



## Kenai City Council - Regular Meeting

February 17, 2021 – 6:00 PM

Kenai City Council Chambers

210 Fidalgo Avenue, Kenai, Alaska

[www.kenai.city](http://www.kenai.city)

### Agenda

#### A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Agenda Approval
4. Consent Agenda (*Public comment limited to three (3) minutes) per speaker; thirty (30) minutes aggregated*)

\*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

*(Public comment limited to ten (10) minutes per speaker)*

#### C. UNSCHEDULED PUBLIC COMMENTS

*(Public comment limited to three (3) minutes per speaker; thirty (30) minutes aggregated)*

#### D. PUBLIC HEARINGS

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

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

**E. MINUTES**

- 1.** \*Regular Meeting of January 20, 2021.
- 2.** \*Regular Meeting Minutes of February 3, 2021.

**F. UNFINISHED BUSINESS**

**G. NEW BUSINESS**

- 1.** \*Action/Approval - Bills to be Ratified.
- 2.** \*Action/Approval - Special Use Permit to State of Alaska - Division of Forestry for Apron Parking.
- 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.
- 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.

- 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.
- 6. Action/Approval** - Confirmation of Gwen Woodard, Nominated by the Mayor to Fill a Vacancy on the Planning and Zoning Commission.
- 7. Action/Approval** - Confirmation of Barbara Roland, Nominated by the Mayor to Fill a Vacancy on the Beautification Committee.
- 8. Action/Approval** - Letter Supporting Bluff Erosion Project Funding.
- 9. Discussion** - COVID-19 Response.

#### **H. COMMISSION / COMMITTEE REPORTS**

1. Council on Aging
2. Airport Commission
3. Harbor Commission
4. Parks and Recreation Commission
5. Planning and Zoning Commission
6. Beautification Committee
7. Mini-Grant Steering Committee

#### **I. REPORT OF THE MAYOR**

#### **J. ADMINISTRATION REPORTS**

1. City Manager
2. City Attorney
3. City Clerk

#### **K. ADDITIONAL PUBLIC COMMENT**

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

L. **EXECUTIVE SESSION**

M. **PENDING ITEMS**

N. **ADJOURNMENT**

O. **INFORMATION ITEMS**

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

2. [State](#) Department/Emergency Amendment Mask Implementation FAQ

*The agenda and supporting documents are posted on the City's website at [www.kenai.city](http://www.kenai.city). Copies of resolutions and ordinances are available at the City Clerk's Office or outside the Council Chamber prior to the meeting. For additional information, please contact the City Clerk's Office at 907-283-8231.*

**Join Zoom Meeting**

<https://us02web.zoom.us/j/83445786942>

**Meeting ID:** 834 4578 6942 **Passcode:** 497332

OR

**Dial In:** (253) 215-8782 or (301) 715-8592

**Meeting ID:** 834 4578 6942 **Passcode:** 497332



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3182-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE AIRPORT SPECIAL REVENUE FUND FOR THE 2021 AIRPORT SAND SCREENING PROJECT.

WHEREAS, one of the efforts to reduce operating costs on the Airfield, is to utilize the stockpiled sand from the water runway extension project on the runway, taxiways, and apron for snow and ice control; and,

WHEREAS, the stockpiled sand, as it is, does not meet the Federal Aviation Administration (FAA) recommendations of Advisory Circular 150/5200-30D Airport Field condition Assessments and Winter Operations Safety and requires screening to meet the specifications; and,

WHEREAS, the Airport will advertise to seek assistance with the screening of Airport owned sand in compliance with FAA specifications; and,

WHEREAS, the successful contractor will be required to mobilize to the site and screen 6,000 cubic yards from the stockpile; and,

WHEREAS, this will give the Airport approximately 3-4 years of runway sand and eliminate the truck costs to deliver sand to the Airport; and,

WHEREAS, Administration believes \$50,000 is sufficient to complete the project and sufficient funds are available within the Airport Special Revenue Fund; and,

WHEREAS, This appropriation is in the best interest of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the estimated revenues and appropriations be increased as follows:

Airport Special Revenue Fund:

Increase Estimated Revenues –	
Appropriation of Fund Balance	<u>\$50,000</u>
Increase Appropriations –	
Airport Operating Supplies	<u>\$50,000</u>

**Section 2.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 3.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: February 17, 2021



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Mary Bondurant, Airport Manager

**DATE:** January 22, 2021

**SUBJECT:** **Ordinance No. 3182-2021 - 2021 Airport Sand Screening Project**

---

The Airport is proposing to issue an Invitation to Bid for assistance with screening Airport stock piled sand to use on the runway, taxiways, and aprons. The sand does not meet the FAA specifications for use on the airfield without going through a screening process with a plant.

The Airport uses approximately 1,500 to 1,800 cubic yards a winter season. Having a Contractor mobilize with a screening plant to screen approximately 6,000 cubic yards from the stockpile will save substantially on the trucking and material costs.

The Airport will advertise an Invitation to Bid after the February 17, 2021 Council meeting and bring a Resolution to Award if a successful bidder to the April 7, 2021 meeting for Council consideration.

Thank you for your consideration.



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3183-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, the Kenai Police Department joins with other law enforcement agencies statewide to support Alaska Highway Safety Office (AHSO) traffic safety programs to reduce fatalities and injuries on roadways; and,

WHEREAS, AHSO traffic-related overtime funds require no local match and allow the Department to provide specific traffic safety patrols; and,

WHEREAS, actual AHSO overtime expenditures for traffic safety patrols totaled \$5,214.68 from November 16, 2020 through January 1, 2021; and,

WHEREAS, overtime for these additional traffic safety patrols was not budgeted and the department is requesting appropriation into the overtime budget equal to the amount of the AHSO grant funding received.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the City Manager is authorized to accept these grant funds in the amount of \$5,214.68 and to expend those funds pursuant to all grant terms and conditions and to fulfill the purpose and intent of this ordinance.

**Section 2.** That the estimated revenues and appropriations be increased as follows:

General Fund:

Increase Estimated Revenues –	
Federal Grants - Police	<u>\$5,214.68</u>

Increase Appropriations –	
Police – Overtime	<u>\$5,214.68</u>

**Section 3.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such



judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 4.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: February 17, 2021



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council

**THROUGH:** Paul Ostrander, City Manager

**FROM:** David Ross, Police Chief

**DATE:** January 20, 2021

**SUBJECT:** **Ordinance No. 3183-2021, Accepting AHSO Grant Funds**

---

The Kenai Police Department continues to participate in traffic enforcement overtime patrols, reimbursed to the City of Kenai through a grant by the Alaska Highway Safety Office (AHSO).

Actual overtime costs for traffic enforcement between November 16, 2020 and January 1, 2021 that qualified for AHSO reimbursement, was \$5,214.68.

AHSO overtime reimbursements are deposited into the general fund. I would respectfully request consideration of the ordinance accepting and appropriating the grant amount to the police overtime account.



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3184-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, AMENDING KENAI MUNICIPAL CODE 23.30.050 – BUSINESS HOURS AND HOURS OF WORK TO ALLOW FOR ALTERNATE WORK SCHEDULES IN THE POLICE DEPARTMENT.

WHEREAS, this ordinance eliminates from KMC 23.30.050(b) the specific work schedule that is set for Police and Communications personnel, allowing that schedule to be set or changed administratively while maintaining the four day work week; and,

WHEREAS, KMC 23.30.050(b) currently requires “(4) shifts of 10 hours per week” as the normal schedule, however alternate schedules may be both beneficial to the City and to the employees; and,

WHEREAS, during a portion of the public health emergency dispatchers have worked a schedule of (3) shifts of 12 hours and (1) shift of 4 hours per week and that shift has worked well for the Department; and,

WHEREAS, the alternate schedule with 12 hours shifts has advantages including it is predominately a preferred schedule for staff, it provides for less hours during the week of a dispatcher working alone in the dispatch center without another dispatcher to assist, and it is also not an uncommon schedule among some other dispatch centers.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** Amendment of Section 23.30.050 of the Kenai Municipal Code: That Kenai Municipal Code, Section 23.30.050 – Business hours and hours of work, is hereby amended as follows:

**23.30.050 Business [H]Hours and [H]Hours of [W]Work.**

(a) The hours during which City offices and departments shall normally be open for business shall be 8:00 a.m. to 5:00 p.m., Police and Fire shall be open for business twenty-four (24) hours a day. The library, Senior Center, Public Works and Animal Control operations shall be open for business as authorized by the City Manager.

(b) Public Safety employees, not including administrators, normal work week is:

(1) Police and Communications—four (4) shifts [OF TEN (10) HOURS] per week, two thousand eighty (2,080) hours annually. When working this shift, first and third days off

shall be treated as Saturdays and the middle day off (the second day) shall be treated as a Sunday for purposes of paying overtime;

(2) Employees performing fire protection activities as defined by the Fair Labor Standards Act (FLSA) may work any FLSA approved "7(k) Work Period" approved by the City Manager.

(c) All other employees' normal work week is forty (40) hours, two thousand eighty (2,080) hours annually. Standard work day is midnight to midnight succeeding. Standard work week is midnight Sunday to midnight Sunday succeeding. Operating hours may be adjusted on timely notice.

**Section 2.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.

**Section 3.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect 30 days after enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: March 19, 2020



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** David Ross, Police Chief  
**DATE:** January 20, 2021  
**SUBJECT:** Ordinance No. 3184-2021, Amending KMC 23.30.050(b)

---

In KMC 23.30.050(b), the normal schedule for police and communications staff is stated as “four (4) shifts of ten (10) hours per week”. This ordinance will remove the language that specifically states the number of hours per day, but keeps the four day work week.

Dispatchers have been working a four-day work week schedule comprised of three 12-hour shifts and one 4-hour shifts for the last couple months of the public health emergency, and there are some benefits we can retain if that schedule is permitted beyond the current emergency. When we are fully staffed, under the normal schedule of 10-hour shifts, we have about 52 hours per week of a dispatcher working alone in the dispatch center without a partner, which is less than optimal. When we are fully staffed under the 12-hour shift schedule, we are able to reduce the time that a dispatcher would be scheduled to work alone down to approximately 16 hours each week. It is also a generally preferred schedule among dispatchers.

This ordinance does not set the schedule for dispatchers, it simply allows the schedule to be adjusted administratively within a 40-hour per week, 4-shifts per work-week schedule, rather than being set in Code specifically as 10-hour shifts.

There is no intention to make changes to the police staff schedules at this time.

I respectfully request your consideration of this Ordinance.



Sponsored by: Administration

## CITY OF KENAI

### ORDINANCE NO. 3185-2021

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, HDL Engineering Consultants has completed the initial assessment for the Airfield Drainage Project, also known as Task 5 under our current agreement with HDL; and,

WHEREAS, Ordinance 3166-2020 funded an initial assessment effort at \$44,230 which included a Purchase Order to HDL in the amount of \$37,230 to perform CCTV Camera Inspection services, \$5,000 in contingency funds, and \$2,000 in City administration time; and,

WHEREAS, the final condition assessment provided by HDL Engineering has identified approximately 500lf of storm water piping that has failed and is in need of replacement; and,

WHEREAS, this Ordinance is intended to provide sufficient funds to complete the design effort and complete the pipe replacement work; and,

WHEREAS, the total project cost is estimated to be \$300,000, and will require an increase to HDL Engineering's Purchase Order 121702 by \$84,725 for a total Purchase Order amount of \$121,955; and,

WHEREAS, the remaining funds are expected to cover construction and City Administration fees; and,

WHEREAS, the Federal Aviation Administration (FAA) is aware of and in support of this project; and,

WHEREAS, as this project is addressing an emergent need and was not previously included in planning documents a grant is not yet in place at this time, however communications with the FAA have determined the project is grant eligible and will be funded as a source becomes available.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** The City Manager is authorized to increase Purchase Order 121702 to HDL Engineering Consultants for Professional Services in the amount of \$84,725 for a total design agreement to date of \$121,955.

**Section 2.** That the estimated revenues and appropriations be increased as follows:

Airport Special Revenue Fund:

Increase Estimated Revenues –  
Appropriation of Fund Balance \$255,770

Increase Appropriations –  
Transfer to Airport Improvement Capital Project Fund \$255,770

Airport Improvement Capital Project Fund:

Increase Estimated Revenues –  
Transfer from Airport Special Revenue Fund \$255,770

Increase Appropriations:  
KMA Airfield Drainage Improvements Project –  
Design \$84,725  
Construction \$171,045  
\$255,770

**Section 4.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 5.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect upon adoption.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17th day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: February 17, 2021



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Scott Curtin  
**DATE:** January 26, 2021  
**SUBJECT:** Ordinance No. 3185-2021

---

On December 14, 2020 the City executed an agreement with HDL Engineering to investigate and provide a condition assessment of some failing storm drains within the safety area of the runway at the Kenai Municipal Airport. On December 15, 2020 a CCTV Contractor mobilized to Kenai and inspected approximately 3000lf of existing storm drain. The map below indicates the area of the inspection as well as some pipe photos from the inspection.

On January 8, 2021 the City received a formal report from HDL Engineering Consultants indicating the results of the inspection as well as recommendations on corrective actions for the work. Approximately 500lf of storm drain has been identified as an immediate concern for replacement. Pipe connections are rusting and beginning to fail allowing fill from above to enter the pipe while creating sink holes above.

