

**KENAI CITY COUNCIL – REGULAR MEETING
AUGUST 18, 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 August 18, 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 (via Electronic Participation)
Jim Glendening	Glenese Pettey
Victoria Askin (via Electronic Participation)	

A quorum was present.

Also in attendance were:

Paul Ostrander, City Manager
Scott Bloom, City Attorney
Jamie Heinz, City Clerk

3. Agenda Approval

MOTION:

Mayor Gabriel noted the following additions to the packet:

Add to item D.8.

Resolution No. 2021-54

- KPB Memo
- KPB Powerpoint Presentation

Add to item J.1

City Manager Report

- Kenai Marketing Plan FY2022 Detail

Vice Mayor Molloy **MOVED** to approve the agenda with the requested revisions 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.** 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

- 1. Tim Dillon, Executive Director, Kenai Peninsula Economic Development District - Quarterly Update.**

Tim Dillon discussed the goals of Kenai Peninsula Economic Development District, noting that priorities include outreach, engagement, improving quality of life on the Peninsula, and cultivating and maintaining relationships. He reviewed KPEDD's current and upcoming projects, including an economic resiliency plan for local businesses, broadband expansion, and energy audits. He showed a video which highlighted their partnership with the Alaska Manufacturing Extension Partnership, a University of Alaska Anchorage Business Enterprise Institute.

C. UNSCHEDULED PUBLIC COMMENTS

Ryan Hatt expressed frustration with the reported salmon escapement levels in the Kenai River, and stated that it is hurting the commercial fishing industry with millions of dollars being lost. He suggested stopping dipnetting and closing the Kenai dock.

D. PUBLIC HEARINGS

- 1. Ordinance No. 3226-2021 - Increasing Fiscal Year 2021 Estimated Revenues and Appropriations in the General Fund – Police Department and Accepting a Grant from the Alaska High Intensity Drug Trafficking Area for Drug Investigation Overtime Expenditures. (Administration)**

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3226-2021 and Council Member Knackstedt **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.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

2. **Ordinance No. 3227-2021** - Accepting and Appropriating a Grant from the U.S. Department of Homeland Security Passed Through the State of Alaska Department of Military and Veterans' Affairs, Increasing Estimated Revenues and Appropriations in the General Fund - Fire Department, and Authorizing the Sole Source Purchase of Portable Radios and Accessories for the Fire Department. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3227-2021 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.

Clarification was provided that the Kenai Fire Department radios communicate with Central Emergency Services and Nikiski Fire Department, as well as switch to emergency channels that are used by statewide agencies as well. Police radios communicate with Soldotna Police, State Troopers and other police departments. It was also noted that these radios would be compatible with potential collaboration with City of Soldotna to be discussed later in the meeting.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

3. **Ordinance No. 3228-2021** - Increasing Estimated Revenues and Appropriations in the Airport Fund, Terminal Repair and Maintenance Department for Expenditures in Excess of Budgeted Amounts Related to Damage to Terminal Building Siding and Authorizing a Purchase Order to Blazy Construction, Inc. (Administration)

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3228-2021 and Council Member Knackstedt **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.

Clarification was provided that damage occurred when snow was being cleared adjacent to the restaurant and the loader got too close and hit the terminal building. Guidance has been posted that motorized vehicles cannot get within 5 feet of the building. Noted that insurance is applicable, but the cost is less than the deductible amount.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

4. **Ordinance No. 3229-2021** - Accepting a Grant from the Federal Aviation Administration and Increasing Estimated Revenues and Appropriations in the Airport Snow Removal Equipment Capital Project Fund. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3229-2021 and Council Member Pettey **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 piece of equipment that can keep up with the high standards at the airport, and that the delivery will be timely.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

5. **Ordinance No. 3230-2021** - Increasing Estimated Revenues and Appropriations in the General Fund - Fire Department for the Purchase of Extrication Equipment Needed to Provide Emergency Response to Motor Vehicle Accidents. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3230-2021 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.

Clarification was provided that this is an apparatus that is common to all or most of the fire departments in the area, as it is necessary and needed equipment for the community. The sole source purchase is due to the fact that they are the only provider for this product in the state of Alaska. It was noted that the Kenai Fire Department has had great success with this brand of product in the past, and that they and other fire departments in the area are familiar with how to use it. Clarification was provided that it has a long battery life, and that we currently have a demo set which we can use until the new equipment is delivered. First responders were thanked for their diligence.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

6. **Ordinance No. 3231-2021** - Increasing Estimated Revenues and Appropriations in the COVID-19 Cares Act Recovery Fund for a Federal Cares Act Grant Passed Through the State of Alaska Department of Public Safety for Overtime and Direct Expenditures of the Police, Fire, and Communications Departments of the City. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to enact Ordinance No. 3231-2021 and Council Member Pettey **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.

