

**KENAI CITY COUNCIL – REGULAR MEETING  
DECEMBER 15, 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 December 15, 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	James Baisden
Henry Knackstedt	Teea Winger
Deborah Sounart	Glenese Pettey
Jim Glendening	

A quorum was present.

Also in attendance were:

Paul Ostrander, City Manager  
Scott Bloom, City Attorney  
Terry Eubank, Finance Director  
Jamie Heinz, City Clerk

**3. Agenda Approval**

Mayor Gabriel recognized that this would be the last meeting attended by City Clerk Jamie Heinz, presented her with a gift, and led a round of applause to recognize her service.

Mayor Gabriel noted the following additions to the packet:

Add to item D.2.           **Ordinance No. 3257-2021**  
  • Written Public Comment

Add to item D.4.           **Ordinance No. 3259-2021**  
  • Amendment Memo

Add to item G.10.       **City Participation in UCIDA Lawsuit**  
  • Homer Resolution

Add item G.11.

## FY2023 Budget Goals Work Session Request

- Memo

### MOTION:

Council Member Knackstedt **MOVED** to approve the agenda with the requested revisions, and requested **UNANIMOUS CONSENT**. Council Member Pettey **SECONDED** the motion.

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

#### 4. Consent Agenda

### MOTION:

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

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

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

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

\*All items listed with an asterisk (\*) are considered to be routine and non-controversial by the council and will be approved by one motion. There will be no separate discussion of these items unless a council member so requests, in which case the item will be removed from the consent agenda and considered in its normal sequence on the agenda as part of the General Orders.

#### **B. SCHEDULED PUBLIC COMMENTS** – None.

#### **C. UNSCHEDULED PUBLIC COMMENTS**

Carol Freas spoke from her previous experience as a City Clerk, thanking Jamie Heinz for serving the City of Kenai and noting the qualities that made her a great clerk.

Susan Smalley also recognized Jamie Heinz's service to the City, noting that in recent times there has been skepticism directed at election officials and the electoral process. Noted her experience as an election worker, and spoke to the high degree of integrity she observed. Thanked Clerk Heinz for her great work.

April Orth noted that she had no criticism of election workers but does have criticism and questions regarding an ordinance which re-wrote parts of the election code, remarking that it is sloppy, huge, indiscernible, and should be re-written. She expressed concern that it may open the door for election fraud.

#### **D. PUBLIC HEARINGS**

1. **Ordinance No. 3256-2021** - Increasing Estimated Revenues and Appropriations in the Airport Improvements Capital Project Funds, Authorizing the Acceptance of a Grant from the Federal Aviation Administration for the Kenai Municipal Airport Sand Storage Facility Construction Phase II, and Authorizing a Budget Transfer in the Airport Improvements Capital Project Fund – Kenai Municipal Airport Sand Storage Facility Project to Facilitate the Return of Funds Advanced from the Airport Special Revenue Fund. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance 3256-2021 and Council Member Baisden **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 has been reported on in the Peninsula Clarion. A summary of the project was provided, noting it is largely financial housekeeping. The project was split in two phases for available funding, and the second part appropriates these funds as was planned originally. Noted that the groundwork has started, and the building is planned to go up this summer.

**VOTE:**

YEA: Gabriel, Winger, Glendening, Baisden, Pettey, Sounart, Knackstedt  
NAY:

**MOTION PASSED UNANIMOUSLY.**

2. **Ordinance No. 3257-2021** - Accepting and Appropriating a Collection Equity Award from the Network of the National Library of Medicine Region 5 for the Purchase of Health and Wellness Titles for the Kenai Community Library Collection. (Council Members Knackstedt and Pettey)

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance No. 3257-2021 and Council Member Pettey **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment.

Eileen Bryson explained her history of involvement with the library, noting her volunteer experience and Friends of the Library membership. She noted that Library Director Wolfe does a great job selecting books, and she hopes the Council supports her in this function of her job.

Marion Nelson noted that many letters of support had been sent to Council, and encouraged Council to support the Library.

Amy Murrell-Haunold noted that she had submitted written testimony to Council on this ordinance. She explained that selecting books is the Library Director's job, and for anyone else to do so would be duplication of work and would waste taxpayer money.

April Orth noted that the main concerns from the public regarding this ordinance were about the source of the funding and potential strings attached, and the intention was not to censor books.