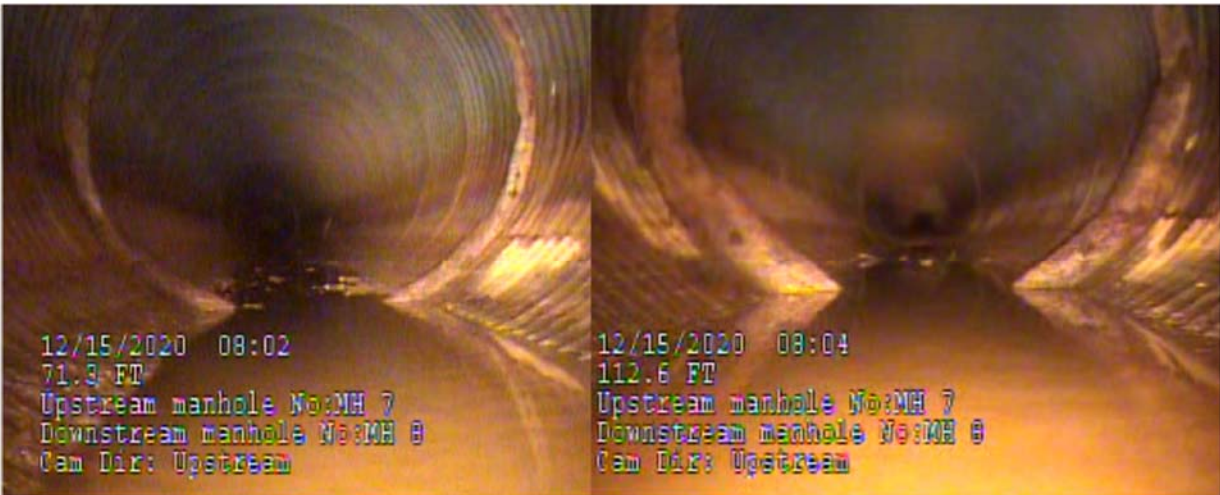
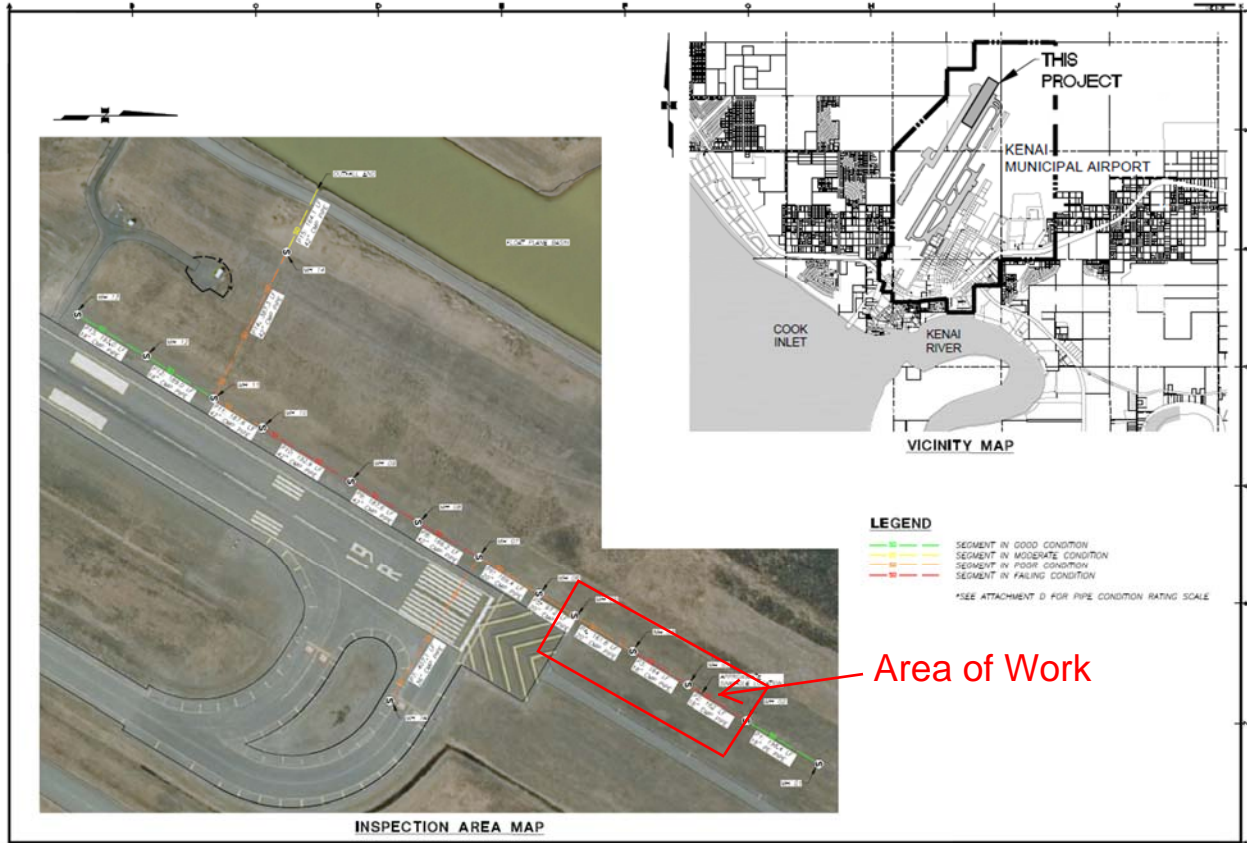
The proposed project is anticipated to cost approximately \$300K including Design and Construction. Is expected to take 2-3 weeks to complete the work, which will likely take place overnights in the spring requiring a short term shutdown of the runway, nightly, for those few weeks. Close coordination with staff and the Federal Aviation Administration (FAA) will be required to accomplish this.

The FAA is aware of and in support of this project. The City will front end Finance this project from the Airport Special Revenue Fund and seek a reimbursement grant from the FAA as funds become available. Sufficient funds are available to accomplish this.

It should be noted additional areas of the storm drain system were also found to be failing, however these areas due to their close proximity to the runway, were determined to be a better candidate for replacement during a future Runway Rehabilitation Project due to the potential for damaging existing asphalt that may require repair after repairing the piping.

Completion of this project is a high priority for the Airport, and the Administration is in support of the project. Council's support is respectfully requested.





MH7 to MH8 obstruction in joint. The obstruction appears to be geotextile fabric.





Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3186-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, Article 5, Section 5-11 of the City's Charter, requires the proceeds from the Sale of all City owned, non-trust lands be deposited in a separate fund, the General Land Sale Permanent Fund, and allows for the investment earnings to be used for any lawful purpose but prohibits the expending of the proceeds from land sales; and,

WHEREAS, the General Land Sale Permanent Fund's 2020-year ending balance of \$3,643,755 was an increase of \$212,783 from the December 31, 2019 balance; and,

WHEREAS, the allowable transfer to the General Fund for operations is limited to 4% annually and excess earnings are reserved to supplement spending when portfolio earnings are less than the 4% limit in any given year; and,

WHEREAS, the December 30, 2020 earnings reserve balance was \$692,062, thus the 2020 annual transfer is limited to \$145,750 (4% of the Fund's value); and,

WHEREAS, after deducting the FY2021 allowable transfer, the earnings reserve balance will be \$546,312; and,

WHEREAS, the FY2021 budgeted transfer from the General Land Sale Permanent Fund was \$139,523 meaning the actual will be \$6,227 more than budgeted and increasing the transfer amount to the maximum amount is in the City's best interest.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the estimated revenues and appropriations in the General Land Sale Permanent Fund be increased as follows:

General Land Sale Permanent Fund:	
Increase Estimated Revenues –	
Investment Earnings	<u>\$6,227</u>
Increase Appropriations –	
Transfer to General Fund	<u>\$6,227</u>

**Section 2.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 3.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: February 17, 2021



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Terry Eubank, Finance Director

**DATE:** January 22, 2021

**SUBJECT:** Ordinance No. 3186-2021 – GLSPF Appropriation Increase

The purpose of this memo is to recommend passage of Ordinance 3186-2021. This Ordinance will increase the authorized transfer amount from the General Land Sale (GLSPF) to the City's General Fund for FY21. This increased amount is possible because earnings were higher than projected for calendar year 2020.

### GLSPF

Pursuant to KMC 7.30.020 (a) (5) the annual transfer from the GLSPF shall be limited to the lesser of the cumulative earnings at calendar year end for the fund or four percent (4%) of the fund's fair market value as of December 31st of each year. "Cumulative earnings" is defined as the market value at calendar year end minus the fund's inflation adjusted principal balance.

The December 31, 2020 market value of the GLSPF was \$3,643,755 with cumulative earnings of \$692,062.

#### December 31, 2020

Portfolio Value	\$3,643,755
4% of Portfolio Value	\$145,750
Cumulative Earnings	\$692,062

FY20 Allowable Transfer	\$145,750
-------------------------	-----------

The FY21 budgeted transfer amount was \$139,523. This Ordinance will increase the budgeted transfer amount to the maximum value of \$145,750, an increase of \$6,227.

Your support for Ordinance 3186-2021 is respectfully requested.



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3187-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, section 7.30.010 of the Kenai Municipal Code (KMC) established a fund to account for the proceeds from sale of land deeded to the City by the US Government for benefit of the Kenai Municipal Airport; and,

WHEREAS, KMC 7.30.020(a)(4) provides for appropriations from the Airport Land Sale Permanent Fund be limited to 3.8% or 4.2% of the fund's five-year, December 31st fair market value; and,

WHEREAS, 3.8% of the average five-year December 31<sup>st</sup> value, may be transferred if the fund's year end value is below the fund's inflation adjusted value; and,

WHEREAS, 4.2% of the average five-year December 31<sup>st</sup> value, may be transferred if the fund's year end value exceeds the fund's inflation adjusted value; and,

WHEREAS, the Airport Land Sale Permanent Fund's 2020-year ending balance was \$28,632,059 and the five-year average market value was \$25,524,254 and is below the inflation adjusted principal balance of \$26,531,145 thus limiting the allowable transfer to the lower bound of spending rate (3.8%) or \$969,922; and,

WHEREAS, the FY2021 budgeted transfer from the Airport Land Sale Permanent Fund was \$955,050 meaning the actual will be \$14,872 more than budgeted and increasing the transfer amount to the maximum amount is in the City's best interest.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the estimated revenues and appropriations in the Airport Land Sale Permanent Fund be increased as follows:

Airport Land Sale Permanent Fund:	
Increase Estimated Revenues –	
Investment Earnings	<u>\$14,872</u>
Increase Appropriations –	
Transfer to Airport Fund	<u>\$14,872</u>

**Section 2.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 3.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: February 17, 2021



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Terry Eubank, Finance Director

**DATE:** January 22, 2021

**SUBJECT:** Ordinance No. 3187-2021 – ALSPF Appropriation Increase

---

The purpose of this memo is to recommend passage of Ordinance 3187-2021. This Ordinance will increase the authorized transfer amount from the Airport Land Sale (ALSPF) to the City's Airport Fund for FY21. This increased amount is possible because earnings were higher than projected for calendar year 2020.

### ALSPF

Pursuant to KMC 7.30.020 (a) (4) the annual transfer from the ALSPF will be based upon the five (5) year average of the fund's calendar year end market value. An amount not to exceed three and four-fifths percent (3.8%) of the five (5) year average market value may be distributed if the average market value is less than the fund's inflation adjusted principal balance. An amount not to exceed four and one-fifth percent (4.2%) of the five (5) year average market value may be distributed if the average market value is greater than the fund's inflation adjusted principal balance.

The December 31, 2020 5 year-average market value of the portfolio (\$25,524,254) was below the inflation adjusted principal (\$26,531,145), thus the allowable transfer is limited to the lower bound of the spending rate (3.8%). The 2020 allowable transfer based upon this calculation is \$969,922.

The FY21 budgeted transfer amount was \$955,050. This Ordinance will increase the budgeted transfer amount to the maximum value of \$969,922, an increase of \$14,872.

Your support for Ordinance 3187-2021 is respectfully requested.



Sponsored by: Administration

## CITY OF KENAI

### ORDINANCE NO. 3188-2021

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, HDL Engineering Consultants successfully concluded our RFP process in the spring of 2020, and quickly began work on assessing the City's Waste Water Treatment Facility; and,

WHEREAS, the two highest priority items identified within HDL's assessment was the replacement of the existing Wasting Activated Sludge (WAS) Pumps, which is nearing completion now, and the replacement of the 40 year old sludge press; and,

WHEREAS, prior to getting HDL Engineering Consultants under contract, \$500,000 was included in the FY2020 budget toward this project; and,

WHEREAS, after development of the project concepts and gaining a greater understanding of additional appropriate efforts that should take place during this work, items like control panel replacement, and polymer injection equipment replacement, the intent of this ordinance is to appropriate additional funds to allow the project to continue forward; and,

WHEREAS, the current anticipated budget for this work is now \$1,200,000 based on current estimates; and,

WHEREAS, to date the current design agreement with HDL for this work totals \$169,125 and was approved under Resolution 2020-95; and,

WHEREAS, staff in coordination with the engineers intend to issue and evaluate through the Request for Proposal (RFP) process equipment offerings from various manufacturers and upon evaluation issue a contract award to the supplier offering the greatest value to the City on a new sludge press and associated equipment; and

WHEREAS, this procurement will allow the six month production time for the new equipment to take place while final design documents are being completed on the actual equipment to be installed; and

WHEREAS, this will save the City on contractor markup on roughly \$450K worth of equipment while allowing the equipment to arrive in Alaska faster as well as minimize exposure on change orders as the design documents will reflect the specific equipment being installed and not a generalization towards multiple potential manufacturers; and

WHEREAS, enactment of this Ordinance is in the City's best interest.



NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the estimated revenues and appropriations be increased as follows:

Water and Sewer Special Revenue Fund:	
Increase Estimated Revenues –	<u>\$700,000</u>
Increase Appropriations:	
Transfer to Wastewater Treatment Plant Improvement Capital Project Fund	<u>\$700,000</u>

**Section 2.** That the estimated revenues and appropriations be increased as follows:

Wastewater Treatment Plant Improvement Capital Project Fund:	
Increase Estimated Revenues –	
Transfer from Water & Sewer Fund	<u>\$700,000</u>
Increase Appropriations:	
Construction	<u>\$700,000</u>

**Section 3.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.

**Section 4.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect upon adoption.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: February 17, 2021



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Scott Curtin, Public Works Director  
**DATE:** January 26, 2021  
**SUBJECT:** **Ordinance No. 3188-2021**

---

Council approved Resolution 2020-95 at the December 16, 2020 Council meeting which authorized a professional services agreement to HDL Engineering to provide bid ready construction documents for a replacement sludge press at the City's Waste Water Facility.

This agreement, in the amount of \$169,125, was paid for from the \$500,000 in funding provided during the FY20 Budget. HDL Engineering, in coordination with City staff and their sub-consultants, have determined the production lead times on this equipment is extensive, estimated to be approximately six months from date of order to delivery.

As such the team is working on documents to select a new sludge press during a competitive RFP process where the City will select and purchase a new sludge press and associated components directly from the manufacturers / distributor as the case may be. This is slightly different than a normal design, bid, build type of procurement process.

This ordinance is being introduced now, to ensure sufficient funds are available to award the purchase of this equipment by the City and also to inform Council of what the likely overall magnitude of the project is anticipated to be. Finance requires sufficient funds are available prior to the release of solicitations. This ordinance is to meet that requirement.

Current project estimate has the design phase at \$169,125, equipment purchases approximately \$480,000, and the remainder of roughly \$550,000 for construction, construction administration and City administration. At the completion of the design phase a more detailed cost estimate will be provided by the design team and if needed, may result in coming back to Council to confirm any changes to assumed project costs prior to going out for construction contractor bids.

This project is the highest priority item at the Waste Water Facility to be completed next. Replacement will allow staff to continue to meet Federal and State regulated requirements. The administration is in support of the project.

Council's support is respectfully requested.



Example of new screw press



Existing 40 year old belt press





Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3189-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, the City of Kenai received a grant from the State of Alaska Homeland Security Program for \$473,000 (Ordinance 3093-2019); and,

WHEREAS, \$45,000 of that grant was designated to install Fire Station Alerting equipment at the Airport Fire Station; and,

WHEREAS, equipment was purchased through US Digital Design totaling \$31,090.56 and installation by Kachemak Electric Co. Inc. cost \$14,854; and,

WHEREAS, after installation of the project was completed, there were functionalities of the system that were identified requiring additional installation to complete including: interface with Dispatch to control doors and crash phone interface with the Airport Control Tower; and,

WHEREAS; labor and materials to complete this work total \$2,532 as submitted by Kachemak Electric Co.; and,

WHEREAS; an additional \$2,476.56 is requested to complete this project; and,

WHEREAS; it is in the best interest of the City of Kenai and the Fire Department to complete this work and maintain operational readiness and integration of the Fire Station Alerting System.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the estimated revenues and appropriations be increased as follows:

General Fund:

Increase Estimated Revenues –	
Appropriation of Fund Balance	<u>\$2,476.56</u>
Increase Appropriations –	
Transfer to Public Safety Capital Projects Fund	<u>\$2,476.56</u>

**Section 2.** That the estimated revenues and appropriations be increased as follows:

Public Safety Capital Project Fund:	
Increase Estimated Revenues –	
Transfer from General Fund	<u>\$2,476.56</u>
Increase Appropriations –	
Professional Services	<u>\$2,476.56</u>

**Section 3.** That the City Manager is authorized to execute a change order to the purchase order issued to Kachemak Electric in the amount of \$2,532 bringing the adjusted change order amount to \$17,386.

