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.

It was noted that this reinforces previous Council discussions about the City of Kenai's Finance Department and their implementation of protocols, and Council is glad to know the money is well looked after by Finance Director Eubank.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

6. **Ordinance No. 3187-2021** - Increasing Estimated Revenues and Appropriations in the Airport Land Sale Permanent Fund to Transfer Earnings in Excess of Budgeted Amounts to the City's Airport Fund.

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3187-2021 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:

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

MOTION PASSED UNANIMOUSLY.

7. **Ordinance No. 3188-2021** - Increasing Estimated Revenues and Appropriations in the Water and Sewer Special Revenue and Wastewater Treatment Plant Improvements Capital Project Funds for a Replacement Sludge Press.

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3188-2021 and Council Member Askin **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 previously, \$500,000 was appropriated through the budget for this project. Public Works hopes with this additional \$700,000 they will have enough to purchase the screw press and the design and construction, after which time they will know if an appropriation of additional funds is required to reach completion. The larger water and sewer fund has a significant fund balance, but Public Works Director has been working on a long-term capital improvement program for the wastewater treatment plant as well as the water and sewer facilities and early indications are that the funds are insufficient to cover those improvements. Administration may come to Council in the future to ask for rate modification to support these improvements

VOTE:

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

MOTION PASSED UNANIMOUSLY.

8. **Ordinance No. 3189-2021** - Increasing Estimated Revenues and Appropriations in the General Fund and the Public Safety Capital Project Fund to Provide Supplemental Funding to the Fire Department's Station Alerting Project and Authorizing a Purchase Order in Excess of \$15,000 to Kachemak Electric for Performance of the Work.

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3189-2021 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.

Appreciation was expressed for the well-explained memo from Fire Chief Prior.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

9. **Ordinance No. 3190-2021** - Increasing Estimated Revenues and Appropriations in the General Fund and Authorizing a Grant Disbursement Program for Small Businesses that Did Not Previously Apply for Full Assistance from the City in 2020.

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3190-2021 and Council Member Askin **SECONDED** the motion.

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

Administration was thanked for addressing this concern, noting that it is timely and thoughtful. It was noted that this would be money well-spent, and it shows that Kenai supports our businesses. Clarification was provided that businesses which are not located in Kenai, but whose owners are Kenai residents, will not qualify for a grant. It was explained that with this new opportunity, businesses would have to apply in the same way as the second round of business grants, but if they had received a grant during the second round they would not be eligible for this new grant disbursement program. Administration will go through a similar process of advertising as the second round of grants by using the City's website and social media, but will not be sending out a mailer. City Manager noted that he will reach out personally to several businesses that have contacted him before.

It was noted that some businesses outside the City had claimed to receive City money, and it was requested that Administration follow up on these claims of fraud and report back to the Council at next meeting.

It was noted that this could be beneficial for businesses who withheld from applying during the second round because they believed they weren't impacted anymore, but they are now. This is a second chance for them, it validates how important small businesses are to the City of Kenai and that we support them.

Clarification was provided that this would not exceed the limits that the Borough provided to businesses.

VOTE:

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

NAY:

MOTION PASSED UNANIMOUSLY.

10. **Ordinance No. 3191-2021** - Increasing Estimated Revenues and Appropriations in the General Fund to Provide Assistance to Kenai Residents Impacted by the COVID-19 Public Health Emergency with the Purchase of Groceries and Necessary Household Goods in Kenai and Award a Professional Service Agreement to the Kenai Chamber of Commerce and Visitors Center for Administration of the Program.

[Clerk's note: During Agenda Approval this item was moved to the top of Public Hearings.]

11. **Resolution No. 2021-08** - Awarding a Professional Services Contract at the Kenai Municipal Airport for Airport Security Guard Services.

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-08 and Council Member Askin **SECONDED** the motion.

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

It is noted that at the Airport Commission meeting of February 11, 2021 recommended approval of Guardian Security Services.

UNANIMOUS CONSENT was requested.

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

12. **Resolution No. 2021-09** - Further Extending the Disaster Emergency Declaration for the City of Kenai Made on March 18, 2020 in Response to the COVID-19 Health Emergency.

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-09 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.

It was stated that it is important to extend this resolution, because there is still a lot of uncertainty surrounding the future of the COVID-19 Health Emergency. By keeping this emergency declaration in place, the City would have opportunity to participate in federal or state distributions. Noted that when we first started looking at this issue our world was very different. It was clarified that it is uncertain whether or not the City of Kenai would still be eligible to receive more federal funding if the declaration were not extended.