VOTE:

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

MOTION PASSED UNANIMOUSLY.

7. **Ordinance No. 3232-2021** - Increasing Estimated Revenues and Appropriations in the General Fund, Kenai Fine Arts Center Capital Project Fund and Amending the Lease for a Portion of Lot 3, Block 17, Original Townsite of Kenai for the Kenai Fine Arts Center to Provide Additional Funding for Improvements and Modifications Amendment to the Lease for the Kenai Fine Arts Center. (Administration)

MOTION:

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3232-2021 and Council Member Knackstedt **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment.

Marion Nelson expressed appreciation for the City's support going through this process. She noted the donations of time and talent from the community, explaining that they are almost up and running and these additional funds will make that happen, and she clarified what still needs to be done.

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

MOTION TO AMEND:

Vice Mayor Molloy **MOVED** to amend Ordinance No. 3232-2021 by replacing the first blank ["XX"] in the seventh WHEREAS with the number \$25,048.10 and the word "in" and the second blank ["XX"] with the number 350. Council Member Knackstedt **SECONDED** the motion.

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

MOTION TO AMEND:

Council Member Winger **MOVED** to amend Ordinance No. 3232-2021 by changing the third WHEREAS to remove everything after "local community". Council Member Glendening **SECONDED** the motion.

Concerns were expressed about the age of the building and its future needs, and potential difficulty securing funding in the future. It was stated that it is only right for the City to still have the ability to address the aging building, and the suggestion was made to sell the building to the Art Guild for one dollar.

Clarification was provided that this takes away the obligation, but not ability, of the City to address issues with the Fine Arts Center building. The Fine Arts Guild is responsible for keeping building insurance up to date which it is, and it was also noted that the City carries property insurance on it as well.

It was explained that this additional appropriation will complete the scope of work that was identified by the Art Guild, although other issues have been identified that may need to be addressed in the future, and they can approach the City for funding at that time. This Ordinance states that the Council has no obligation to provide more funding, but it is in their ability to do so.

VOTE ON AMENDMENT:

YEA: Winger

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

MOTION TO AMEND FAILED.

Clarification was provided on the distinction between the Peninsula Art Guild organization and Kenai Fine Art Center building.

It was noted that the lease amendment which makes clearer that the Art Guild is responsible for the upkeep and maintenance of the building, but they can ask Council for funds in the future. The modification to Section 18 that repairs are the responsibility of the Art Center better positions them to receive grants which will help when pursuing them in the future.

VOTE ON MAIN MOTION AS AMENDED:

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

NAY:

MOTION PASSED UNANIMOUSLY.

8. **Resolution No. 2021-54** - Adopting Joint Resolution No. 2021-002 of the Assembly of the Kenai Peninsula Borough and Councils of the Cities of the Kenai Peninsula Borough, Supporting a Request for Federal Aid Submitted by the Kenai Peninsula Borough to Alaska's U.S. Congressional Delegation for the Purpose of Spruce Bark Beetle Mitigation. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-54 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.

Clarification was provided this resolution is an overarching request that acknowledges the impact of spruce bark beetles on both private and public property types, and noted that it recognizes this inclusivity and sharing of a common goal of mitigating this impact.

The importance of answering to the public on this issue was emphasized, as there have been requests from the public for slash areas. Support was expressed for the resolution, and it was noted that the scope of the problem goes beyond the Kenai Peninsula Borough and will require federal aid. Appreciation was expressed for the information provided by the Borough, including a comprehensive list of measures that federal funds will support. It was noted this will have a great benefit for the community.

VOTE:

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

NAY:

MOTION PASSED UNANIMOUSLY.

9. **Resolution No. 2021-55** - Approving the Development Incentives per Kenai Municipal Code 21.10.100 for a Lease of Airport Reserve Lands Between the City of Kenai and Schilling Rentals, LLC on General Aviation Apron Sub No. 1 Amended Lot 2 Blk 3. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-55 and Council Member Pettey **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 the building is under construction, and the lessee has been putting in a lot of time and efforts into the improvements.

UNANIMOUS CONSENT was requested.

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

E. MINUTES

1. *Work Session of August 4, 2021. (City Clerk)

Approved by the consent agenda.

2. *Regular Meeting of August 4, 2021. (City Clerk)

Approved by the consent agenda.

F. UNFINISHED BUSINESS – None.

G. NEW BUSINESS

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

Approved by the consent agenda.

2. ***Ordinance No. 3234-2021** - Increasing Estimated Revenues and Appropriations in the Airport Improvements Capital Project Fund, Amending the City's Professional Services Agreement with HDL Engineering Consultants, Accepting Grant Funding from the Federal Aviation Administration, and Issuing a Purchase Order for Construction of the 2021 Airfield Drainage Rehabilitation Project at the Kenai Municipal Airport. (Administration)

Introduced by the consent agenda and Public Hearing set for September 1, 2021.