**Section 4.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 5.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: February 17, 2021



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Tony Prior, Fire Chief

**DATE:** January 27, 2021

**SUBJECT:** Ordinance 3189-2021

---

The City of Kenai was awarded grant funding from the State of Alaska Homeland Security Program (Ordinance 3093-2019), and \$45,000 of the grant was specified to install G2 Fire Station Alerting equipment at the Airport Station. Station 1 already has the G2 Fire Station Alerting equipment installed and operational from a joint grant with the Kenai Peninsula Borough. We contracted with Kachemak Electric Co. Inc to install the equipment as they are the only authorized electrical company to install this equipment. Upon completion of installation by Kachemak Electric we identified a few key items that could be added to the project to enhance the system.

First, the G2 Station Alerting System has the ability to have our Dispatch Center control the opening and closing of bay doors at the Airport Fire Station. The components needed for this particular operation of the G2 Station Alerting is already purchased and would only require a small amount of wiring and installation time. The opening of the doors can be programmed into the alert notification and automatically open the doors to speed up response times for airport emergencies. With the strict requirements of a three (3) minute response time from FAA, this would assist to ensure no delays in response of apparatus.

Second, the speaker system at the Airport Station is directly tied to the Airport Control Tower's "RED PHONE", which broadcasts as a PA when they talk directly to our Dispatch Center. They use this to notify us of an ALERT (Aircraft Emergency). The current system is very scratchy and sometimes inaudible by fire personnel. We have identified an option to tie that Red Phone into the G2 Station Alerting Speakers for a clear and loud notification of an Aircraft Emergency.

Third, tying the outside speakers into the Alerting System. When personnel are outside of the station they may not be able to hear an emergency tone without a portable radio. We can tie the exterior speakers at the station to the Alerting System, improving notification in all areas in and around the station.

I respectfully request the addition of \$2,476.56 to the Public Safety Capital Project Fund and the increase of the Purchase Order to Kachemak Electric to complete the aforementioned work.



Sponsored by: Administration

## CITY OF KENAI

### ORDINANCE NO. 3190-2021

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE GENERAL FUND TO PROVIDE A GRANT DISBURSEMENT PROGRAM FOR SMALL BUSINESSES THAT DID NOT PREVIOUSLY APPLY FOR FULL ASSISTANCE FROM THE CITY IN 2020.

WHEREAS, on April 9, 2020 President Donald J. Trump approved a Disaster Declaration for the State of Alaska; and,

WHEREAS, on May 20, 2020, the City Council enacted Ordinance 3130-2020 accepting Federal CARES ACT funding passed through the State of Alaska for expenditures in response to the COVID-19 Public Health Emergency; and,

WHEREAS, on June 3, 2020, the City Council passed Resolution 2020-39, approving a \$3,000,000 Grant Disbursement Program for Small Businesses and Non-Profit Organizations Utilizing Funds from the CARES Act with an application period of June 4, 2020 to June 19, 2020; and,

WHEREAS, on July 1, 2020, the Council amended the Grant Disbursement Program to re-open the application period from July 10, 2020 to July 17, 2020 to allow additional businesses and non-profits impacted by the COVID-19 pandemic to seek relief without materially affecting available future funding; and,

WHEREAS, on September 2, 2020, the Council amended the Grant Disbursement Program to provide a second round of grants, with an application period of October 1, 2020 to October 30, 2020 that increased the amount available to City of Kenai businesses so that the total of the City grants equaled the size of the business grants offered by the Kenai Peninsula Borough to borough businesses located outside of the City limits; and,

WHEREAS, Administration has reached out to numerous businesses that did not apply during one or all of the grant application periods to determine why they did not apply, with the primary reasons given being that their business was faring well at the time, they felt the funds should go to other businesses that had a greater need, and in some cases missing the opportunity to apply; and,

WHEREAS, the magnitude and length of the COVID-19 pandemic is still unknown, and its associated negative impacts to our economy are still creating uncertainty for local businesses; and,

WHEREAS, providing businesses that previously did not receive full assistance through the City's 2020 programs an opportunity to apply for those programs will benefit businesses that previously did not have a need, or missed the grant opportunities for some other reason; and,

WHEREAS, the success of the City is dependent upon the success of the local economy and its businesses and providing an opportunity for local businesses that previously did not apply for full assistance to apply for our grant disbursement program is in the best interest of the City and its residents.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the grant disbursement program for small businesses that did not previously apply for full assistance from the City in 2020 is approved as attached or modified in similar form.

**Section 2.** That the estimated revenues and appropriations be increased as follows:

General Fund:

Increase Estimated Revenues –	
Appropriation of Fund Balance	<u>\$200,000</u>
Increase Appropriations – Non-Departmental	
Grants to Others	<u>\$200,000</u>
	<u>\$200,000</u>

**Section 3.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 4.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

ATTEST:

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance:  \_\_\_\_\_

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: February 17, 2021





## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**FROM:** Paul Ostrander, City Manager

**DATE:** January 27, 2021

**SUBJECT:** **Ordinance 3190-2021 – Providing a Grant Opportunity for Businesses That Did Not Previously Apply For Full Assistance**

---

Since COVID-19 began impacting the daily lives of our residents in March of 2020, the administration has worked diligently to identify areas of need in the community and recommend ways in which the City could help meet those needs. When Federal CARES Act funding was made available through the State, and later, when additional funding was provided through the Kenai Peninsula Borough, it was clear that utilizing a portion of these funds to support our business community was going to be essential to offset the negative economic impacts of the pandemic.

City Council approved a first round of grants that included small businesses and non-profit entities for the period of June 4-19, 2020, and re-opened the first round for an additional period of July 10-17, 2020. Council then authorized a second round of grants for small businesses for the period of October 1-30, 2020. Depending on the business' total gross sales, Kenai businesses were eligible for up to \$35,000 in grants from the City through these programs.

Since the last grant program's closure on October 30, 2020, multiple businesses have communicated with the administration that they did not apply for one or either round of grants. Some businesses indicated that they only applied for the first round of grants based on need at the time. The reasons these businesses did not apply for full assistance varies, but as the pandemic drags on into 2021 and our local economy continues to suffer, providing these businesses another opportunity to apply for grants they would have qualified for under the City's Relief and Recovery grant programs is appropriate.

Ordinance 3190-2021 provides additional grant funds where they are needed to businesses in our community without providing grants in excess of what other City businesses received or what was offered to Kenai Peninsula Borough businesses outside of the City limits.

Your consideration is appreciated.

# Small Business Grant

## Small Business Grant Program

The City is offering an additional grant opportunity for small businesses that did not previously apply for the maximum amount of grant funding they were eligible to receive from the City through its Relief and Recovery grant programs in 2020. The total grant funds available for each eligible business in the City of Kenai is equal to the size of the grants offered by the Kenai Peninsula Borough to businesses located outside of City limits.

The minimum revenues a business needs to be eligible to receive a grant is \$20,000, consistent with the Borough's program. Businesses that received grants in Round 1 but did not apply for Round 2 of the City program will need to reapply for this program — the application form will request additional information. Businesses that did not apply in Round 1 or Round 2 will be eligible to apply for this program to receive the maximum grant amount.

The City will begin accepting applications on February 22, 2021 and the application period will close on March 22, 2021.

The grant categories will be divided into five levels based on each business' 2019 total gross sales for four quarters as reported on their tax returns to the Borough.

These amounts are the maximum a qualifying business was eligible to receive from the City through its Relief and Recovery Grant Program in 2020 in Round 1 and Round 2:

- Up to \$1,750 for businesses with 2019 revenues of \$20,000 to \$50,000
- Up to \$3,500 for businesses with 2019 revenues of \$50,000 to \$100,000
- Up to \$8,750 for businesses with 2019 revenues of \$100,000 to \$250,000
- Up to \$17,500 for businesses with 2019 revenues of \$250,000 to \$500,000
- Up to \$35,000 for businesses with 2019 revenues of over \$500,000

Similar to Round 1 and Round 2 of the City's Relief and Recovery Grant Program, a business must have been in existence as of January 1, 2020, to qualify. That would not exclude an existing business with a state license, and that has previously filed tax returns with the Borough even though it may have reported no operations in January 2020 (such as a seasonal business).

(continued on next page)

**The City is offering a grant for small businesses that did not previously apply for the maximum amount of grant funding they were eligible to receive in Round 1 and Round 2:**

Business Revenues	Round 1 Grant Amount	Round 2 Grant Amount	Total Grant Amounts
\$20K - \$50K	\$1,000	\$750	\$1,750
\$50K - \$100K	\$2,500	\$1,000	\$3,500
\$100K - \$250K	\$5,000	\$3,750	\$8,750
\$250K - \$500K	\$7,500	\$10,000	\$17,500
>\$500K	\$10,000	\$25,000	\$35,000

✓ Round 1 Grant Amount

✓ Round 2 Grant Amount

# Small Business Grant

For purposes of determining eligibility for a new business without a full year's tax returns for 2019, the City would take gross sales reported for any quarters in 2019 and the first quarter 2020 and extrapolate the numbers to estimate a full year's sales for the business.

Businesses that are not required to file sales tax returns with the Borough must provide a copy of their most recent federal income tax return or other proof of revenues as deemed suitable by the City review committee to determine the level of grant award they might qualify to receive.

The amount of the grant for businesses with locations inside and outside the City will be based solely on their revenues from the business location within the City of Kenai.

The business must be located within the City of Kenai, with a valid state business license and be current in its sales tax registration with the Kenai Peninsula Borough. That could be an office, warehouse, shop or other premise owned, leased or rented and operated by the applicant. The business owner(s) does not have to be a resident of the City of Kenai.

Businesses sharing physical quarters may each apply and qualify for their own grant, so long as each business has its own state license, files a sales tax return under its own name and does not share the same ownership with the other co-located businesses. Such so-located businesses under the same owner will be eligible for one grant.

Businesses that have applied for or have obtained any other state or federal COVID-19-related assistance are not necessarily disqualified from the City program.

The program will exclude from eligibility the same list of businesses excluded in the previous program, including:

- C Corporations traded on a U.S. stock exchange or a corporate-equivalent entity traded on a foreign stock exchange, and businesses owned in whole or majority-owned by such a publicly traded corporation
- National chains that own and operate their premises in Kenai; franchise owned-and-operated businesses in Kenai would be eligible
- Businesses with a City lien or are in violation of a payment agreement with the City
- Businesses with a Borough lien for unpaid sales taxes. A sales tax delinquency would not disqualify a business from the grant program unless the Borough has initiated a lien on that debt. Businesses that have entered into a payment plan with the Borough and are adhering to that plan would be eligible for the grant, so long as the lien has been lifted

Applicants will be required to certify that they have been affected by the COVID-19 public health emergency and resulting economic impacts. Because the grants in Round 2 were significantly larger than in Round 1, the City will ask for additional information of applicants for this program as well. This includes information on economic hardship suffered by the business, either lost revenue or additional costs of operations; and information on other similar financial assistance received from the Borough or other cities on the Kenai Peninsula.

If the demand for grants for this program exceeds the City's available funds, the City reserves the right to prorate the grants to stay within available funding.



Sponsored by: Mayor Gabriel

## CITY OF KENAI

### ORDINANCE NO. 3191-2021

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, the COVID-19 Public Health Emergency has significantly impacted many Kenai residents through lost income and or increased expenses; and,

WHEREAS, the Kenai Peninsula Food Bank of Alaska reports that before the Public Health Emergency, it distributed food to approximately 60 people from its Kenai food distribution site, and during this Public Health Emergency, distribution peaked at about 275 food boxes per week and continues to serve around 200 a week in Kenai; and,

WHEREAS, the Food Bank further provides that it can distribute 300 food boxes in Kenai, when available, in less than an hour and that its meal program at the Food Bank, which serves Kenai residents and others, served around 30 to 40 meals a day previously, but now consistently serves over twice that, peaking at around 200 meals per day; and,

WHEREAS, other data similarly shows an increase in financial hardship for residents in the City, with more residents 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,

WHEREAS, while the City, in response to the Public Health Emergency, has previously provided funding to the Food Bank for free food distribution programs, through Alaska Housing Finance Corporation (AHFC) for mortgage and rental assistance, direct funding through Relief and Recovery grants to local businesses and nonprofits, and a Shop Local program encouraging shopping at small businesses selling discretionary items, this program is specifically intended to help impacted residents double the amount of food or necessary household goods they are able to purchase in Kenai to secure more groceries and necessary household items; and,

WHEREAS, the program may help many of the same individuals assisted by other City programs, and even some of the same businesses, but will also assist many residents not previously assisted by the City through its Public Health Emergency response; and,

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 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,

WHEREAS, in 2020, the City distributed CARES Act funds from the Federal Government passed through the State of Alaska in response to and to aid in the recovery from the COVID-19 Public Health Emergency and allocated funds to support a number of programs identified to best provide needed aid; and,

WHEREAS, because initial federal CARES Act guidance required funds to be spent prior to December 31, 2020, or be returned to the Federal Treasury, some of the CARES Act funds originally allocated for other purposes but unspent late in 2020 was used by the City just prior to the deadline as allowed by the Act, for first responder payroll; and,

WHEREAS, these funds remain available in the General Fund if further assistance is necessary to support residents and businesses that continue to be impacted by the COVID-19 pandemic; and,

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, and Kenai residents; and,

WHEREAS, the City continues to identify a need to provide economic recovery from the COVID-19 Public Health Emergency, and this program meets an identified need and is in the best interests of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the City Manager is authorized to establish a program up to \$200,000 to provide Kenai residents 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.

**Section 2.** 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 \$10,000 to promote the program and up to \$5,000 for program administrative support.

**Section 3.** That estimated revenues and appropriation be increased as follows:

General Fund:

Increase Estimated Revenues –	
Appropriation of Fund Balance	<u>\$215,000</u>
 Increase Appropriations – Non-Departmental	
Professional Services	\$ 15,000

Grants to Others

200,000  
\$215,000

**Section 4.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.

**Section 5.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 3, 2021  
Enacted: February 17, 2021  
Effective: February 17, 2021



## MEMORANDUM

**TO:** Council Members

**FROM:** Mayor Gabriel

**DATE:** January 28, 2021

**SUBJECT:** **Ordinance 3191-2021 Grocery and Necessary Household Goods**

---

Ordinance 3191-2021 is intended to help Kenai residents impacted by the COVID-19 Public Health Emergency stretch their dollars at local grocery retailers for groceries and other necessary household goods. The program provides residents who self-certify that they have been financially impacted by the COVID-19 Public Health Emergency up to \$200 in vouchers in increments of \$100 at local grocery retailers for residents who spend \$100 or \$200 at local grocery retailers and provide receipts. The program is funded at \$200,000, which would allow 1,000 residents to participate if individuals provided \$200 in receipts each, and more if some provide \$100.

While the funds for this program would come from the General Fund, they can be traced back to CARES Act funding. Because initial federal CARES Act guidance required funds to be spent prior to December 31, 2020, or be returned to the Federal Treasury, some of the CARES Act funds originally allocated for other purposes but unspent late in 2020 were used by the City just prior to the deadline as allowed by the Act, for first responder payroll. These funds remain available in the General Fund if further assistance is necessary to support residents and businesses that continue to be impacted by the COVID-19 pandemic.