Discussion involved the State of Alaska's emergency declaration expiration, and the uncertainty of whether or not they can accept federal emergency funds. It was noted that the State is going on a path towards resiliency and it would be good see this for Kenai in the future, and doing so will require that the City plan for this future by getting its affairs in order now. The City currently has a moratorium on interest, penalties and shutoffs for nonpayment of water and sewer utilities, and it is preferable that Administration continue even after the emergency order if there is need.

Council's historical position on COVID-19 measures was delineated with references to policies and previously passed legislation (Resolutions 2020-19, 2020-27, 2020-75) which focused on the reduction on business and travel mandates and emphasis on personal responsibility for following safety precautions. It was clarified that there were no mandates associated with the emergency declaration, and this extension would be consistent with that.

UNANIMOUS CONSENT was requested.

Clarification was provided that the emergency declaration extension would also extend temporary leave to City employees along with the previously mentioned utilities exceptions, and if the City wants to keep these benefits in place after the emergency declaration expires it will require an Ordinance to be passed which can take up to 60 days to go into effect. It was noted that Administration will start to prepare one for that possibility.

It was noted that an Ordinance addressing the continuation of Zoom participation in Council meetings will be proposed at a future meeting.

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

E. MINUTES

1. *Regular Meeting of January 20, 2021.

Approved by the consent agenda.

2. *Regular Meeting Minutes 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. ***Action/Approval** - Special Use Permit to State of Alaska - Division of Forestry for Apron Parking.

Approved by the consent agenda.

3. ***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.

Introduced by the consent agenda and Public Hearing set for March 3, 2021.

4. ***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.

Introduced by the consent agenda and Public Hearing set for March 3, 2021.

5. ***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.

Introduced by the consent agenda and Public Hearing set for March 3, 2021.

6. **Action/Approval** - Confirmation of Gwen Woodard, Nominated by the Mayor to Fill a Vacancy on the Planning and Zoning Commission.

MOTION:

Vice Mayor Molloy **MOVED** to confirm Mayoral Nominations for Appointment of Gwen Woodard to the Planning and Zoning Commission. Council Member Pettey **SECONDED** the motion.

It was clarified that there was another applicant for this seat, and they were contacted and are willing to keep their application on file for future vacancies. Noted that the other application was not included in the packet.

UNANIMOUS CONSENT was requested.

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

7. **Action/Approval** - Confirmation of Barbara Roland, Nominated by the Mayor to Fill a Vacancy on the Beautification Committee.

MOTION:

Council Member Askin **MOVED** to confirm Mayoral Nominations for Appointment of Barbara Roland to the Beautification Committee. Council Member Knackstedt **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

It was clarified that there are multiple vacancies on this committee and recruitment is ongoing.

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

8. Action/Approval - Letter Supporting Bluff Erosion Project Funding.

MOTION:

Vice Mayor Molloy **MOVED** to approve the Bluff Erosion Project funding letter as written. Council Member Glendening **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

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

9. Discussion - COVID-19 Response.

City Manager Ostrander reported that no employees are currently in COVID-19 protocol; Central Peninsula Hospital reported two hospitalizations, although this had been preceded by a long stretch of no hospitalizations up until today.

Discussion included an increase in usage at the Kenai Recreation Center usage and hockey rink, which represents a return to normalcy.

The vaccine transportation program was reported on, with a total of approximately 5-6 vouchers having been issued. It was noted that the low numbers could be due to the fact that many people in age group the program would primarily benefit have already been vaccinated prior to the program's initiation. It was also reported that the Beacon facility clinic went extremely well, with over 200 people vaccinated and the Kenai Fire Department receiving very positive feedback.

H. COMMISSION / COMMITTEE REPORTS

1. Council on Aging – Council Member Pettey reported on the meeting of February 11, 2021 in which they met in person. Noted she stopped by the Senior Center to take a personal tour of the new improvements to the facility. Next meeting March 11, 2021.
2. Airport Commission – Council Member Knackstedt reported on February 11, 2021. The Commission all attended in person and concurred it was much better way to handle meeting; everyone at dais was masked. Next meeting March 11, 2021.
3. Harbor Commission – Council Member Glendening attended and reported on the Harbor Commission meeting of February 8, 2021 in Vice Mayor Molloy's absence. Next meeting March 8, 2021.

4. Parks and Recreation Commission – Council Member Winger reported on Special Joint Meeting with the Beautification Committee of February 4, 2021. Next meeting March 4, 2021.
5. Planning and Zoning Commission – No report. Next meeting February 24, 2021.
6. Beautification Committee – Council Member Askin reported on special joint meeting with Beautification Committee of February 4, 2021. Next meeting April 13, 2021.
7. Mini-Grant Steering Committee – No report.