Barb Christian explained how the City's Library code clarifies how materials should be chosen based on their value and aligns with the purpose of the grant.

Kristine Schmidt asked Council to support the ordinance, and thanked City staff for their work obtaining these funds.

Christine Hutchison requested clarification why the Library wants to accept the grant funds when the Friends of the Library raised more money.

Mary Jo Joiner noted that she had submitted written testimony to Council on this ordinance, and encouraged the Council to accept the grant.

Marion Nelson requested clarification regarding what the grant funds can be spend on, versus the Friends of the Library money.

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

Clarification was provided about what the grant was for, noting that it was silent on titles. It was noted that libraries are great equalizers in the community, and that health and wellness titles become obsolete between 3-5 years or sooner. The health and wellness subjects of the grant were explained, and it was noted that the Library Director will make the decision on what books to purchase.

Previously expressed concerns were discussed, and it was explained that the Library Director would not be choosing titles from a list and there were no strings attached to the grant. It was noted that it would not be equitable to our community to have outdated health materials. Director Wolfe was thanked for her expertise.

**VOTE:**

YEA: Glendening, Pettey, Baisden, Sounart, Winger, Knackstedt, Gabriel  
NAY:

**MOTION PASSED UNANIMOUSLY.**

- 3. Ordinance No. 3258-2021** - Accepting and Appropriating Funding from the State of Alaska Department of Health and Social Services, Division of Public Health, for the Healthy and Equitable Communities Program, and Authorizing the City Manager to Execute a Memorandum of Agreement for this Funding. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance No. 3258-2021 and Council Member Baisden **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 to construct the project as designed would not require approval from landowner, however the landowner's approval would be needed for an extension of the trail. Administration will seek approval and procure an easement prior to construction. It was clarified that this will establish a capital project fund for this project, and the design of this project will not start for a while so there is time to procure the easement. Noted that capital projects don't lapse, and carry over year to year.

**VOTE:**

YEA:           Petty, Baisden, Sounart, Winger, Knackstedt, Gabriel, Glendening  
NAY:

**MOTION PASSED UNANIMOUSLY.**

4. **Ordinance No. 3259-2021** - Increasing Estimated Revenues and Appropriations in the General and Municipal Roadway Improvement Capital Project Funds, and Increasing a Purchase Order to Foster's Construction for the 2021 Bryson Ave Bluff Erosion Repair Project. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance No. 3259-2021 and Council Member Baisden **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.

**MOTION TO AMEND:**

Council Member Knackstedt **MOVED** to amend Ordinance No. 3259-2021 to make the following changes:

- Amend the fourth Whereas by adding "as well as one additional section of storm water piping totaling thirty-five feet" after the word used.
- Amend the fifth Whereas by adding "and the additional section of piping installed totals \$16,065 for a total proposed Change Order 1 cost of \$69,397.50," after \$53,332.50.
- Replace \$53,332.50 in Section 1 with \$69,397.50.
- Replace \$363,107.50 where it appears in Section 1 with \$379,172.50.
- Replace \$8,332.50 where it appears in the fifth Whereas and Section 2 with \$24,397.50.

Council Member Petty **SECONDED** the motion.

**UNANIMOUS CONSENT** was requested.

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

Clarification was provided on the error corrected by the amendment, and it was noted that the site will be topsoiled and hydroseeded this spring. Noted that effort and magnitude of the job are impressive. Clarification was provided on the amount of material for backfill, and that the energy dissipater will continue to be monitored for maintenance.

**VOTE ON MAIN MOTION AS AMENDED:**

YEA: Baisden, Sounart, Winger, Knackstedt, Gabriel, Glendening, Pettey  
NAY:

**MOTION PASSED UNANIMOUSLY.**

- 5. Ordinance No. 3260-2021** - Amending Kenai Municipal Code 13.40.010-Definitions, to Maintain Current Regulations on Off-Road Vehicle Use in Kenai After January 1, 2022. (Council Member Knackstedt)

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance No. 3260-2021 and Council Member Baisden **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment.

Alex Douthit noted that he thinks the City could use the new State regulations as a guideline, but suggested Council look into it further and try to get more public comment on it. He also suggested the code be updated to be more user-friendly, and provided recommendations regarding speed limits in certain areas.

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

Clarification was provided that when the new State regulations take place, the Kenai Police Department will regulate vehicles on City roads based on the new code definitions provided in this ordinance. It was noted that the Borough cannot make the same changes, presenting a situation in which City residents cannot access some recreational areas without breaking the law. It was noted that the proposed City code changes in this ordinance maintain the current public safety rules.