While the City has already provided funding to the Food Bank for free food distribution programs, through Alaska Housing Finance Corporation for mortgage and rental assistance, direct funding through Relief and Recovery grants to local businesses and nonprofits, and a Shop Local program encouraging shopping at small businesses selling discretionary items, this program, administered through the Kenai Chamber of Commerce and Visitor Center directly benefits Kenai residents impacted by the Public Health Emergency double their money for groceries and necessary household goods.

Data from the Food Bank, City Water and Sewer Fund, and HEA indicate there is a need for this program in the community. While the primary effect is to help families and individuals, this program will have a secondary effect of helping local grocery retailers by encouraging shopping for groceries and necessary household items in Kenai. The program is designed to be open to all businesses in Kenai selling groceries that are agreeable to participating in a voucher program with the City and Chamber to enable residents flexibility in their preferred shopping. In order to ease administration of the program, receipts and vouchers will not be limited to specific

purchases, but instead the participating stores that sell the groceries and necessary household items.

Your consideration is appreciated.





## Kenai Grocery and Necessary Household Goods Program

**Budget:** \$200,000

**Purpose:** To help Kenai residents financially impacted by the COVID-19 Public Health Emergency double their money for the purchase of groceries and necessary household goods

**Dates:** March 1 – April 30, 2021

**Program Description:** Kenai Residents 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 choice that are participating in the program and located in Kenai.

### Definitions:

- Stores Selling Grocery and Necessary Household Items include Kenai Walmart, Kenai Safeway, IGA, Three Bears, and Maggie's General Store. 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.

### Participant Rules:

- Individuals must submit up to 10 receipts totaling at least \$200 via an online form or bring them into the Kenai Chamber of Commerce and Visitor Center.
- Submitted receipts must be from a store selling grocery and necessary household items located within the Kenai City limits. The receipts must be accompanied by a self-certification form certifying that the individual submitting receipts has been financially impacted by the COVID-19 Public Health Emergency.
- Receipts must be readable. The date, name of the business, and the full total must be included. Receipts must be dated between March 1, 2021 and April 30, 2021.
- Online orders do not qualify for expenditures.
- After submitting receipts, individuals choose a participating store selling grocery and necessary household items they would like to receive up to two \$100 shopping voucher(s) from by selecting them from the available list. If there is any problem validating your receipts, you will be contacted by email and asked to clarify or submit additional receipts to reach the \$100 or \$200 increment.
- Vouchers will be mailed to the address provided within two – four business days of receiving the submitted form or receipts. Individuals may also choose to pick up their vouchers in person.

### Participating Business Rules:

- Voucher merchants must be a store selling groceries and necessary household items located within the Kenai City limits.
- The business must have been in existence with a valid State of Alaska business license as of January 1, 2021.
- Must be current in sales tax registration with the Kenai Peninsula Borough and not be delinquent with the Kenai Peninsula Borough Tax Department.

**Additional Details:**

- Payments for vouchers submitted by participating businesses to the Kenai Chamber of Commerce and Visitors Center will be made weekly to participating businesses.
- New businesses will be able to sign up on to the program at any time, provided they meet the criteria.

**CITY OF KENAI**

**AGREEMENT BETWEEN OWNER AND SERVICE PROVIDER  
FOR KENAI GROCERY AND Necessary household goods PROGRAM TO BENEFIT  
KENAI RESIDENTS**

MADE AS OF THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2021.

BETWEEN the OWNER: CITY OF KENAI  
210 Fidalgo Avenue  
Kenai, Alaska 99611

AND the SERVICE PROVIDER: Kenai Chamber of Commerce and Visitor Center, Inc.  
11471 Kenai Spur Highway  
Kenai, AK 99611

FOR the PROJECT: Grocery and Necessary Household Goods Voucher Program

The Owner and Service Provider agree as set forth below.

**ARTICLE 1**

**THE WORK**

The Service Provider shall perform all the work described in the Grocery and Necessary Household Goods Program as Attachment "A" hereto, including but not limited to:

- 1. Basic Services, as described in the Program Description.

**ARTICLE 2**

**TIME OF COMMENCEMENT AND COMPLETION**

The Service Provider's performance of services required by this AGREEMENT shall commence on March 1, 2021 (date) and terminate on April 30, 2021.

**ARTICLE 3**

**COMPENSATION**

The Owner shall compensate the Service Provider for actual administrative as follows:

Administrative Costs not to exceed \$15,000 including up to \$10,000 to promote the program and up to \$5,000 for program administration and support.

And fund the program through the Service Provider for up to \$200,000

**ARTICLE 4**

## ENUMERATION OF CONTRACT DOCUMENTS

The documents which are specifically incorporated into this AGREEMENT by reference and form the contract documents are listed below. Should any provision or requirement of one portion of the contract documents conflict with any other portion of the contract documents, unless otherwise provided herein, the conflict will be resolved by reference to the contract documents in the following order of priority:

- A. Any and all later modifications, Change Orders, and written interpretations of the Contract Documents issued by the Owner
- B. This AGREEMENT

Any other attachments to this AGREEMENT do not form a part of the AGREEMENT but are for reference or proof of compliance with the requirements of the AGREEMENT, except where the provisions of this AGREEMENT provide such attachments will be or are a part of the AGREEMENT.

These form the contract and what is required by any of the documents shall be as binding as if required by all. The intention of the contract documents is to require the furnishing of all labor, material, equipment, and other items necessary for the proper execution and completion of the program and to prescribe the terms and conditions of the contract and payment, so as to include work and materials which may be necessary to produce the intended results.

## ARTICLE 5

### INSURANCE

- A. Service Provider shall, at Service Provider's own expense, secure and maintain the following insurance:
  - i. comprehensive general liability insurance, including premises, all operations, property damage, personal injury and death, broad-form contractual coverage with a per occurrence limit of not less than \$1,000,000 combined single limit;
  - ii. worker's compensation insurance with coverage for all employees engaged in work under this Agreement as required by AS 23.30.045 (Service Provider is responsible for worker's compensation insurance for any subService Provider who directly or indirectly provides services under the Agreement); and,
  - iii. comprehensive automobile liability insurance covering all owned, hired, and non-owned vehicles with coverage limits not less than \$1,000,000 combined single limit per occurrence.

Where specific limits are stated, the limits are the minimum acceptable limits. If Service Provider's insurance policy contains higher limits, Owner is entitled to coverage to the extent of the higher limits.

- B. All insurance required by this Section shall meet the following additional requirements:
  - i. for comprehensive general liability and automobile liability insurance, name the City of Kenai as an additional insured;
  - ii. for worker's compensation insurance, general liability, and automobile liability insurance, where possible, include a waiver of subrogation so that the insurer waives all rights of subrogation against the City of Kenai for payments made under the policy;
  - iii. provide Owner with at least 30 days' notice before any termination, cancellation, or material change in insurance coverage is effective; and,

iv. be issued by a company/corporation currently rated "A-" or better by A.M. Best.

C. Service Provider shall submit to Owner proof of insurance coverage in the form of insurance policies, certificates, endorsements, or a combination thereof, and signed by a person authorized by the insurer to bind coverage on its behalf. The effective date of the insurance will be no later than the first day of the term of this Agreement.

D. The indemnification and insurance coverage requirements stated in this Section and in Section 6 below do not relieve Service Provider of any other obligation under this Agreement.

Owner may increase the amount or revise the type of required insurance upon written demand without requiring amendments to this Agreement. Owner will base any increase or revision upon reasonable and justifiable grounds. Within two weeks of the written demand, Service Provider shall submit to Owner evidence of insurance coverage that meets the requirements of Owner.

**ARTICLE 6**

**Indemnity, Defend, and Hold Harmless**

Service Provider shall indemnify, defend, and hold harmless Owner and its agents, employees, and/or insurers from claim, loss, damage, liability, including injury and death or expense in any way related to any act or omission of Service Provider or Service Provider's employees, agents, or invitees arising out of Service Provider's performance of services under this Agreement, except to the extent any negligence of Owner or its employees or agents is a proximate cause of any injury or damage. If a third party asserts a claim against Service Provider and Owner, Service Provider and Owner shall seek in good faith to achieve Agreement to an apportionment of fault as between them without an independent of litigation. This provision shall survive expiration or termination of this Agreement.

**ARTICLE 7**

All legal notices relating to this contract, including change of address, shall be mailed to the Owner and the Service Provider at the following addresses:

**OWNER**

City of Kenai  
210 Fidalgo Ave  
Kenai, Alaska 99611

**SERVICE PROVIDER**

Kenai Chamber of Commerce  
and Visitor Center, Inc.  
11471 Kenai Spur Highway  
Kenai, Alaska 99611

**ARTICLE 8**

**EXTENT OF AGREEMENT**

This AGREEMENT represents the entire and integrated AGREEMENT between the Owner and the Service Provider, and supersedes all prior, inconsistent negotiations, representations, or AGREEMENTS, either written or oral. This AGREEMENT may be amended only by written instrument signed by both Owner and Service Provider.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed in their respective names by their duly authorized representatives as of the date and year above written.

**ARTICLE 9**

**ATTACHMENTS**

In the event there is any difference between an attachment to the original of this AGREEMENT on file with the City of Kenai and any attachment to a duplicate original of the AGREEMENT, the attachments to the original filed with the City shall control.

**ARTICLE 10**

**JURISDICTION: CHOICE OF LAW**

This contract shall be governed by the laws of the State of Alaska, and any lawsuit brought thereon shall be filed in the Third Judicial District at Kenai, Alaska.

OWNER and SERVICE PROVIDER each binds themselves, their partners, successors, assigns and legal representatives in respect to all covenants, AGREEMENTs and obligations contained in the Contract Documents.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed in their respective names or by their duly authorized representatives as of the date and year above written.

OWNER:  
CITY OF KENAI

SERVICE PROVIDER:

By: \_\_\_\_\_  
Paul Ostrander  
City Manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF ALASKA                    )  
  )ss.  
THIRD JUDICIAL DISTRICT        )

STATE OF ALASKA                    )  
  )ss.  
THIRD JUDICIAL DISTRICT        )

THIS IS TO CERTIFY that on

THIS IS TO CERTIFY that on

this \_\_\_\_ day of \_\_\_\_\_, 2021.

this \_\_\_\_ day of \_\_\_\_\_, 2021.

Paul Ostrander, City Manager,  
City of Kenai, Alaska, being personally known to  
me or having produced satisfactory evidence of  
identification, appeared before me and  
acknowledged the voluntary and authorized  
execution of the foregoing instrument on behalf  
of said City.

\_\_\_\_\_,(title)  
\_\_\_\_\_of  
\_\_\_\_\_ being personally  
known to me or having produced satisfactory  
evidence of identification, appeared before me  
and acknowledged the voluntary and authorized  
execution of the foregoing instrument on behalf  
of said corporation.

\_\_\_\_\_  
NOTARY PUBLIC FOR ALASKA  
My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC FOR ALASKA  
My Commission Expires: \_\_\_\_\_

Approved by Legal: \_\_\_\_\_  
Approved by Finance: \_\_\_\_\_



# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## GROCERY AND NECESSARY HOUSEHOLD GOODS VOUCHER PROGRAM

Name: \_\_\_\_\_

Physical Address: \_\_\_\_\_

City: Kenai State: AK Zip: 99611

Optional Mailing Address: \_\_\_\_\_

*If you would like vouchers mailed to you*

City: \_\_\_\_\_ State: AK Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

*Optional*

*Optional*

Have your personal finances been impacted by the COVID-19 public health emergency?

Yes  No

(Impacts could include, but are not limited to, loss of income from wages, loss of work or increased household expenses (purchases of personal protective equipment, at home school supplies, etc.)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## MEMORANDUM

**TO:** Council Members

**FROM:** Mayor Gabriel

**DATE:** February 11, 2021

**SUBJECT:** Ordinance 3191 - 2021

After further communications with the Kenai Chamber related to this program, the Chamber has indicated it needs more funding to administer the program and less to advertise. The Chamber has proposed \$10,000 to run the program, and \$5,000 to promote the program. This appears reasonable given the program design. The following amendments are required:

Amend Section 2. Of the Ordinance to read:

**Section 2.** 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.

Amend the Agreement with the Chamber by Amending Article 3 to read:

### ARTICLE 3

#### **COMPENSATION**

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

Your consideration is appreciated.



**Meghan Thibodeau**

---

**Subject:** FW: Ordinance 3191-2021

From: **Barbara Waters** <[barbaraewaters@gmail.com](mailto:barbaraewaters@gmail.com)>

Date: Tue, Feb 9, 2021 at 12:47 PM

Subject: Ordinance 3191-2021

To: <[vaskin@kenai.city](mailto:vaskin@kenai.city)>, <[bgabriel@kenai.city](mailto:bgabriel@kenai.city)>, <[jglendening@kenai.city](mailto:jglendening@kenai.city)>, <[hknackstedt@kenai.city](mailto:hknackstedt@kenai.city)>, <[bmolloy@kenai.city](mailto:bmolloy@kenai.city)>, <[gpettey@kenai.city](mailto:gpettey@kenai.city)>, <[twinger@kenai.city](mailto:twinger@kenai.city)>

Honorable Council Members,

I have been a Kenai resident since 1978. My husband and I raised our two daughters here and now have grown grandchildren also living here.

Since the pandemic - and even before - we have helped our family members as much as possible with groceries, fuel, utilities, etc. We have done so because that is what families do. They help, even if they go without occasionally themselves.

I am writing this to you in regards the proposed Cares Act money to individuals who spend 100-200 for groceries. While it seems to be a noble gesture may I add a counterpoint and a possible suggestion?

Counterpoint: there are a number of people who cannot afford to spend 100-200 for groceries. They scrimp and save and whenever they can they feed their families from SNAP or the Food Bank and church pantries. Homeless folks who might want to take part in such a program might find it difficult to hold onto receipts to total the 100-200 you require. I am asking you to consider these folks as well as those of us who might be able to spend 100-200 and hold onto receipts long enough to apply for the program regardless of our need. (not saying that people would do that . . .)

My suggestion: grant the 200,000 to either the Food Bank where the funds have a greater purchase power - or to the Food Pantry at the Kenai Methodist Church which distributes food bags on a weekly basis.

The funding would be able to be stretched even further than those 1000 people suggested by the article on KSRM. I also understand that you may have already distributed funds to the Food Bank or other food pantries, for which I would offer my thanks.

It is just my opinion. Just my suggestion. I certainly understand if you choose to do otherwise. but I wanted to let you know how I feel about the program.

Respectfully,

Barbara Waters  
311 Kulila Pl.  
Kenai, AK 99611

907-252-2785



Sponsored by: Administration

**CITY OF KENAI**

**RESOLUTION NO. 2021-08**

A RESOLUTION OF THE CITY OF KENAI, ALASKA, AWARDED A PROFESSIONAL SERVICES CONTRACT AT THE KENAI MUNICIPAL AIRPORT FOR AIRPORT SECURITY GUARD SERVICES.

