

**KENAI CITY COUNCIL – REGULAR MEETING
JUNE 16, 2021 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
VICE MAYOR BOB MOLLOY, PRESIDING**

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Kenai City Council was held on June 16, 2021, in City Hall Council Chambers, Kenai, AK. Vice Mayor Molloy called the meeting to order at approximately 6:00 p.m.

1. Pledge of Allegiance

Vice Mayor Molloy led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Brian Gabriel, Mayor (absent)	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

Vice Mayor Molloy noted the following revisions to the agenda and packet:

- Add to item D.3. **Ordinance No. 3219-2021**
- Supplemental Information

MOTION:

Council Member Knackstedt **MOVED** to approve the agenda with the requested additions to the agenda and packet, and with the revision of moving item G.8 to be considered prior to public hearings. Council Member Glendening **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

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

4. Consent Agenda

MOTION:

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

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

Vice Mayor Molloy 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 – None.

D. PUBLIC HEARINGS

[Clerk's Note: During agenda approval, item G.8. was moved to this point on the agenda.]

8. **Action/Approval** - Authorizing the City Administration to Submit Previously Adopted Resolution 2020-89 - A Resolution of the City of Kenai, Alaska, Opposing Alternative 4 Proposed to the North Pacific Management Council that would Close All Federal Waters in Cook Inlet to Commercial Fishing, Along With an Accompanying Letter from the Mayor as Comments to the National Oceanic and Atmospheric Administration's Proposed Regulations Closing the EEZ to Commercial Fishing, Prior to the July 6, 2021 Comment Deadline. (All Council Members)

MOTION:

Council Member Knackstedt **MOVED** to authorize City Administration to submit previously adopted Resolution 2020-89 along with an accompanying letter from the Mayor as comments to the National Oceanic and Atmospheric Administration's proposed regulations closing the EEZ to commercial fishing. Council Member Glendening **SECONDED** the motion.

The rules were suspended and public testimony was taken.

Mr. Ruffner thanked Council for quick action on this item and noted that the submission of this previous resolution to the NOAA comments and a future letter between all mayors to be submitted to the other process by 7/19 would be a sufficient plan.

There being no further comments; there being no one wishing to be heard, the public comment period was closed.

UNANIMOUS CONSENT was requested.

A roll call vote was requested.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

1. **Ordinance No. 3217-2021** - Conditionally Donating Certain City Owned Property Described as Two Approximate 1 1/4 Acre Parcels to be Subdivided from a Portion of the 72 Acre More or Less Portion of the SE 1/4 Lying East of Tract A Kenai Meadows (KPB Parcel No. 039 010 65) To Kenai Peninsula Housing Initiative for the Development of Restricted Income and Senior Housing. (Mayor Gabriel, Vice Mayor Molloy, Council Member Winger)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3217-2021 and Council Member Glendening **SECONDED** the motion.

Vice Mayor Molloy opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

MOTION:

Council Member Pettey **MOVED** to postpone Ordinance No. 3217-2021 until the July 7, 2021 Council meeting and for a second public hearing at that meeting. Council Member Askin **SECONDED** the motion

UNANIMOUS CONSENT was requested.

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

2. **Ordinance No. 3218-2021** - Accepting and Appropriating Drug Seizure Funds into the Police Small Tools Account. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3218-2021 and Council Member Askin **SECONDED** the motion.

Vice Mayor Molloy opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

- 3. Ordinance No. 3219-2021** - Conditionally Donating Certain City Owned Property Described as One Approximate 2 Acre Parcel to be Subdivided from a Portion of the 6.8 Acre More or Less Portion of the East of Tract 4, Baron Park Subdivision (KPB Parcel No. 045 01 035) to Triumvirate Theatre for the Development of a Theatre Facility. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3219-2021 and Council Member Winger **SECONDED** the motion.

Vice Mayor Molloy opened the floor for public comment.

Joe Rizzo spoke in favor of the donation, explaining the capacity of Triumvirate Theatre as an organization with positive effects in the community.

Kate Cox spoke in favor of the land donation, explaining that she has participated in several plays and explained how important theatre has been to her. She noted this donation would be the next big step towards rebuilding the theatre.

Tyson Cox spoke in favor of the donation noting Kenai had a great opportunity to have Triumvirate Theater in the community and that it was a great asset to the Kenai Peninsula. He briefly noted his family had enjoyed the plays from both the audience and the stage, and his daughter's involvement with the organization has given her great confidence and life skills.

Mike Navarre noted that from the Rasmusson Foundation perspective, who was engaged with donating funds to the project, it was possible to have the project on the Foundation's fall agenda and could be considered sooner than later. He also spoke about the organization owning the building instead of leasing it as in the past.

Tim Dillon spoke in favor of the donation noting it was a substantial benefit to the community economically; he urged support noting that this was an opportunity to make Kenai, "even more."

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

There was discussion regarding the many benefits and values the theater provided to the community.

Clarification was provided that an estimated value, suitable for their use, could be developed based on comparable data in the recent past.