I. REPORT OF THE MAYOR

Mayor Gabriel reported on the following:

- Attended a conference call with Alaska Municipal League which discussed the role of home rule cities and the expiration of the State of Alaska’s emergency declaration, including changes to mandates and vaccination;
- He and Vice Mayor Molloy participated in a radio segment on Sound Off to discuss and promote the “Shop Here All Year” and grocery programs, as well as the re-opening of applications to the second round of business grants;
- He and City Manager Ostrander are planning a presentation for the Chamber on March which will include important information for the business community.

J. ADMINISTRATION REPORTS

1. City Manager - City Manager P. Ostrander reported on the following:
 - Thanked Airport Manager Bondurant for her 23 years of service to the City before her retirement in May 2021;
 - Thanked the entire streets crew, recognizing that the hard work they do in the winter is the best on the Kenai Peninsula;
 - Addressed the ongoing discourse regarding the City of Kenai’s business climate and economic activity. He reported that sales data for 2020 shows a 5.71% increase in sales tax over the previous year and almost \$600 million in gross sales, outperforming other cities in Alaska by a wide margin. Based on this data, Kenai is the best place to locate your business for the last two years, and Kenai is the where businesses come to thrive. The actions Council has taken in previous years has certainly helped. Banner ads that have been shared on social media were displayed to Council, as well as short looping videos that encourage people to move or visit;
 - Bluff Project update: RFP is out on the street and the bid opening is now March 4, 2021;
 - A “sledding closed” sign was placed at the top of a hill at the end of South Forest Drive. Has already received one complaint of government overreach as a result;
 - Fire Chief Prior was working on getting the city’s Emergency Plan updated and it is one of his top priorities;
 - The pathway to the Doctor’s Cabin is intended to be constructed soon, most likely this summer;
 - The group that was planning to construct a dog park at Daubenspeck Family Park will hopefully be renewing their efforts, and Parks & Recreation will reach out to get them to do so;

- A significant number of vehicles have been removed and towed away this winter, for which the City has a budget we are probably close to expending.
2. City Attorney – No report.
 3. City Clerk – No report.

K. ADDITIONAL PUBLIC COMMENT

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

Steve Carlson expressed concern about government overreach by President Biden, including shutting down oil and gas activities, airport mask mandates and potential vaccine mandates. He encouraged Council to pass a resolution stating that they would not abide by these mandates.

2. Council Comments

Council Member Winger stated that she missed having a student representative on the Council, and mentioned upcoming high school events such as sports and drive-in movie nights. She noted that she appreciated the support from the hockey community, and is looking forward to moving into a phase of resilience after COVID-19. She also addressed the issue of homelessness in the area, stating that she would like to see the City take action to address this issue.

Council Member Glendening observed that the community seems to be returning to normal, and that people want to be able to get back together. He also received appreciation from hockey families. He attended the Chamber of Commerce meeting, and heard Tim Dillon of the Kenai Peninsula Economic Development District note that many people are moving to Kenai from in-state, and that Kenai is an attractive place to be. He is looking forward to COVID-19 being behind us and getting back to normal.

Council Member Askin noted she is looking forward to seeing the grocery program kick off, and expressed her appreciation for the hard work of the Streets crew.

Council Member Pettey thanked the Streets crew for their hard work. She stated she is glad the City put forward the grocery ordinance to help the community, and thanked the Council and Administration for all of their hard work and what they have done to promote and provide vitality for small businesses.

Vice Mayor Molloy stated he was glad to see Ordinance 3191-2021 pass, as well as for the City Manager's report on sales tax and the success of the Kenai business community. Noted that he also attended Tim Dillon's presentation at the Chamber of Commerce, and found the new additions to their website very interesting and useful. He noted his Sound Off radio segment with Mayor Gabriel, and also that he is pleased with the data that had been provided by the Chamber of Commerce about "Shop Here All Year" and expects to see it expand exponentially.

Council Member Knackstedt mentioned that he also attended the Chamber of Commerce luncheon where he too was impressed by the Kenai Peninsula Economic Development District's website upgrades, and was glad to see that we have local talent that helped to design the site. He thanked the Clerk and Deputy Clerk for the seamless operations during the Clerk's leave.

L. EXECUTIVE SESSION – None.

M. PENDING ITEMS – None.


N. ADJOURNMENT

O. INFORMATION ITEMS

1. Purchase Orders Between \$2,500 and \$15,000.
2. State Department/Emergency Amendment Mask Implementation FAQ

There being no further business before the Council, the meeting was adjourned at 9:54 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of February 17, 2021.



Jamie Heinz, CMC
City Clerk