WHEREAS, on December 31, 2020, the City advertised for Airport Security Guard Services for the initial term of March 1, 2021, through February 29, 2024; and,

WHEREAS, three responsive proposals were received on February 2, 2021, and evaluated based on responsiveness, experience, capability, references, and price per hour; and,

WHEREAS, the summary of proposal points received from the three evaluators was as follows:

<b>Guardian Security Services, Inc.</b>	<b>285</b>
Phoenix Protective Corp	253
Rael Security	245

; and,

WHEREAS, Guardian Security Services, Inc. is the successful Proposer receiving the highest points overall for the Airport Security Guard Services Contract; and,

WHEREAS, the City Administration has determined that award to this Proposer will be in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA:

**Section 1.** That the City Manager is authorized to execute a contract to Guardian Security Services, Inc. for Security Guard Services at the Kenai Municipal Airport in the amount of \$60,060.75 annually for the initial period of March 1, 2021, and ending February 29, 2024. The City Manager is further authorized to execute two one-year extensions upon mutual agreement of the City and contractor.

**Section 2.** That this resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17th day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL, SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk



# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## MEMORANDUM

**TO:** Mayor Gabriel and Council Members

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Mary Bondurant, Airport Manager

**DATE:** March 31, 2020

**SUBJECT:** Resolution 2021-08 Awarding an Airport Security Services Contract

On December 31, 2020, the City started advertising in the Peninsula Clarion and the Anchorage Daily News for Request for Proposals (RFP) for the security guard contract at the Airport. The current security contract expires on February 28, 2021.

A mandatory pre-proposal meeting was held on Wednesday, January 13, 2021, and was attended by three potential proposers. Three proposals were received by the February 2, 2021, deadline.

Airport Administration and the Public Works Director evaluated and ranked the proposers on responsiveness, experience, capability, references, and the price per hour:

<b>Guardian Security Services, Inc.</b>	<b>285</b>
Phoenix Protective Group	253
Rael Security	245

Guardian Security Services, Inc. was the successful proposer with the highest number of points.

Guardian Security Services, Inc. currently provides the security services, and the Airport is satisfied with their performance.

Airport Commission reviewed the request at the February 11, 2021 Commission meeting and recommends Council approval.

Thank you for your consideration.



Sponsored by: Administration

## CITY OF KENAI

### RESOLUTION NO. 2021 - 09

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, FURTHER EXTENDING THE DISASTER EMERGENCY DECLARATION FOR THE CITY OF KENAI MADE ON MARCH 18, 2020 IN RESPONSE TO THE COVID-19 HEALTH EMERGENCY.

WHEREAS, pursuant to AS 26.23.140, the City Manager, as the principal executive officer of the City, issued a Disaster Emergency Declaration on March 18, 2020, for a period not to exceed seven days in response to the COVID-19 public health emergency; and,

WHEREAS, that same day, the City Council extended the Disaster Emergency Declaration for 90 days, which expired on June 16, 2020; and,

WHEREAS, on June 3, 2020, the City Council passed Resolution 2020-40, extending the Disaster Emergency Declaration for 90 days, with an expiration date of September 15, 2020; and,

WHEREAS, on September 2, 2020, the City Council passed Resolution 2020-73, again extending the Disaster Emergency Declaration to December 31, 2020; and,

WHEREAS, on December 16, 2020, the City Council passed Resolution 2020-96, again extending the Disaster Emergency Declaration to January 31, 2021; and,

WHEREAS, on January 20, 2021, the City Council passed Resolution 2021-02, again extending the Disaster Emergency Declaration to February 28, 2021; and,

WHEREAS, while the City, State, and Nation move towards reopening business and resuming certain activities, the City Council expects that the continued impact of COVID-19, including public health risks, restrictions on travel, and economic impacts, will be of a severity and magnitude that is beyond the authority and capacity of the City to provide an effective response without assistance; and,

WHEREAS, many public and private facilities remain closed or only partially opened, gatherings and other events remain canceled or postponed in order to prevent the transmission of COVID-19; and,

WHEREAS, these events continue to have a significant impact on business, commerce, and the local economy now and likely in the future, as the COVID-19 vaccine is limited at this time and it is not yet known when it will become widely available, and impacts from restrictions imposed to reduce transmission will impact the City through the winter; and,

WHEREAS, it is in the best interest of the City to further extend the Disaster Emergency Declaration emergency issued by the City Manager for 31 days, until March 31, 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA:

---

**Section 1.** That the City Council of the City of Kenai further extends, until March 31, 2021, or until repealed sooner, the Disaster Emergency Declaration issued by the City Manager on March 18, 2020, pursuant to AS 26.23.140, and subsequently previously extended by this Council, due to the current and expected imminent impacts of the COVID-19 health emergency.

**Section 2.** That the City requests that the State of Alaska provide disaster assistance to the City by making available resources as needed in the ongoing response and recovery from the current and potential impacts of this public health emergency, to provide individual assistance for affected businesses and individuals, and to provide technical expertise and guidance, to help the City in its response and recovery from this event.

**Section 3.** That the City additionally requests assistance from federal agencies where state capability is not adequate.

**Section 4.** That a copy of this declaration will be promptly filed with the Alaska Division of Homeland Security and Emergency Management.

**Section 5.** That this resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 17<sup>th</sup> day of February, 2021.

\_\_\_\_\_  
BRIAN GABRIEL, SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

\_\_\_\_\_



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**FROM:** Paul Ostrander, City Manager  
**DATE:** February 9, 2021  
**SUBJECT:** **Resolution 2021-09 – Extending the Disaster Emergency Declaration**

---

The Disaster Emergency Declaration issued on March 18, 2020, and extended by the City Council, is set to expire on February 28, 2021. Based on the continued impact of the COVID-19 public health emergency, an extension until March 31, 2021 is warranted.

Extending the emergency declaration will extend:

1. Temporary leave to employees to address COVID-19 related illness, emergency closures of facilities, and transmission reduction.
2. City Moratorium on penalty and interest for water and sewer accounts.
3. City Moratorium on water and sewer disconnect for non-payment.

An extension of the Disaster Emergency Declaration will also allow the Mayor or other current Presiding Officer authority to waive certain provisions of Code related to scheduling, teleconference participation, public participation, and other related provisions of code related to meetings of the Council and other advisory and adjudicatory bodies, if deemed necessary.

An extension will additionally provide to the City Manager the authority to take emergency actions that may be necessary to protect critical functions of the City and protect the health and safety of City employees and the public.

As Administration looks toward the recovery aspect of this public health emergency, we look forward to taking actions to resume regular operations and services and support the restoration of businesses and the community while balancing the need to return to normalcy with the health and safety of City employees and the public.

Your consideration is appreciated.

**KENAI CITY COUNCIL – REGULAR MEETING  
JANUARY 20, 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 January 20, 2021, in City Hall Council Chambers, Kenai, AK. Mayor Gabriel called the meeting to order at approximately 6:00 p.m.

**1. Pledge of Allegiance**

Mayor Gabriel led those assembled in the Pledge of Allegiance.

**2. Roll Call**

There were present:

Brian Gabriel, Mayor  
Henry Knackstedt  
Jim Glendinging  
Victoria Askin

Robert Molloy  
Teea Winger  
Glenese Pettey

A quorum was present.

Also in attendance were:

Paul Ostrander, City Manager  
Scott Bloom, City Attorney  
Terry Eubank, Finance Director  
Scott Curtin, Public Works Director  
Jamie Heinz, City Clerk  
Meghan Thibodeau, Deputy Clerk

**3. Agenda Approval**

Mayor Gabriel noted the following revisions to the agenda and packet:

Add to item D.1.

**Ordinance No. 3177-2021**

- Memo for Substitute Ordinance 3177-2021
- Public Comments
- Letter from Representative Ron Gillham
- Letter from Assembly Member Derkevorkian

Add to item D.5.

**Resolution No. 2021-03**

- Kenai Peninsula Borough Memos

**MOTION:**

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

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

#### 4. Consent Agenda

**MOTION:**

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

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

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

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

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

## **B. SCHEDULED PUBLIC COMMENTS**

### **1. Dr. Kristin Mitchell - COVID-19 Vaccine Update and Q & A.**

Dr. Kristen Mitchell opened with a short video entitled "The COVIDarod," and described her experience when she received the vaccine. She explained how the vaccine's accelerated development was the successful result of the federal initiative known as Operation Warp Speed. Her presentation provided an overview of what vaccines do and varying approaches for designing vaccines. She described the mechanics of how the COVID-19 vaccine uses mRNA to combat the virus, explained what ingredients are in vaccine, and showed the results of studies on its effectiveness. Data on case rates was provided which compared numbers in the US to those of other countries, as well as rates in Alaska and on the Kenai Peninsula. She discussed what we can do to reduce transmission, including vaccination, social distancing, wearing masks and washing hands. Information was provided on how to sign up for vaccination, and data was shown on Alaska's rate of vaccination in our population as compared to other states. Addressed common questions, concerns and misunderstandings about COVID-19 and vaccines. New COVID-19 variants were briefly discussed, along with the current understanding of the vaccine's effectiveness against these variants.



**2. Joy Merriner, BDO USA, LLP - Presentation of the FY2020 City of Kenai Comprehensive Annual Financial Report, Federal and State Single Audit Reports, and Audit Wrap Up.**

Joy Merriner reported on the FY20 Audit Wrap-up document, the Single Audit Report, and the Comprehensive Annual Financial Report (CAFR) noting her firm, BDO, Inc., issued unmodified, clean opinions, meaning the City followed the adopted standards for governmental agencies. Noted that COVID-19 and CARES Act funds changed the financial statements, but there were no other significant accounting changes. There were not any adjustments or journal entries that needed to be corrected, and noted our financial team does an excellent job managing internal controls to make sure things are done right and documented correctly.

It was noted that CARES Act funds were audited along with the rest of the City's finances, noting that the federal government did not issue the compliance supplement until December 23, 2020 which delayed the final audit reporting until January.

**C. UNSCHEDULED PUBLIC COMMENTS**

Katie Uei requested information on how much CARES Act funds had been received by the City, and wanted to know if she could ask questions for Dr. Kristen Mitchell and Joy Merriner. It was clarified that Public Comments is for public testimony on topics which are not included in the agenda, and not for audience Q & A with the Council or other members of the public who presented their Public Comment. It was clarified that the City Manager would be providing overview of CARES Acts funds later in the meeting during staff reports. She expressed her frustration about a perceived lack of transparency and with the Council for including Dr. Mitchell's and Joy Mariner's presentations in the meeting without allowing a Q & A with the public. She stated that she felt it was inappropriate for the City to use CARES Act funds to pay for doctors that she did not want to listen to, noting that COVID-19 education is inappropriate and violates freedoms.

Steve Carlson stated that he shared Katie Uei's beliefs, and questioned whether the video in Dr. Kristin Mitchell's presentation had been paid for by the City. He explained he felt her presentation was grossly inadequate, because she did not include information on other solutions to COVID-19 beyond vaccination, social distancing and masks. The stated that he felt it was criminal to not include information about how to boost one's immune system against viruses using UV light and zinc supplements. He stated that he felt as though people should not fear the COVID-19 virus, because it is a campaign started by pharmaceutical companies.

Shekina Edmonds stated that she came to talk about Substitute Ordinance 3177-2021. It was clarified that Public Comments is for public testimony on topics which are not included in the agenda, and she would have an opportunity to talk about this during Public Hearings.

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

Clarification was provided that speakers who present during Public Comments are not paid to do so, and that Dr. Mitchell and Joy Merriner volunteered to speak by contacting the Clerk's office and any member of the public may do the same.

**D. PUBLIC HEARINGS**

1. **Ordinance No. 3177-2021** - Authorizing a Shop Local Economic Stimulus Program to Benefit Kenai Small Businesses and Award of a Professional Services Agreement to the Kenai Chamber of Commerce and Visitor Center for Administration of the Program.
  - **Substitute Ordinance No. 3177-2021** - Authorizing a Shop Local Economic Stimulus Program to Benefit Kenai Small Businesses And Residents And Award of a Professional Services Agreement to the Kenai Chamber of Commerce and Visitor Center for Administration of the Program.

**MOTION:**

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3177-2021 and Council Member Pettey **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment.

Duane Bannock thanked the Council for providing CARES Act funding to local businesses. He stated that he supports Substitute Ordinance No. 3177-2021, and explained the three main points for his argument: 1. It would create a positive for City of Kenai; 2. Unlike Soldotna, nearly all taxable sales would qualify for this program, and would not be a value test on what is discretionary vs. non-discretionary; 3. This program benefits our friends and neighbors, as well as people outside the City.

Shekina Edmonds, owner of several vacations rentals in Soldotna, stated that she was excited for Substitute Ordinance No. 3177-2021 because it would jump-start local businesses. Said that she enjoys helping to direct travelers to local small businesses, but this last year was at a loss because many indoor businesses were closed or had hours reduced. She stated that the City should do everything they can to support these small businesses, as they are what provide diversity for visitors and the local community.

Vanessa Uei, owner of AK Wellness and Tanning, stated her support for Substitute Ordinance No. 3177-2021. She stated a lot of businesses have suffered from COVID-19, and believes the Substitute will bring businesses more customers, bring more people to Kenai, help locals who are struggling, bring in more tax money, and be good for the economy. She noted that her businesses had received CARES Act grants, and shared the difficulties they experienced while it was closed due to COVID-19 restrictions.

Katherine Uei stated her support for Substitute Ordinance No. 3177-2021. She explained that many people have fallen on hard times in the past year, and cannot afford \$400 to spend on the program, and the proposed tiers would help so lower-income families can participate. She noted that small businesses have also suffered greatly, having to close or lose business due to COVID-19 restrictions. She stated that the City should help support the businesses with the money proposed in the Substitute, and doing so would truly make Kenai great again. It was clarified that the proposal in the original Ordinance was for \$200, not \$400.

Alicia Marlowe, owner of Accents at Northwood Plaza, expressed that she loves being part of the Kenai small business community, noting that it is small Mom and Pop business that lend personality and warmth to the community and bring in out-of-town visitors. She stated that an incentive like this makes her feel like she made the right decision in building a business in Kenai.

Jeanie Carter, owner of Ye Olde Curiosity Shoppe, stated that she came to support Substitute Ordinance No. 3177-2021 after hearing Council Member Winger speak about it on the radio. She described what her business is, and expressed gratitude for this proposed program and for the CARES Act funding she received from the City.

Jim Duffield, owner of JNJ Tax Relief, thanked Council Member Winger for her proposed Substitute, and said he would like to see even more money go towards the program. He requested further explanation on the status of the general fund that was explained by Joy Merriner's presentation. It was clarified that Public Comments is not for audience Q & A with the Council or other members of the public who presented their Public Comment. He noted that many of his business clients have been shut down during the previous year. He suggested making the program \$4 million, raising the \$400 limit proposed in the Substitute to \$1000, and excluding the big box stores in town.

Ryan Tunseth stated that he would like to see more money put into the program than what was originally proposed, but less than the \$1 million proposed in the Substitute. Would like to see the money going where it is needed most in the community, and expressed concern that businesses who are not suffering as badly could be the greatest beneficiaries. Noted that there are many projects in the community that would benefit from this funding as well, such as new siding for the Ice Rink, lights on the ski trails, a park in Millennium Square, resources for business opportunities on the bluff, storefront and sign repairs, drive-through installation, and other incentives to expand businesses.

Steve Carlson stated that small business have had enough of being told which business are categorized as essential and allowed to remain open while others must close, noting that corporate big box stores are the only businesses that are allowed to be open and they should not be included in the program. He suggested that the City should put up ads in Anchorage encouraging people to travel to Kenai to participate in the program, and suggested repeating the program in multiple phases. He also expressed interest in seeing the funds go towards other business incentives such as storefront improvement. It was clarified that in the original proposal, eligible businesses could not be a national chain or a C corporation traded on the U.S. stock exchange.