3. ***Ordinance No. 3235-2021** - Accepting and Appropriating a Grant from the State of Alaska for the Purchase of Library Books. (Administration)

Introduced by the consent agenda and Public Hearing set for September 1, 2021.

4. ***Ordinance No. 3236-2021** - Amending the Official Zoning Map by Rezoning T 5N R 11W Sec 6 Seward Meridian KN North 150 Ft of Govt Lot 34 from Suburban Residential to General Commercial. (Administration)

Introduced by the consent agenda and Public Hearing set for September 1, 2021.

5. ***Ordinance No. 3237-2021** - Increasing Estimated Revenues and Appropriations in the General Fund – Land Administration Department to Provide Funding for a Kenai Waterfront Revitalization Feasibility Study. (Administration)

Introduced by the consent agenda and Public Hearing set for September 1, 2021.

6. **Action/Approval** - Authorizing a Special Use Permit to Boys and Girls Club of the Kenai Peninsula for Office Space at the Beacon Building. (Administration)

MOTION:

Vice Mayor Molloy **MOVED** to authorize a Special Use Permit to Boys and Girls Club of the Kenai Peninsula for office space at the Beacon Building. Council Member Pettey **SECONDED** the motion.

Clarification was provided that while this will occupy most of the office space on the second floor, there are other spaces being used by the Red Cross and Beacon. There is still sufficient space for Fire Department training, and it is noted that the permit does not allow for exclusive use of the area.

UNANIMOUS CONSENT was requested.

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

7. **Action/Approval** - Letter of Support for a Kenaitze Indian Tribe Grant Request for a Pilot Fixed-Route Transportation Program. (Administration)

MOTION:

Council Member Knackstedt **MOVED** to approve a letter of support for a Kenaitze Indian Tribe Grant request for a pilot fixed-route transportation program. Vice Mayor Molloy **SECONDED** the motion.

City Manager Ostrander reported that the Kenaitze Indian tribe reached out to request that the Mayor sign a letter supporting their grant application to the USDOT. An explanation was provided for the proposed fixed-route bus service which would be open to all members of the public, and this pilot program could prove it is a viable system to move forward with.

VOTE:

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

NAY:

MOTION PASSED UNANIMOUSLY.

8. **Action/Approval** - Potential Partnership with the City of Soldotna to Provide 9-1-1 Dispatch Services. (Administration)

MOTION:

Vice Mayor Molloy **MOVED** to direct administration to perform the due diligence necessary to determine if a partnership with the City of Soldotna to provide 9-1-1 dispatch services is in the best interests of the City of Kenai and bring a recommendation back to Council. Council Member Knackstedt **SECONDED** the motion.

Clarification was provided that the City of Kenai would be providing a term contract with the City of Soldotna, which would include the location and equipment for dispatch services. The terms of payment for dispatch services in this contract would be based on the populations of the two cities. Grants would be pursued in the same manner they have been previously, and if significant upgrades are needed, the contract would state that the City of Soldotna would have to participate in that.

Discussion included whether the uptick in population during tourist season would be taken into account, and the possibility for basing payment calculation on call volumes. Concerns were expressed about taking on more services for the City of Soldotna through partnerships.

It was noted that the City of Soldotna approached Kenai about this because the Kenai Peninsula Borough is renegotiating their contract and Soldotna may need to pay significantly more for dispatch services than in the past.

Clarification was provided that if this partnership is implemented there would be a need to hire more dispatch employees, and that it could prevent delays caused by routing cellular calls from Kenai to Soldotna, both of which would benefit residents of our City.

UNANIMOUS CONSENT was requested.

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

H. COMMISSION / COMMITTEE REPORTS

1. Council on Aging – Council Member Pettey reported on the meeting of August 12, 2021. Next meeting September 9, 2021.
2. Airport Commission – No report. Next regular meeting September 9, 2021.
3. Harbor Commission – No report. A special meeting has been scheduled for August 23, 2021 to discuss the Kenai Waterfront Revitalization Feasibility Study and provide a recommendation to Council. Next regular meeting September 13, 2021.
4. Parks and Recreation Commission – No report. Next meeting September 2, 2021.
5. Planning and Zoning Commission – Council Member Glendening reported on the meetings of August 11, 2021. Next meeting August 25, 2021.
6. Beautification Committee – Council Member Askin reported on the Tour of the City's Garden Work Session on August 10, 2021. Next meeting September 14, 2021.
7. Mini-Grant Steering Committee – No report.