The suggestion was made that this code could be revisited in the future, and potentially add an exclusion for the month of July during dipnet season. It was noted that there are time constraints on passing this legislation, but further updates could include lowering of speed limit and clarification for unpaved roads.

**VOTE:**

YEA: Pettey, Sounart, Knackstedt, Gabriel, Winger, Glendening, Baisden  
NAY:

**MOTION PASSED UNANIMOUSLY.**

- 6. Resolution No. 2021-71** - Amending the Employee Classification Plan to Change the Range of the Parks and Recreation Director. (Administration)

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-71 and Council Member Baisden **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 modification would change the classification for Parks & Recreation Director, noting that when reviewing the position description, Administration had found it would be most appropriate in range 23. Clarification was provided on the differences between classified services vs. Department Head services, and that the Parks & Recreation Director position would now be in the Department Head services. It was noted that there has been a candidate selected for the position. Administration had only made minor changes to the job description.

**UNANIMOUS CONSENT** was requested.

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

**E. MINUTES**

1. \*Regular Meeting of December 1, 2021. (City Clerk)
- 2.

Approved by the consent agenda.

**F. UNFINISHED BUSINESS**

1. **Resolution No. 2021-64** - Awarding an Agreement for the Kenai Waterfront Redevelopment Assessment and Feasibility Study. (Administration) [**Clerk's Note:** *At the November 3, 2021 Meeting, this item was Postponed to this meeting; a motion to enact is on the floor.*]

It was noted that the resolution had been postponed because the newly seated Council Members had not yet had an opportunity to meet with Administration on this issue and wanted to receive more information before making a decision. Clarification was provided that this would only award a contract to McKinley Research Group, and was not a discussion of appropriation.

Concerns were shared about the scope of the waterfront study, that it would look at private property and could be government overreach. The view was expressed that the City should focus only on City lands instead of private property; that if the City studies opportunities for waterfront private property then it should also offer development studies for all private property in the City, which would be a slippery slope.

The Request for Proposal (RFP) process prior to this resolution was reviewed, noting that McKinley Research Group's proposal was determined to be the best of three submissions. It was clarified that this occurred after Council directed Administration to go after an RFP, and the funds for this contract have already been appropriated by ordinance.

The Council discussed the purpose of waterfront development and the feasibility study, noting that there will be no burden on private property owners. Explained what the feasibility study will offer, noting that it is the first step of a process which can help bring people to Kenai.

Noting the amount of private land in this area, concerns were expressed whether these landowners will buy into the vision presented by the feasibility study, whether the study would be a loss of taxpayer funds and potentially government overreach.

It was noted that support for the project was expressed by private landowners at the City Council work session on this subject, and there had been enthusiasm to partner with the City on a developmental plan. Noted that the City had gone through the proper processes of receiving public feedback, approving funds for the study, and obtaining RFP proposals.

It was noted that Council's waterfront revitalization work session was only one hour long, and that not all private landowners in this area had provided feedback on this issue yet. It was suggested that there are other City-owned lands which should be considered for development, and that the waterfront feasibility study should limit its focus to City assets. Doubt was expressed whether private landowners will agree with the City's vision of their land, and if not the study could be a loss of funds.

It was reiterated that the feasibility study would not require landowners to do anything they don't want to do, and only presents a possible development strategy. Noted that the consultant will be meeting and working with the property owners to discuss possibilities, and there will be additional public hearing on this subject.

Clarification was provided that the initial timeline for waterfront revitalization provided by Administration was a plan for the feasibility study as well as economic incentives. It was noted that work has already been done on some of these incentives, but further progress will be made after working with the feasibility study consultants; the intention is to encourage business ventures beyond just the waterfront area.

Clarification was provided that a feasibility study had been done for Airport lands, which provided direction for how the City could incentivize development there. After this study, the City had hired an airport consultant which helped lead to further development.

**VOTE:**

YEA: Sounart, Knackstedt, Gabriel, Glendening, Baisden, Pettey  
NAY: Winger

**MOTION PASSED.**

**G. NEW BUSINESS**

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

Approved by the consent agenda.