Holly Ward stated her support for Substitute Ordinance No. 3177-2021. She explained that many businesses are struggling, including one business she knows that can't pay to get their heat turned on, and this would be very beneficial for them. Stated that small business is the backbone of the community, and supporting these businesses means supporting families, children, friends and family who will give back to the community what they receive. Clarification was provided that help for this struggling business with no heat could be offered, and they were encouraged to contact the Council for assistance.

Michelle Hartline, a resident of Nikiski, stated her support for Substitute Ordinance No. 3177-2021. Referring to the business discussed by Holly Ward, she suggested that the funds be used towards helping businesses pay their utility bills. She thanked the Council for putting the money back into the community.

Matt Morse, Kenai Peninsula School Board Member, stated his support for Substitute Ordinance No. 3177-2021. He explained that small businesses need help right now, and mentioned that many businesses had closed recently in Anchorage and he would hate to see that happen here. He noted that Borough sales tax numbers were down, indicating how business is down.

Annalea Lott thanked the Council for providing CARES Act funding to local businesses. She stated her support for Substitute Ordinance No. 3177-2021, noting that she was envious of Soldotna for their Shop Local program, and excited to see one be implemented in Kenai.

Christine Hutchison thanked the Council for not implementing the same COVID-19 restrictions to businesses in Kenai as had been implemented in Anchorage. Expressed her belief that this is a great opportunity for the City to support small businesses without picking winners and losers among them, and leaving it to individuals in the community to do so. She stated that she looks forward to the program coming to fruition.

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

City Manager Ostrander provided an overview of how the City has administered CARES Act funding to date, including how much funding was received, how it was expended, and how some funds were reallocated depending on need. He explained the stated purpose of the funds as given by the State of Alaska, and how the City of Kenai had identified small business as a high priority from the beginning. Clarification was provided that, although Kenai Peninsula Borough sales tax numbers are down, the City has seen an increase in sales tax. He described other small business initiative programs that the City is currently developing, including a storefront improvement program, property tax incentives for new or existing businesses, and the "The Second One is On Us" which specifically targets tourism-related businesses.

Clarification on the status of the City's general fund was provided to address questions raised during Public Comment, explaining that the general fund balance at the end of the year was not left over CARES Act funding.

Further information was provided regarding how much CARES Act funds businesses received as compared to non-profit organizations, and how businesses needed to reside within city limits to receive CARES funding from the City, and non-profits who were located outside of city limits were still eligible. It was noted that non-profits are still businesses which will spend their CARES Act funding locally and put money back into the community.

#### **MOTION TO AMEND BY SUBSTITUTE:**

Council Member Winger **MOVED** to amend Ordinance No. 3177-2021 by substitute and Council Member Glending **SECONDED** the motion.

Clarification was provided on how the Substitute was developed with the intention that no businesses be excluded, and that it would send a clear message that we are marketing the City of Kenai for new businesses and families.

Discussion on Substitute Ordinance 3177-2021 included:

- Puts all of our eggs in one basket, and it would be preferable to amend the program and add additional funds in future Council meetings as opposed to starting off with a higher amount;
- Devalues the incentive to spend by changing the ratio of contribution from 2:1 to 1:1, minimizing the leverage of the program;
- May not support the truly vulnerable businesses, as much of the money from this program could go towards grocery stores which are not hurting as badly as other small businesses;
- Many people want groceries included in the program, as food security is an issue in Kenai;

- Excluding groceries would exclude IGA and Three Bears, which are small businesses that have been impacted by the pandemic;
- Excluding groceries means the City is picking winners and losers among businesses;
- Paying taxes as a business to the City of Kenai should be the only factor in determining whether you can be included in the program;
- Proposed storefront improvement program would not help businesses that rent their location, and should not be prioritized ahead of the Shop Local program;
- When the City first received CARES funding, the data on small businesses/nonprofits was analyzed to determine allocation. However, the allocation for small businesses/nonprofits needed to be altered after this to be equitable to the Kenai Peninsula Borough in order for Kenai's businesses to receive additional CARES funding from the Borough. This resulted in some funds that were previously allocated to small businesses/nonprofits be moved to the general fund, which is not a "slush fund," and is fully transparent to the public;
- There may be other ways these funds can be used that will benefit small businesses, but not if all the funds are used right now on this one program;
- Substitute is very inclusive, and gives people a finite time to utilize it. What behooves us now is to get money into the hands of the people, and afterwards have a discussion about the success of the program and how it could affect the next budget cycle;
- Further explanation of the CARES funds that were moved to the general fund clarified that it also included unexpended funds originally allocated for commercial fishermen and mental health counselling;
- It is difficult to assess this early in the budget season how the program or Substitute might affect the budget preparation;
- It should be questioned whether Capital Improvement Projects like bike paths and ski trails should be prioritized instead of giving money directly to small businesses;
- A Shop Local incentive will stimulate the local economy to a greater degree than providing rental relief to residents, especially if the program included groceries.

#### **VOTE ON THE SUBSTITUTE:**

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

#### **MOTION FAILED.**

#### **MOTION TO AMEND:**

Council Member Knackstedt **MOVED** that the Council direct administration to work with the Kenai Chamber of Commerce to add a tier of eligibility to the Shop Here All Year program to allow participants to spend \$100 on allowable discretionary purchases and be eligible to receive a \$50 voucher. Vice Mayor Molloy **SECONDED** the motion.

**UNANIMOUS CONSENT** was requested and **OBJECTED** to.

It was noted that this would recognize families with less money to spend on discretionary goods, and allow them to participate in the program if they did not have \$200 to spend.

#### **VOTE ON THE AMENDMENT:**

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

NAY: Winger

**MOTION PASSED.**

**MOTION TO AMEND:**

Council Member Knackstedt **MOVED** to add \$100,000 to the program by amending Ordinance 3177-2021 as follows: under Section 1 change \$100,000 to \$200,000; under Section 3 increase the appropriation of fund balance from \$115,000 to \$215,000, increases the grants to others from \$100,000 to \$200,000 and increases the total appropriation from \$115,000 to \$215,000. Vice Mayor Molloy **SECONDED** the motion.

Clarification was provided that increasing the amount would not increase the administrative fee, as long as the period remained one month.

It was noted that it is prudent to raise the amount of the program after listening to the wishes of the public and small business owners, and that there is the possibility of the program being funded further after analyzing the data on the success of this program.

**MOTION TO AMEND THE AMENDMENT:**

Council Member Askin **MOVED** to raise the total allocation to \$350,000, with \$335,000 going towards the program and \$15,000 for administration fees. Council Member Glendening **SECONDED** the motion.

It was noted that the City of Soldotna had contributed approximately \$280,000 to their shop local program that they initiated in 2020.

Clarification was provided that if the Chamber of Commerce requires an increase in administrative fees for the program over \$15,000, the City will bring it back to Council to request additional funding.

**VOTE ON THE AMENDMENT TO THE AMENDMENT:**

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

**MOTION PASSED.**

**VOTE ON THE AMENDED AMENDMENT:**

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

**MOTION PASSED.**

**MOTION TO AMEND:**

Council Member Winger **MOVED** to amend Attachment A as follows: adding groceries and taxable goods & services to discretionary purchases; removing groceries from non-discretionary purchases. Vice Mayor Molloy **SECONDED** the motion.

The issue was raised that including grocery purchases would allow large grocery stores such as Safeway and Three Bears whose corporate base is located outside of Kenai. It is clarified that, while national chains or C Corporations traded in the U.S. stock exchange were prohibited from participating as voucher-accepting businesses, their receipts could be included in the program. The inclusion of “all taxable goods & services” in discretionary purchases would also necessitate further changes in the list of discretionary items, such as vehicles and fuel. It is noted that the Kenai locations of Three Bears and IGA/Country Foods are locally owned and operated franchises, and excluding them from the program could jeopardize the City’s relationships with these businesses. Discussion also included how it would be preferable to include Maggie’s General Store, a small locally owned business.

The motion to amend was withdrawn.

**MOTION TO AMEND:**

Council Member Winger **MOVED** to amend Attachment A as follows: adding groceries and goods & services taxable by Kenai City sales tax to discretionary purchases; removing groceries from non-discretionary purchases; and the second bullet point under Participant Rules would read “submitted receipts must be from a business located within the Kenai city limits that are not a national chain or a C Corporation traded on the U.S. stock exchange. Individually-owned and operated local franchises are eligible.” Council Member Glendening **SECONDED** the motion.

The issue was raised that the inclusion of goods & services taxable by Kenai City sales tax to discretionary purchases created a conflict with the list of non-discretionary items, some of which are taxable goods and services.

The motion to amend was withdrawn.

**MOTION TO AMEND:**

Council Member Winger **MOVED** to amend Attachment A as follows: adding groceries to discretionary purchases; removing groceries from non-discretionary purchases; the second bullet point under Participant Rules would read “submitted receipts must be from a business located within the Kenai city limits that are not a national chain or a C Corporation traded on the U.S. stock exchange. Individually-owned and operated local franchises are eligible.” Council Member Glendening **SECONDED** the motion.

It was discussed how it is likely that most people would use this program for groceries, when the intent of the program was to steer customers towards other struggling small businesses. It was also noted that the contract can be amended at a later date to include groceries, once Council has evaluated the success of the program. It was also pointed out that the City has a relationship with Country Foods IGA, whose business has been impacted.

**VOTE ON THE AMENDMENT:**

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

**MOTION PASSED.**

**MOTION:**

Council Member Knackstedt **MOVED** to request Administration to provide a report during the Council Meeting on February 17, 2021 of the progress of, and forecast for, this program's success. Vice Mayor Molloy **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

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

**MOTION TO AMEND:**

Council Member Knackstedt **MOVED** to change the wording of the first bullet point on Attachment A to read: "Individuals must submit up to 10 receipts." Vice Mayor Molloy **SECONDED** the motion. **UNANIMOUS CONSENT** was requested.

Clarification was provided by Administration that this would not create any legal changes.

**MOTION TO AMEND THE AMENDMENT:**

Council Member Pettey **MOVED** to change "Individual" to "Household" in the first bullet point on Attachment A. Council Member Knackstedt **SECONDED** the motion.

Discussion involved clarification on how "Household" would be defined between unrelated individuals residing in the same location, and it was noted that Soldotna had changed their proposal from Household participation to Individual participation to prevent this confusion.

The motion to amend the amendment was withdrawn.

Clarification that there is no significant legal differentiation between the words "Participant" and "Individuals."

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

Clarification was provided that, as reports on the program were provided at upcoming Council meetings, the program can be extended if the Council decides. Concerns were expressed that if marketing materials are printed, an extension of the program would render these materials inaccurate and create more marketing expenses, and would require an amendment to the contract with the Kenai Chamber of Commerce.

The inclusion of two large grocery stores in the program as amended was discussed. It was noted that the taxable sales of these businesses dwarf those of other struggling small businesses in the city, and concerns were raised that adding these large stores meant that a significant portion of this program's funds would go to these two businesses, thereby dilute the amount of funds going towards the small businesses the program intended to target.

**MOTION TO RECONSIDER THE AMENDMENT:**

Vice Mayor Molloy **MOVED** to reconsider the amendment to amend Attachment A as follows: adding groceries to discretionary purchases; removing groceries from non-discretionary purchases; the second bullet point under Participant Rules would read "submitted receipts must be from a business located within the Kenai city limits that are not a national chain or a C



Corporation traded on the U.S. stock exchange. Individually-owned and operated local franchises are eligible.” Council Member Knackstedt **SECONDED** the motion.

**VOTE ON RECONSIDERATION:**

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

**MOTION PASSED.**

**MOTION TO AMEND THE AMENDMENT:**

Council Member Askin **MOVED** to add under Participating Business Rules “Voucher merchants must be located within the Kenai city limits, grocery stores with annual gross sales in excess of \$500,000 is excluded.” Council Member Pettey **SECONDED** the motion.

It was noted that the intention of this amendment to the amendment would allow Maggie’s General Store, a small local business, to participate in the voucher program, while excluding larger grocery stores.

**UNANIMOUS CONSENT** was requested and **OBJECTED** to.

**VOTE ON THE AMENDMENT TO THE AMENDMENT:**

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

**MOTION FAILED.**

**VOTE ON THE AMENDMENT:**

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

**MOTION FAILED.**

**MOTION TO AMEND:**

Council Member Glendening **MOVED** to extend the concluding date of the program from March 1, 2021 to April 1, 2021, and to extend the voucher redemption deadline from March 30, 2021 to April 30, 2021. Council Member Winger **SECONDED** the motion.

It was noted that extending the program means extending the contract with the Chamber of Commerce, increasing the amount of administrative fees. It was also noted that extension would allow the program to capitalize on federal tax returns and potential future stimulus checks.

Clarification was provided that if the program was extended at a later Council meeting, it would require an additional legislation be brought before Council to appropriate more funds.

**VOTE ON THE AMENDMENT:**

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

**MOTION PASSED UNANIMOUSLY.**

**VOTE ON THE MAIN MOTION AS AMENDED:**

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

**MOTION PASSED.**

2. **Ordinance No. 3178-2021** - Accepting and Appropriating a COVID Cares Act for Older Adults and Their Caregivers 2021 Grant Passed Through the State of Alaska for Kenai Senior Center Expenditures in Support of its Response to the COVID-19 Public Health Emergency.

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance No. 3178-2021 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.

**VOTE:**

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

**MOTION PASSED UNANIMOUSLY.**

3. **Resolution No. 2021-01** - Approving Amendments to the Kenai Community Library Policies to Adopt Rules Regarding the Lending of Various Electronic Devices and to Make Housekeeping Changes.

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-01. 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.

**UNANIMOUS CONSENT** was requested.

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

4. **Resolution No. 2021-02** - 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:**

Vice Mayor Molloy **MOVED** to adopt Resolution No. 2021-02 and Council Member Askin **SECONDED** the motion.

Mayor Gabriel opened for public hearing.

Annalea Lott requested clarification on whether this meant everyone needs to stay home and not go out in public. It was clarified that this would extend the Emergency Declaration that was already in place.

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

It was noted that extending the Emergency Declaration extends the City's ability to provide temporary leave to employees to address COVID-19 related illness, emergency closures of facilities and transmission reduction, as well as extending the City's moratorium on penalties and interest on water and sewer accounts and disconnect for non-payment, and allows the City to accept additional funds that may come in the future from the federal government.

**UNANIMOUS CONSENT** was requested.

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

5. **Resolution No. 2021-03** - Supporting an Amendment Under Consideration by the Kenai Peninsula Borough Anadromous Waters Habitat Protection Work Group to Allow Limited Commercial Activities Within the Habitat Protection District in the City of Kenai.

**MOTION:**

Vice Mayor Molloy **MOVED** to adopt Resolution No. 2021-03. 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.

**MOTION TO AMEND:**

Vice Mayor Molloy **MOVED** to amend Resolution 2021-03 by changing the date in Section 1 from January 14, 2014 to January 21, 2021. Council Member Knackstedt **SECONDED** the motion and requested **UNANIMOUS CONSENT**.