I. REPORT OF THE MAYOR

Mayor Gabriel reported on the following:

- Attended the ribbon cutting event at the Airport Terminal, and it was wonderful day and a very well done event. Thanked Airport Administrative Assistant Erica Brincefield for her help putting it together;
- Attended a breakfast roundtable with Alaska Oil & Gas at the Challenger Center;
- Planned to attend Alaska Airport Advisory Commission at the After-Hours Social event but was unable to, although he would like to connect with them in future;
- Reminded everyone that COVID-19 numbers are rising, and encouraged practicing good hygiene to try to tamp down on the current spike.

J. ADMINISTRATION REPORTS

1. City Manager –City Manager Ostrander reported on the following:
 - Met with the Corps of Engineers on August 11th and showed them three areas on bluff, and they reiterated that they hear consistently that this project is a priority and they believe funding is forthcoming;
 - Met on August 13th with AIX, who operate the gas pad adjacent to city shop. Production is strong at that pad and they would like to expand but can't due to lack of leases;
 - The City received the first half of American Rescue Plan funds on August 11th;
 - Attended the Alaska Oil & Gas breakfast with Mayor Gabriel;
 - Attended the After-Hours Social event at the airport, and also went to their board meeting where he plugged use of Beacon facility for training;
 - Met with Salamatof Board about plans for a waterfront revitalization feasibility study to see if they are interested in partnership, and talked about economic incentives and other potential partnerships;
 - No employees are currently in COVID-19 protocol;
 - Bluff Project update: the City closed on a large parcel of the bluff, which leaves three parcels for acquisition that administration is pursuing;
 - Updated sales tax information from Quarter 2 was provided and administration was very impressed with local economy in Kenai.
2. City Attorney – City Attorney Bloom noted that he will provide online sales tax information for the next Council meeting.
3. City Clerk – City Clerk Heinz reported on the following:
 - Candidate filing period closed on Monday, August 16th. Five candidates will be on the ballot: Victoria Askin, Alex Douthit, Deborah Sounart, James Baisden and Jim Duffield.

K. ADDITIONAL PUBLIC COMMENT

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

James Baisden addressed Council but was unable to be heard due to technical difficulties.

2. Council Comments

Council Member Winger congratulated the Council candidates and wished them good luck. She welcomed kids back to school, warned people to stay safe in school zones and around bus stops and noted that she wants a student representative on the City Council. Expressed disappointment that Industry Appreciation Day was cancelled. Reminded people to firewise their property and remove dead or leaning trees, and thanked City staff departments for their service to our community.

Council Member Askin thanked the City Clerk and City Attorney for allowing her to participate remotely. She noted that she had toured the Kenai Fine Art Center with Marion Nelson, and is impressed with improvements in building.

Council Member Glendening thanked the City Manager for installing an AED device on wall.

Council Member Pettey noted that she went to the airport ribbon cutting event, and thanked everyone for putting on the wonderful celebration as well as the FAA for resources that allowed the terminal rehabilitation to happen. She thanked the Corps of Engineers for visiting the bluff, noting she is looking forward to seeing that happen as well as waterfront revitalization and Kenaitze transportation line.

Vice Mayor Molloy noted the good news about the Bluff Erosion Project, and appreciates that they came to visit personally. Expressed appreciation for the incredible sales tax report, stating that Administration and Council have done good work creating an environment that supports business in the City. Congratulated the Council candidates, and is looking forward to working with Council at the upcoming work session on September 1st for the election code.

Council Member Knackstedt attended the terminal ribbon cutting event, noting the money the City put into it upgraded the building and improved it greatly. He stated that he is looking forward to the additional work and landscaping to be done. He also attended the aviation After-Hours Social and saw the new meeting room. He reported that the Airport Commission will be having a special meeting on August 26th to discuss a waterfront revitalization feasibility study, and offered the services of the Civil Air Patrol.

L. EXECUTIVE SESSION

1. Review and Discussion of the Terms of Employment Agreement 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.

Vice Mayor Molloy **MOVED** to enter into executive session to review and discuss the Terms of Employment Agreement 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, requested the attendance of City Clerk, Jamie Heinz, as needed. Council Member Knackstedt **SECONDED** the motion

VOTE:

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

MOTION PASSED UNANIMOUSLY.

Council reconvened in open session and it was noted for the record that Council met in executive session and no action was needed.

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

No action was taken by Council.

M. PENDING ITEMS

1. **Ordinance No. 3224-2021** - Repealing and Reenacting Kenai Municipal Code Title 6 - Elections, to Provide Clarity, Housekeeping, and Process Improvements. (Vice Mayor Molloy and City Clerk)
[Clerk's Note: At the August 4 Council Meeting, this item was postponed to the September 18 Council Meeting for a second public hearing. A motion to enact is on the floor.]

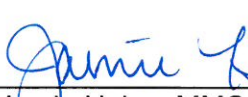
N. ADJOURNMENT

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 9:39 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of August 18, 2021.



Jamie Heinz, MMC
City Clerk