2. **\*Ordinance No. 3261-2021** - Accepting and Appropriating a Grant from the Institute of Museum and Library Services through the Department of Education and Early Development, Division of Library, Archives & Museums for the Purchase of a Hold Locker. (Administration)



Introduced by the consent agenda and Public Hearing set for January 5, 2022.

3. **\*Ordinance No. 3262-2021** - Accepting and Appropriating a Grant from the Institute of Museum and Library Services Passed Through the Department of Education and Early Development, Division of Library, Archives & Museums for the Purchase of Steam Kit Shelving, Library Materials, and Other Items. (Administration)

Introduced by the consent agenda and Public Hearing set for January 5, 2022.

4. **\*Ordinance No. 3263-2021** - Increasing Estimated Revenues and Appropriations in the General Fund – Police Department and Accepting Grants from the United States Department of Justice and Alaska Municipal League Joint Insurance Association (AMLJIA) for the Purchase of Ballistic Vests. (Administration)

Introduced by the consent agenda and Public Hearing set for January 5, 2022.

5. **\*Ordinance No. 3264-2021** - Accepting and Appropriating Asset Forfeiture Funds Provided to the City of Kenai through the State of Alaska Department of Public Safety. (Administration)

Introduced by the consent agenda and Public Hearing set for January 5, 2022.

6. **\*Ordinance No. 3265-2021** - Increasing Estimated Revenue and Appropriations in the General Fund and the Parks Improvement Capital Project Fund for Additional Kenai Dog Park Funding. (Vice Mayor Glendening and Council Members Winger and Baisden)

Introduced by the consent agenda and Public Hearing set for January 5, 2022.

7. **Action/Approval** - Special Use Permit to American Red Cross of Alaska for General Office Space. (Administration)

Clarification was provided that the Red Cross has been using approximately 475 square feet of office space on the 2<sup>nd</sup> floor of the Beacon Facility for the last year at no cost, and issuing them a Special Use Permit for this space would be more appropriate than a lease. Noted that one change is that they are now paying for their utilities.

**MOTION:**

Council Member Knackstedt **MOVED** to approve a Special Use Permit to American Red Cross of Alaska for General Office Space, and Council Member Pettet **SECONDED** the motion.

**UNANIMOUS CONSENT** was requested.

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

8. **Action/Approval** - Council Confirmation of Mayoral Nominations to the City's Commissions and Committee. (Mayor Gabriel)

**MOTION:**

Council Member Knackstedt **MOVED** to approve the Mayoral nominations to the City's Commissions and Committee. Council Member Pettey **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

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

9. **Action/Approval** - Confirmation of Mayoral Nominations for Appointment to the Planning and Zoning Commission. (Mayor Gabriel)

**MOTION:**

Vice Mayor Glendening **MOVED** to postpone the Mayoral nominations to appointment to the Planning and Zoning Commission until January 5, 2022, and Council Member Winger **SECONDED** the motion.

**VOTE:**

YEA: Winger, Glendening, Baisden, Sounart  
NAY: Knackstedt, Gabriel, Pettey

**MOTION PASSED.**

10. **Action/Approval** - City Participation in UCIDA Lawsuit. (Mayor Gabriel)

**MOTION:**

Council Member Winger **MOVED** to approve the City's participation in the UCIDA lawsuit, and Council Member Baisden **SECONDED** the motion.

An explanation was provided that the United Cook Inlet Drift Association (UCIDA) lawsuit is in response to the closure of the Exclusive Economic Zone (EEZ) to commercial fishing. It was noted that the EEZ is a section of the Cook Inlet which is managed by the federal government per the Magnusen-Stevens Act. Council has previously passed two resolutions opposing this closure, and Administration suggested they may be interested in filing an amicus brief in support of UCIDA's lawsuit if they agree with UCIDA's argument that the federal government's findings were incorrect that there would be little economic impact to the City of Kenai. The participation of other municipalities were noted, and it was suggested that an amicus brief be filed jointly between them.

It was noted that Council understands the vital importance of the fishery and the burden that this closure would put on the community.

Robert Ruffner spoke on behalf of the Alaska Salmon Alliance, and noted that he supports Administration's summarization of the issue and suggestion to pursue this; noted that the City should respond when they disagree with how these waters are managed.

**UNANIMOUS CONSENT** was requested.

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

**11. Discussion – FY2023 Budget Goals Work Session Request. (Administration)**

It was noted that this is a change of budgetary process from previous years, in that this year the goals and priorities for FY23 would be brought to Council as recommendations from Administration to be considered by the Council and public prior to development of the budget. The guidance received would then be formally adopted via resolution, and distributed by the City Manager to Department Heads. Noted it would be a benefit to receive expectations from Council and the public prior to creating the budget document.