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

Clarification was provided that this is an attempt to allow reasonable development in the industrialized area within the City of Kenai, from approximately Mile 1 of the Kenai River to Mile 3, which is primarily where most of the area's processing plants and other water-related industrial activities take place. Prior to the Borough Assembly potentially passing this amendment, the ability for those business owners to build infrastructure in that habitat district was not allowed by code, and if it passes it would ensure that there is a process to allow this in the future. The intent is that there will be no net loss of habitat in this district, and that if there is infrastructure built there will

also be mitigation efforts to offset those impacts. Clarification was provided that the boundary excludes the area where the Bluff Erosion Project is planned, and also that this rewrite of code is specific to privately-owned property.

**UNANIMOUS CONSENT** was requested.

**VOTE ON THE MOTION AS AMENDED:** There being no objection; **SO ORDERED.**

6. **Resolution No. 2021-04** - Accepting a Quitclaim Deed from the Kenai Peninsula Borough for the Land Described as T.6N., R.11W. Sec. 31, Lots 40, 41, and 42 Containing 3.75 Acres, More Commonly Known as the 4th Avenue Park, for the Public Purposes of Maintaining a Public Park.

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-04. 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 it would be good to see equipment at the park replaced, as some of the previous equipment had been removed for being too old. The City Attorney was thanked for working hard to resolve the issue.

**UNANIMOUS CONSENT** was requested.

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

**E. MINUTES**

1. \*Regular Meeting of January 6, 2021.

Approved by the consent agenda.

**F. UNFINISHED BUSINESS**

**G. NEW BUSINESS**

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

Approved by the consent agenda.

2. \***Action/Approval** - Purchase Orders Over \$15,000.

Approved by the consent agenda.

3. \***Action/Approval** - Non-Objection to the Liquor License Renewals for The Bow Bar and The Cannery Lodge.

Approved by the consent agenda.

4. **\*Ordinance No. 3179-2021** - Amending Positions in the Classified Service in the Public Works and Senior Center Departments as Established by the Annual Budget.

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

5. **\*Ordinance No. 3180-2021** - Amending Kenai Municipal Code 3.05.070-Citation Procedure, and Kenai Municipal Code 13.10.015 – Minor Offense Fine Schedule to Incorporate Various Animal Control Offenses into the Minor Offense Fine Schedule and Make Other Housekeeping Changes.

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

6. **\*Ordinance No. 3181-2021** - Waiving Kenai Municipal Code 21.10.130 - Lease Execution and Approving a Lease Execution Extension to July 27, 2021 to Kenai Aviation Operations, LLC for Lot 9A, Block 5, General Aviation Apron Subdivision No. 5.

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

7. **Action/Approval** - Confirmation of Mayoral Nomination for Appointment to Harbor Commission.

**MOTION:**

Vice Mayor Molloy **MOVED** to confirm Mayoral Nomination for Appointment of David Peck to the Harbor Commission. Council Member Winger **SECONDED** the motion.

It was noted that David Peck was one of many capable candidates that had applied for a City Council seat in the previous year, and it was good to see him and other candidates apply for commission seats.

**UNANIMOUS CONSENT** was requested.

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

8. **Action/Approval** - Supporting a Transportation Program for Individuals Receiving COVID-19 Vaccinations at Locations in Kenai.

Clarification was provided that Safeway was now a location where vaccines would be provided in Kenai, and the Kenai Senior Center had held a clinic on Tuesday Jan 19, 2021. The Kenai Fire Department is scheduled to hold a clinic on Feb 9<sup>th</sup>, 2021, and there may be a clinic held by the Nikiski Fire Department, Kenai Fire Department and Kenai Senior Center in collaboration.

**MOTION:**

Council Member Winger **MOVED** to support the proposed transportation program for individuals receiving COVID-19 vaccinations at locations in Kenai. Vice Mayor Molloy **SECONDED** the motion.

**MOTION TO AMEND:**

Council Member Knackstedt **MOVED** to change the ending date of the program to July 1, 2021 or until the budget runs out, and requested **UNANIMOUS CONSENT**. Council Member Pettey **SECONDED** the motion.

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

**UNANIMOUS CONSENT** was requested on the main motion.

**VOTE ON THE MOTION AS AMENDED:** There being no objection; **SO ORDERED**.

9. **Action/Approval** - Supporting an Amendment to the Grant Agreement with the Kenai Peninsula Food Bank of Alaska.

**MOTION:**

Vice Mayor Molloy **MOVED** to approve an amendment to the original grant agreement with the Kenai Peninsula Food Bank of Alaska to provide an additional \$50,000 of federal CARES Act funding. Council Member Knackstedt **SECONDED** the motion.

Clarification was provided that this money was remaining in part because of funds that weren't utilized in the mental health program, and that it would go towards helping the Food Bank continue its food box program.

**UNANIMOUS CONSENT** was requested.

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

10. **Discussion** - Development of City of Kenai Business Stimulus / Incentive Programs.

It was noted that these programs were discussed in detail earlier during the meeting, and Council did not request further explanation of them. Clarification that some of these programs could be included in the upcoming budget discussions for Fiscal Year 2022, but if these programs were to be implemented earlier then the discussions would take place outside of normal budget process. Once these proposals are further developed and ready to be presented for approval, they will be brought back to Council.

11. **Discussion** - Kenai Fine Arts Center Remodel Update.

Public Works Director Curtin referred to Ordinance No. 3146-2020 which granted \$120,000 to the Kenai Fine Arts Center for improvements, and explained that those funds would be used for the proposed work included in the packet. Estimates are also included which exceed the grant, but no additional funding is being requested at this time as there may be future negotiations or modifications. It was noted that this discussion was to bring Council up to date with the proposed improvements and get concurrence.

Clarification was provided that the Kenai Fine Arts Center is now closed to the public, which is a staff decision and is not due to specific COVID-19 restrictions. There are no immediate plans to reopen, which makes this an appropriate time to begin these improvements.

Concerns were expressed that the asbestos abatement planned for Phase 1 might escalate into a more expensive issue, and it was clarified that the scope of abatement is being limited to prevent this.

It was noted that this one of the few historic buildings that the City owns, and provides value to the community.

## **12. Discussion - COVID-19 Response.**

City Manager Ostrander reported that no employees are currently in COVID-19 protocols. All City facilities, with the exception of the Senior Center, are open to the public with protocols in place. Central Peninsula Hospital currently has 2 patients in their care with COVID-19. Noted that a vaccination update was provided earlier in the meeting.

### **H. COMMISSION / COMMITTEE REPORTS**

1. Council on Aging – January 14, 2021 meeting cancelled; next meeting February 11, 2021.
2. Airport Commission – Council Member Knackstedt reported on the meeting of January 14, 2021. Discussion included the re-appointment of Chair Vice-Chair, Kenai Airport tower hours as proposed by the Tower, the goals and objectives for Fiscal Year 2021-2022, the conference room at the Airport terminal, landscaping options at the terminal, placement of the Kenai LaBelle mural, and directional signs for visitors to the float plane basin. Next meeting February 11, 2021.
3. Harbor Commission – No report; next meeting January 25, 2021.
4. Parks and Recreation Commission – January 7<sup>th</sup> meeting was cancelled due to lack of agenda items. Council Member Winger reported there is a warning out that ski trails are groomed, but iced over and should be used with caution. Special meeting with Beautification Committee February 4, 2021.
5. Planning and Zoning Commission – Council Member Glendening reported on January 13<sup>th</sup> meeting, welcoming new Planning Director Ryan Foster and new Commissioner Alex Douthit. Meeting included one plat for consideration, which involved moving a lot line. Next meeting January 27, 2021.
6. Beautification Committee – No report; Special Joint meeting with Parks & Recreation February 4, 2021.
7. Mini-Grant Steering Committee – No report.

### **I. REPORT OF THE MAYOR**

Mayor Gabriel reported on the following:

- Swearing in of 3 new police officers;
- Participated in teleconference with Governor Dunleavy and other Kenai Peninsula mayors: main topics included COVID-19 and vaccine rollout, and his

new budget and capital projects. Will be participating in a follow-up teleconference with the Governor to discuss Cook Inlet Fisheries;

- Attended Chamber of Commerce meet-and-greet;
- As noted in the Finance Department Mid-Month Report, there will be an evaluation committee for the City's audit which requires three Council Members.

## **J. ADMINISTRATION REPORTS**

1. City Manager - City Manager P. Ostrander reported on the following:
  - He is participating in the AML Legislative Committee. Noted discussions will include House Bill 55, Senate Bill 44, and Senate Bill 13;
  - Shared a story of Officers Levi Russell and Chad Larsen, who stopped and helped a motorist change a flat tire. Thanked the officers for going above and beyond the call of duty;
  - Update on the Bluff Erosion Project: expects RFP to be done this week, and could be released as early as next week;
  - Clarified that Administration has had difficulty filling the grant writer position, and at this time it seems unlikely to be filled in the near future.
2. City Attorney -- City Attorney S. Bloom reported that a letter was sent to Council regarding the Governor's budget proposal, and his is still awaiting responses from some Council Members.
3. City Clerk – No report.

## **K. ADDITIONAL PUBLIC COMMENT**

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

Annalea Lott thanked the Council for staying up late to get this handled.

2. Council Comments

Council Member Glendening stated that he attended the police officer swearing in ceremony as well as the Chamber of Commerce meet-and-greet. He also noted that he had witnessed excellent service from our police officers who had helped people experiencing car troubles.

Council Member Pettay thanked everyone for their diligence and hard work on the Shop Local program. She thanked the outgoing Presidential Administration for their great service to the nation, and wished success for the incoming Administration.

Council Member Askin thanked staff and Council for their hard work, and noted she believes that created a great Shop Local program and looks forward to starting more programs in the near future.

Council Member Winger thanked everyone who testified for the Shop Local program, and congratulated Dave Peck on his appointment to the Harbor Commission. She also attended the police officer swearing in ceremony as well as the Chamber of Commerce luncheon. She stated that she wants small business to know she's committed to them, and is ultimately disappointed with the outcome of the Shop Local program ordinance.



Council Member Knackstedt thanked the Finance Director and his team for their excellent work.

L. **EXECUTIVE SESSION** – None.

M. **PENDING ITEMS** – None.

N. **ADJOURNMENT**

O. **INFORMATION ITEMS**

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

There being no further business before the Council, the meeting was adjourned at 12:44 a.m. on January 21, 2021.

I certify the above represents accurate minutes of the Kenai City Council meeting of January 20, 2021.

---

Jamie Heinz, CMC  
City Clerk

**KENAI CITY COUNCIL – REGULAR MEETING  
FEBRUARY 3, 2021 – 6:00 P.M.  
KENAI CITY COUNCIL CHAMBERS  
210 FIDALGO AVE., KENAI, AK 99611  
MAYOR BRIAN GABRIEL, PRESIDING**

**MINUTES**

**A. CALL TO ORDER**

A Regular Meeting of the Kenai City Council was held on February 3, 2021, in City Hall Council Chambers, Kenai, AK. Mayor Gabriel called the meeting to order at approximately 6:00 p.m.

**1. Pledge of Allegiance**

Mayor Gabriel led those assembled in the Pledge of Allegiance.

**2. Roll Call**

There were present:

Brian Gabriel, Mayor  
Henry Knackstedt  
Jim Glendening  
Victoria Askin

Robert Molloy  
Teea Winger  
Glenese Pettey

A quorum was present.

Also in attendance were:

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

**3. Agenda Approval**

Mayor Gabriel noted the following revisions to the agenda and packet:

- Add to item D.2.      **Ordinance No. 3180-2021**
- Amendment Memo

**MOTION:**

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

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

**4. Consent Agenda**

**MOTION:**

Council Member Knackstedt **MOVED** to approve the consent agenda and requested **UNANIMOUS CONSENT**; and Council Member 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**

1. **Brandy Niclai and Bill Lierman, Alaska Permanent Capital Management - 2020 Financial Performance, Financial Projections, and Recommended 2021 Asset Allocation for the City's Permanent Fund Investments.**

Brandy Niclai presented a review of the status of the Permanent Fund Investments reporting overall growth. Provided a broad picture of the financial market for 2020, including the economic impact of the COVID-19 pandemic. She provided an outlook for the coming years, explaining that we are in the early stages of a new economic cycle and we can anticipate a year of economic revival, and Alaska Permanent Capital Management has updated their long-term strategic perspective in response. She reviewed the portfolio, including historical market value, asset allocation, and account performance, noting that the portfolio has provided an annual average return of 8.44% since inception.

**C. UNSCHEDULED PUBLIC COMMENTS**

April Orth requested clarification on the status of funding for Kenai's "Shop Here All Year" program. It was clarified that Public Comments was for public testimony and not for audience Q & A with the Council, and was provided information on how to access the recording of the public hearing for this Ordinance, which took place during the Council Meeting of January 20, 2021.

**D. PUBLIC HEARINGS**

1. **Ordinance No. 3179-2021 - Amending Positions in the Classified Service in the Public Works and Senior Center Departments as Established by the Annual Budget.**

**MOTION:**

Vice Mayor Molloy **MOVED** to enact Ordinance No. 3179-2021 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.

City Manager Ostrander provided an overview of the changes this would make to staffing. It was noted that these changes would allow both departments to operate more efficiently, increase productivity, and the impacts to the general fund will be minimal.

**VOTE:**

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

**MOTION PASSED UNANIMOUSLY.**

2. **Ordinance No. 3180-2021** - Amending Kenai Municipal Code 3.05.070-Citation Procedure, and Kenai Municipal Code 13.10.015 – Minor Offense Fine Schedule to Incorporate Various Animal Control Offenses into the Minor Offense Fine Schedule and Make Other Housekeeping Changes.

**MOTION:**

Council Member Knackstedt **MOVED** to enact Ordinance No. 3180-2021 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.

City Attorney Bloom provided an overview of the proposed changes.

**MOTION TO AMEND:**

Council Member Knackstedt **MOVED** to amend Ordinance No. 3180-2021 by editing language to be more gender-neutral as recommended by the City Attorney, and Vice Mayor Molloy **SECONDED** the Motion. **UNANIMOUS CONSENT** was requested.

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

It was noted that some of the Animal Control violations started off with fees lower than expected.

**VOTE ON THE MOTION AS AMENDED:**

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

**MOTION PASSED UNANIMOUSLY.**

3. **Ordinance No. 3181-2021** - Waiving Kenai Municipal Code 21.10.130 - Lease Execution and Approving a Lease Execution Extension to July 27, 2021 to Kenai Aviation Operations, LLC for Lot 9A, Block 5, General Aviation Apron Subdivision No. 5.

**MOTION:**

Council Member Askin **MOVED** to enact Ordinance No. 3181-2021 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.

Planning Director Foster clarified that there are preliminary site plans for a proposed hangar with office space, next steps would be for an official site plan to be submitted to the City and formalized upon signing of the lease.

**VOTE:**

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

**MOTION PASSED UNANIMOUSLY.**

4. **Resolution No. 2021-05** - Designating the Investment and Allocation Plan for the City's Permanent Funds and Establishing Appropriate Benchmarks to Measure Performance For Calendar Year 2021.

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-05 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 memo prepared by the Finance Director was very instructive and should be saved for future reference.

**UNANIMOUS CONSENT** was requested.

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

5. **Resolution No. 2021-06** - Authorizing the City Manager to Enter Into an Amended Bar/Lounge Concession Agreement at the Kenai Municipal Airport with the Upper Deck Lounge.

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-06 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 other concessionaires at the Airport have had their contracts amended, and passing this would be consistent with the consideration Council has given to other Airport businesses.

**UNANIMOUS CONSENT** was requested.

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

6. **Resolution No. 2021-07** - Adopting the City of Kenai's Capital Improvement Plan Priority List for State Funding Requests for the Fiscal Year 2022.