MOTION:

Council Member Knackstedt **MOVED** to postpone Ordinance No. 3219-2021 until the July 7, 2021 Council meeting and for a second public hearing at that meeting and requested **UNANIMOUS CONSENT**. Council Member Glendening **SECONDED** the motion.

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

4. **Ordinance No. 3220-2021** - Authorizing a Tourism, Travel, and Hospitality Services Economic Stimulus Program to Benefit Certain Kenai Small Businesses and Award of a Professional Services Agreement to the Kenai Chamber of Commerce and Visitor Center for Administration of the Program. (Administration)

MOTION:

Council Member Glendening **MOVED** to enact Ordinance No. 3220-2021 and Council Member Knackstedt **SECONDED** the motion.

Vice Mayor Molloy opened the floor for public comment;

Tim Dillon spoke in support of this program and all of the past programs that the City has developed; also noted the great work that the Chamber of Commerce was doing.

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

An overview of the concept of the need the hospitality industry was provided; however, it was noted that the hospitality industry no longer needed the assistance.

MOTION:

Council Member Glendening **MOVED** to postpone Ordinance No. 3220-2021 indefinitely and Council Member Knackstedt **SECONDED** the motion.

VOTE:

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

NAY:

MOTION PASSED UNANIMOUSLY.

5. **Resolution No. 2021-40** - Authorizing and Awarding a Contract Extension for Ambulance Billing through Systems Design West for the Period of July 1, 2021 through June 30, 2023. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-40 and Council Member Glendening **SECONDED** the motion.

Vice Mayor Molloy opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

UNANIMOUS CONSENT was requested.

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

6. **Resolution No. 2021-41** - Authorizing a Budget Transfer within the General Fund, Parks, Recreation and Beautification Department to Supplement the eave Account in Excess of Budgeted Amounts. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-41 and Council Member Glendening **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

Vice Mayor Molloy opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

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

7. **Resolution No. 2021-42** - Authorizing an Equipment Purchase Agreement and Issuance of a Purchase Order for the New Replacement Sludge Press at the Wastewater Treatment Plant. (Administration)

MOTION:

Council Member Askin **MOVED** to adopt Resolution No. 2021-42 and Council Member Winger **SECONDED** the motion.

Vice Mayor Molloy opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

It was noted that the Council, in past meetings, had been well informed of the need for this equipment.

UNANIMOUS CONSENT was requested.

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

8. **Resolution No. 2021-43** - Authorizing Budget Transfers in the General Fund - Street and Building Departments and the Water and Sewer Fund - Wastewater Treatment Plant Department to account for Unanticipated Expenditures. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-43 and Council Member Askin **SECONDED** the motion.

Vice Mayor Molloy opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

Clarification was provided that COVID-19 impacted the department due to the need for staff to work from home; however, testing still needed completed which incurred overtime which wasn't budgeted for.

UNANIMOUS CONSENT was requested.

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

9. **Resolution No. 2021-44** - Authorizing the City Manager to Extend the Restaurant Concession Agreement in the Kenai Municipal Airport for an Additional Year. (Administration)

MOTION:

Council Member Askin **MOVED** to adopt Resolution No. 2021-44 and Council Member Pettey **SECONDED** the motion.

Vice Mayor Molloy opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

Clarification was provided that the subsidized rents that had been provided due to the public health emergency were ending at the end of June, 2021 and that this extension was the first of two authorized extensions.

An explanation was given that if there was a desire for the terms of the agreement were to be amended, the procurement code would require a request for proposal process; also clarified that the base rent rate was eliminated and the lease is a percentage of sales only.

UNANIMOUS CONSENT was requested.

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

10. **Resolution No. 2021-45** - Authorizing the Termination of the Facility Management Services Agreement for the Kenai Recreational Center with the Boys and Girls Club of the Kenai Peninsula and Authorizing a New Agreement with Boys and Girls Club of the Kenai Peninsula to Operate the Teen Center at the Kenai Recreation Center. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-45 and Council Member Glendening **SECONDED** the motion.

Vice Mayor Molloy opened the floor for public comment; there being no one wishing to be heard, the public comment period was closed.

An overview of the request from the Boys and Girls Club to discontinue recreation operations for adults while continuing to serve teens, as well as the future operations of the facility and which organization rental monies would go to in certain situations was provided.

UNANIMOUS CONSENT was requested.

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

E. MINUTES

1. *Regular Meeting of June 2, 2021. (City Clerk)

Approved by the consent agenda.

F. UNFINISHED BUSINESS

G. NEW BUSINESS

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

Approved by the consent agenda.

2. *Action/Approval - FY21 Purchase Orders Over \$15,000. (Administration)

Approved by the consent agenda.

2. *Action/Approval - FY22 Purchase Orders Over \$15,000. (Administration)

Approved by the consent agenda.

4. *Action/Approval - Non-Objection to Liquor License Renewals for Peninsula Oilers and Pizza Paradisos. (City Clerk)

Approved by the consent agenda.