Clarification was provided that inflationary pressures in this country may lead to potential strains on the budget, and it is imperative to get Council's thoughts on how to approach these issues.

Council scheduled a work session for January 10, 2022 at 5:00 pm.

**H. COMMISSION / COMMITTEE REPORTS**

1. Council on Aging – No report. Next meeting January 13, 2021.
2. Airport Commission – Council Member Baisden noted that there was a work session on December 9, 2021. Next meeting January 13, 2022.
3. Harbor Commission – No report. A Special Meeting will be held in January, date to be determined.
4. Parks and Recreation Commission – No report. Next meeting on January 6, 2022 will be a joint meeting with the Beautification Committee.
5. Planning and Zoning Commission – Council Member Winger reviewed the actions of December 8, 2021 meeting. Next meeting December 22, 2021.
6. Beautification Committee – Council Member Sounart reviewed the actions of the December 14, 2021 meeting. Next meeting on January 6, 2022 will be a joint meeting with the Parks & Recreation Commission.
7. Mini-Grant Steering Committee – No report.

**I. REPORT OF THE MAYOR**

Mayor Gabriel reported on the following:

- Attended a meeting with the sea belt communities to come up with priorities for these communities;
- Administered the Oath of Office to City Clerk Michelle Saner.

**J. ADMINISTRATION REPORTS**

1. City Manager – City Manager Ostrander reported on the following:

- Testified along with Vice Mayor Glendening at the Kenai Peninsula Borough Assembly meeting of December 7, 2021 regarding an ordinance that would expand the Borough's Planning Commission, reviewed the legislative changes;
  - The Governor's budget includes \$6.5 million for City of Kenai's bluff stabilization project; thanked Governor Dunleavy and his staff, especially Regional Director Jill Schaefer.
2. City Attorney – No report.
  3. City Clerk – Mayor Gabriel noted that it was City Clerk Jamie Heinz last Council meeting, and presented her with a gift. City Clerk Heinz reported on the following:
    - Expressed appreciation for the City Council and Administration;
    - Noted that there were funds in the legislative budget for the Kenai Peninsula Economic Development District's (KPEDD's) Industry Appreciation Day event which did not occur this year, and asked whether the additional funds could be donated for KPEDD's Industry Outlook Forum event.

**K. ADDITIONAL PUBLIC COMMENT**

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

Council Member Pettey thanked City Clerk Heinz and wished her best of luck. Wished everyone Merry Christmas and Happy New Year.

Council Member Sounart thanked City Clerk Heinz and wished her best of luck. Wished everyone Merry Christmas and Happy New Year. Noted she attended Kenai Central High School choir concert.

Vice Mayor Glendening noted that the testimony provided by himself and City Manager Ostrander regarding representation on the KPB Planning Commission was well received, and he was pleased with the response. Wished everyone Merry Christmas and Happy New Year.

Council Member Winger thanked City Clerk Heinz and wished her best of luck. Noted upcoming Shop with a Cop event. Discussed a social media initiative to find the person who helped a child after a snow machine accident so that the family can thank them, and noted the importance of wearing helmets. Stated she is looking forward to the upcoming year, and wished everyone Merry Christmas and Happy New Year.

Council Member Baisden thanked City Clerk Heinz and noted he looks forward to working with the new City Clerk Shellie Saner. Noted Kenai Central High School's upcoming basketball tournament, and wished everyone Merry Christmas.

Council Member Knackstedt noted it had been wonderful working with City Clerk Heinz and thanked her for her help. Noted he had provided written testimony to the Assembly regarding the KPB Planning Commission ordinance. Wished everyone Merry Christmas and Happy New Year.

L. **EXECUTIVE SESSION** – None.

M. **PENDING ITEMS** – None.

N. **ADJOURNMENT**

O. **INFORMATION ITEMS**

1. Purchase Orders Between \$2,500 and \$15,000
2. Letter from the Alaska Association of Municipal Clerks
3. CIRCAC Director's Report
4. Thank you letter to GLM
5. Thank you letter to Pioneers of Alaska

There being no further business before the Council, the meeting was adjourned at 9:33 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of December 15, 2021.



Meghan Thibodeau  
Deputy City Clerk