5. Action/Approval - Special Use Permit to James H. Doyle, Individually, D/B/A Weaver Brothers, Inc., for Truck Trailer Storage. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to approve a Special Use Permit to James H. Doyle, Individually, D/B/A Weaver Brothers, Inc., for truck trailer storage and Council Member Winger **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

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

6. Action/Approval - Special Use Permit to State of Alaska, Division of Forestry, for Air Tanker Reload Base. (Administration)

MOTION:

Council Member Askin **MOVED** to approve a Special Use Permit to State of Alaska, Division of Forestry, for air tanker reload base and Council Member Winger **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

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

7. **Action/Approval** - Approving Officials Bond Amounts for the City Manager, City Clerk, and Finance Director. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to approve officials bond amounts for the City Manager, City Clerk, and Finance Director and Council Member Askin **SECONDED** the motion.

Clarification was provided that, pursuant to City Charter, bonds were required for certain staff in an amount established by Council and that this was the process for accomplishing that. An overview of coverages and costs was also provided.

UNANIMOUS CONSENT was requested.

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

8. **Action/Approval** - Authorizing the City Administration to Submit Previously Adopted Resolution 2020-89 - A Resolution of the City of Kenai, Alaska, Opposing Alternative 4 Proposed to the North Pacific Management Council that would Close All Federal Waters in Cook Inlet to Commercial Fishing, Along With an Accompanying Letter from the Mayor as Comments to the National Oceanic and Atmospheric Administration's Proposed Regulations Closing the EEZ to Commercial Fishing, Prior to the July 6, 2021 Comment Deadline. (All Council Members)

[Clerk's Note: during agenda approval this item was moved to be considered prior to public hearings.]

9. **Discussion** - Set a Board of Adjustment Hearing for an Appeal of a Planning and Zoning Commission Decision. (City Clerk)

Clarification was provided on that a Board of Adjustment appeal application has been received, and the meeting needs to be set within 45 days or 60 days with good cause. Potential dates and conflicts in availability were discussed.

It was decided a Board of Adjustment hearing would be held on July 30, 2021 at 6:00 p.m.

H. COMMISSION / COMMITTEE REPORTS

1. Council on Aging – No report. Next meeting July 8, 2021.
2. Airport Commission – Vice Mayor Molloy reported on the meeting of June 10, 2021. Next meeting July 8, 2021.
3. Harbor Commission – Vice Mayor Molloy reported on the meeting of June 7, 2021. Next meeting August 9, 2021.

4. Parks and Recreation Commission – Council Member Winger reported on the meeting of June 3, 2021. Next meeting August 5, 2021.
5. Planning and Zoning Commission – Council Member Glendening reported on the meeting of June 9, 2021. Next meeting June 23, 2021.
6. Beautification Committee – No report. Next meeting September 7, 2021.
7. Mini-Grant Steering Committee – No report.

I. REPORT OF THE MAYOR

Vice Mayor Molloy noted the Mayor was on vacation and there wasn't a Mayor's Report.

J. ADMINISTRATION REPORTS

1. City Manager –City Manager Ostrander reported on the following:
 - Working with the owner of the bowling alley on façade repairs;
 - Funding for Spruce Bark Beetle mitigation and how federal funds would be utilized within the City;
 - The lease between Schilling's and City of Kenai for a facility for Guardian Flight had been executed;
 - Met with Corps of Engineers who reiterated their support for the project and noted that funding opportunities existed in 2021 for the project; contract awarded for the design; added that the closer to shovel ready the project was, the better chance for funding.
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*)
2. Council Comments

Council Member Winger noted an upcoming vacation, cautioned residents regarding bears.

Council Member Pettey thanked the staff for perseverance through the past year with the public health emergency and noted it was good to see everyone at the Employee Appreciation Party.

Council Member Knackstedt expressed gratitude for Mr. Dillon's testimony on Triumvirate Theatre and the proposed tourism program. Thanked Vice Mayor Molloy for attending the Airport Commission meeting in his absence, and noted that he enjoyed the Employee Appreciation Party. Clarified that he frequently requested unanimous consent for efficiency, but encouraged the Council Members to object if they wish to hold a vote.

Vice Mayor Molloy noted that most of the Council had attended the Employee Appreciation Party, and they appreciated City employees. Thanked everyone for their efficiency and good discussion during the meeting.

L. **EXECUTIVE SESSION** – None.

M. **PENDING ITEMS** – None.

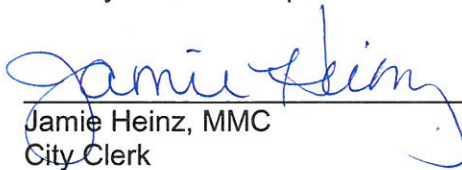
N. **ADJOURNMENT**

O. **INFORMATION ITEMS**

1. Purchase Orders Between \$2,500 and \$15,000
2. Kenai Peninsula Borough Resolution Supporting Straightline Aviation's Plan for Hybrid Airships.

There being no further business before the Council, the meeting was adjourned at 7:56 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of June 16, 2021.



Jamie Heinz, MMC
City Clerk