**MOTION:**

Council Member Knackstedt **MOVED** to adopt Resolution No. 2021-07 and Vice Mayor Molloy **SECONDED** the motion.

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

It was noted that the Harbor Commission had reviewed and approved the Harbor-related Capital Projects. Clarification was provided that Wildwood Drive has been maintained by the City.

Discussion regarding how these priorities were decided, and how the order of priorities affected how each project received funding. Concerns were raised over the Bridge Access Pedestrian Trail being listed above the Waste Water Treatment Facility Sludge Press Replacement, and it was clarified that Council can change the order of priorities but ultimately it will not significantly affect the State's funding decisions.

It was clarified that the State Legislature would consider approving funding for these projects during their next legislative session. In addition to submitting the City's Capital Improvement Projects into the State's CAPSIS system, it was suggested that a letter from Council be written to the State as a way to boost the City's influence over their decisions to fund.

**UNANIMOUS CONSENT** was requested.

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

**E. MINUTES** - None

**G. NEW BUSINESS**

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

Approved by the consent agenda.

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

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

3. **\*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.

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

4. **\*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.

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

5. **\*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.

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

6. **\*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.

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

7. **\*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.

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

8. **\*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.

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

9. **\*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.

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

10. **\*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.

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

- 11. \*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.

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

**12. Discussion** - COVID-19 Response.

City Manager Ostrander reported that there was one employee under COVID-19 protocol. Noted that all City facilities were open to the public with the exception of the Senior Center, and he was working with the Director on a phased plan for reopening. He added that there were currently zero COVID-19 patients at Central Peninsula Hospital and that a large vaccination clinic would take place at the Beacon facility on Saturday, February 6, 2021.

Clarification was provided on the City's efforts to promote the Vaccine Transportation Program.

It was noted that additional funds that had been reallocated to the Food Bank at the previous Council meeting had gone towards providing 292 food boxes to households in the City of Kenai.

Discussion also included whether the Kenai River Brown Bears hockey team would use our ice rink and the implementation of a U.S. Department of Homeland Security Directive which mandated the use of masks at the airport.

**H. COMMISSION / COMMITTEE REPORTS**

1. Council on Aging – No report; next meeting February 11, 2021.
2. Airport Commission – No report; next meeting February 11, 2021.
3. Harbor Commission – Vice Mayor Molloy had provided a report of the special meeting of January 25<sup>th</sup> earlier during the Council meeting. Next meeting February 8, 2021.
4. Parks and Recreation Commission – No report; special joint meeting with Beautification Committee February 4, 2021.
5. Planning and Zoning Commission – Council Member Glendening reported on January 27<sup>th</sup> meeting. Topics included re-election of Chair and Vice-Chair, a preliminary subdivision plat, and an application for a conditional use permit for 8 single-family additional dwellings. Next meeting February 24, 2021.
6. Beautification Committee – No report; Special Joint meeting with Parks & Recreation February 4, 2021.
7. Mini-Grant Steering Committee – No report.

**I. REPORT OF THE MAYOR**

Mayor Gabriel reported on the following:



- Participated in teleconference with Governor Dunleavy to discuss Cook Inlet Fisheries;
- Expressed concern over the opinions expressed by a Council member after the January 20<sup>th</sup>, 2021 meeting, clarifying some inaccuracies that had been shared during a radio broadcast and a Facebook video. He noted that while he Council members are encouraged to advocate their position, disparaging other Council members for disagreeing is in poor taste and he would prefer mutual respect and decorum among the Council.

## **J. ADMINISTRATION REPORTS**

1. City Manager - City Manager P. Ostrander reported on the following:
  - Vaccine Transportation program: Senior Center director had sent flyer to Kenai Safeway pharmacy, and copies would be made by pharmacy to share with seniors;
  - Met with owners of Furie Operating, and they are hiring local;
  - The Shop Here All Year program began this week, Chamber of Commerce will be providing an update with all current numbers at next Council meeting;
  - Bluff Stabilization Project: RFP for design has been released, next step is getting federal government to pay their portion;
  - Clarified the current social distancing protocols and air filtration methods implemented by the Kenai Recreation Center.
2. City Attorney - City Attorney S. Bloom reported on the following
  - Took his family to Kenai Recreation Center and was glad that it is open;
  - Commended Parks and Recreation employee Randy Dodge for a great job on grooming the ski trails in town.
3. City Clerk – No report.

## **K. ADDITIONAL PUBLIC COMMENT**

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

Council Member Pettey shared that she felt shocked and disappointed with disparaging remarks that had been made of some Council Members. She stated that it is an honor for her to serve on the City Council, and she works to represent and do utmost best for all citizens of our community by working respectfully and professionally with all Council Members, Administration, public and businesses.

Council Member Glendening noted that he firmly believes that this is a teachable moment that the Council, as a body, can rise above, and that it may be distracting the Council's attention from the matter of supporting our businesses and our citizens and by applying public funds to increase the velocity of money through our local economy. He also noted that he would like to see Planning & Zoning Commission meetings transition to fully in-person participation by late spring, as the in-person/Zoom hybrid meeting format has resulted in less interactive communication.

Council Member Askin said she is very honored to have been appointed to the Council, and she truly appreciates the support she's received from Administration. She looks forward to continuing to work amiably and respectfully with the Council.

Council Member Winger stated that she feels honored to be elected and represent We the People, and she will always put the people ahead of the government's agenda. Noted that she appreciates the change of heart to better support small businesses by allowing a grocery program.

Vice Mayor Molloy noted that it was a good meeting and a good discussion, and he appreciated the presentation from Alaska Permanent Capital Management. He also discussed the public statements made after the previous Council meeting and responded to some of the comments he felt were inaccurate. He noted that he sees Kenai as a resilient business community that is crucial to the city's arc of growth. Also noted that he received his first dose of COVID-19 vaccine and it was a very positive experience.

Council Member Knackstedt expressed dismay with the public remarks shared on the radio and Facebook. He felt that there was a good debate and a good compromise at the last Council meeting, which is representative of how Council conducts its business. However, he did not appreciate the calling out of himself or the Council, which he feels is detrimental to the City as a whole. He noted that decorum is important, and he also sees this as a learning moment that the Council can move forward from.

It was also noted that municipal government is likely the least self-serving level of government that exists, and people choose to be part of it because they have a true interest in serving their community.

L. **EXECUTIVE SESSION** – None.

M. **PENDING ITEMS** – None.

N. **ADJOURNMENT**

O. **INFORMATION ITEMS**

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

There being no further business before the Council, the meeting was adjourned at 8:32 p.m.

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

---

Jamie Heinz, CMC  
City Clerk

**PAYMENTS OVER \$15,000.00 WHICH NEED COUNCIL RATIFICATION  
COUNCIL MEETING OF: FEBRUARY 17, 2021**

<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>DEPARTMENT</b>	<b>ACCOUNT</b>	<b>AMOUNT</b>
PERS	PERS	VARIOUS	LIABILITY	99,075.64
ENSTAR NATURAL GAS	GAS USAGE	VARIOUS	UTILITIES	37,632.51
HOMER ELECTRIC	ELECTRIC USAGE	VARIOUS	UTILITIES	119,759.30
REBORN AGAIN JANITORIAL	JANUARY SERVICES	AIRPORT	REPAIR & MAINTENANCE	4,231.25

**INVESTMENTS**

<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>MATURITY DATE</b>	<b>AMOUNT</b>	<b>Effect. Int.</b>
PIPER JAFFRAY	U.S. AGENCY SECURITY	8/25/2023	188,766.10	0.34%
PIPER JAFFRAY	U.S. AGENCY SECURITY	2/15/2025	127,496.23	0.48%
PIPER JAFFRAY	U.S. AGENCY SECURITY	1/25/2023	2,652,003.98	0.19%
PIPER JAFFRAY	U.S. AGENCY SECURITY	1/11/2022	1,025,576.33	0.07%
PIPER JAFFRAY	U.S. AGENCY SECURITY	1/13/2022	1,023,073.50	0.07%
PIPER JAFFRAY	U.S. AGENCY SECURITY	1/5/2022	1,019,341.44	0.69%



## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Mary L. Bondurant  
**DATE:** February 8, 2021  
**SUBJECT:** **Action/Approval – Special Use Permit State of Alaska DNR/Forestry**

---

The State of Alaska, Department of Natural Resources/Division of Forestry is requesting renewal of a Special Use Permit for a three-month term from April 1, 2021 through June 30, 2021.

The Permit is for aircraft loading and parking on approximately 30,000 square foot of the apron adjacent to their lease lot for firefighting related activity.

The State of Alaska is current on all fees owed and we have a current Certificate of Insurance.

Airport Commission reviewed the request at the February 11, 2021 Commission meeting and recommends Council approval.

Does Council recommend the City Manager enter into a Special Use Permit with the State of Alaska DNR/Division of Forestry?

Thank you for your consideration.

attachments

**SPECIAL USE PERMIT 2021**

The CITY OF KENAI (City) grants to STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES/DIVISION OF FORESTRY (Permittee), whose address is 550 W. Seventh Avenue, Suite 1450, Anchorage, AK 99501-3566, a Special Use Permit to conduct aeronautical and/or aviation-related activities at the Kenai Municipal Airport subject to the requirements and the conditions set forth below.

**1. Premises.** Permittee shall have the non-exclusive right to use 30,000 square feet as described in the attached diagram shown in the attached Exhibit A for the uses identified in this Permit.

**2. Term.** The term of this Permit shall be for three months commencing on April 1, 2021, and ending on June 30, 2021. Regardless of the date of signature, this Permit shall be effective as of April 1, 2021.

**3. Permit Fees.** Permittee shall pay the following fees for the privileges extended to Permittee under this Permit:

**A. Permit:** Permittee shall pay a monthly fee plus applicable sales tax as follows:

April	\$ 3025.00
May	\$ 3025.00
June	\$ 3025.00

**B. Proximity Card for Gate Access:** In addition to the general permit fee, Permittee shall pay a deposit of One Hundred Dollars (\$100.00) for the use of each proximity card issued to Permittee by City to allow for gate access to the Airport to conduct the uses permitted hereunder. City shall refund this deposit to Permittee when the card is returned to City. City may exercise a right of offset to apply the deposit to any outstanding balance due to City from Permittee at the termination of this Permit.

**C. Other Fees:** City may assess additional fees for aviation or aviation support activities and uses not defined in this Permit. If a fee has not been established for those activities or services, a fee will be established by the Airport Manager.

Payment shall be directed to City of Kenai, ATTN: Finance Department, 210 Fidalgo Avenue, Kenai, AK 99611 and a courtesy notice of payment provided to Airport Administration at 305 North Willow Street, Suite 200, Kenai, AK 99611. All permit fees are payable in advance of each month unless otherwise provided. In the event of delinquency, interest at the rate of 10% per annum, and penalty of 10% shall also be due (KMC 1.75.010). Interest shall accrue from the date due until the date paid in full. Failure

to timely make payments is grounds for termination of this Permit. (See ¶ 22, Termination).

**4. Use.** City authorizes Permittee's non-exclusive use of the Premises for the following purpose(s):

Aircraft loading and parking. NOTE: This permit does not guarantee the exclusive use of the area identified in Exhibit A. City reserves the right to re-assign Permittee, upon reasonable notice, to other areas as airport needs may require.

Permittee shall have the right of ingress and egress to the Airport using only designated gate access locations (which may require a proximity card) for the use of the Premises. This Permit, and any access rights allowed hereunder, are for Permittee's use only and may not be transferred or assigned.

Use of the Premises by Permittee is subject to the reasonable administrative actions of the City of Kenai for the protection and maintenance of the Premises and of adjacent and contiguous lands or facilities and is further subject to the following conditions:

Permittee acknowledges that the use granted herein is subject to the Kenai Municipal Code and municipal regulations governing the Kenai Municipal Airport and as those laws and regulations may be amended from time to time.

Solicitation of donations or operation of a business or other commercial enterprise not contemplated by this Permit is prohibited without the written consent of City.

No person may repair an aircraft, aircraft engine, propeller, or apparatus in an area of the Airport other than that specifically designated for that purpose by the Airport Manager or designated representative. The Airport Manager or designated representative reserves the right to designate reasonable areas where aircraft owners may perform services on their own aircraft.

**5. Airport Operations.** Permittee shall ensure that the Permittee, its employees, and guests, and anyone else acting by, on behalf of, or under the authority of Permittee on the Airport, that perform any repairs or activities authorized under this Permit act in a manner that ensures the safety of people and the Airport, the protection of public health and the environment, and the safety and integrity of the Airport and any premises on the Airport. Permittee shall employ qualified personnel and maintain equipment sufficient for the purposes of this provision. The Permittee shall immediately notify City of any condition, problem, malfunction, or other occurrence that threatens the safety of the Airport, the safety of persons using the Airport, the public health or the environment, or the safety or integrity of any premises on the Airport.

**6. Inspection.** The Federal Aviation Administration (FAA) and/or City shall have the right and authority to inspect, at any time for any purpose whatsoever, the Premises as well as any and all equipment used by the Permittee under this Permit.

**7. Coordination with Airport Management.** Permittee shall coordinate all activities on the Airport with Airport Management, or a designated representative, and shall abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee.

**8. Radio Transmitting Equipment.** Permittee shall discontinue the use of any machine or device which interferes with any government-operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

**9. Insurance.** Permittee shall secure and keep in force adequate insurance, as stated below, to protect City and Permittee. Where specific limits are stated, the limits are the minimum acceptable limits. If Permittee's insurance policy contains higher limits, City is entitled to coverage to the extent of the higher limits.

**A.** Commercial General Liability insurance, including premises, all operations, property damage, personal injury and death, broad-form contractual, with a per-occurrence limit of not less than \$1,000,000 combined single limit. The policy must include an endorsement under which the insurer extends coverage to Permittee's fuel handling activities. The policy must name the City as an additional insured.

**B.** Worker's compensation insurance with coverage for all employees engaged in work under this Permit or at the Premises as required by AS 23.30.045. Permittee is further responsible to provide worker's compensation insurance for any subcontractor who directly or indirectly provides services to Permittee under this Permit.

**C.** Commercial Automobile Coverage with not less than \$1,000,000 combined single limit per occurrence. This insurance must cover all owned, hired, and non-owned motor vehicles the Permittee uses on the Airport. The policy must name the City as an additional insured.

**D.** All insurance required must meet the following additional requirements:

- i. All policies will be by a company/corporation currently rated "A-" or better by A.M. Best.
- ii. Permittee shall submit to the City proof of continuous insurance coverage in the form of insurance policies, certificates, endorsements,

or a combination thereof, and signed by a person authorized by the insurer to bind coverage on its behalf.

- iii. Permittee shall request a waiver of subrogation against City from Permittee's insurer and the waiver of subrogation, where possible, shall be provided at no cost to City.
- iv. Provide the City with notification at least 30 days before any termination, cancellation, or material change in insurance coverage of any policy required hereunder.
- v. Evidence of insurance coverage must be submitted to City by April 1, 2021. The effective date of the insurance shall be no later than April 1, 2021.

City may increase the amount or revise the type of required insurance on written demand without requiring amendments to this Permit. City will base any increase or revision on reasonable and justifiable grounds. Within two weeks of the written demand, Permittee shall submit to City evidence of insurance coverage that meets the requirements of the City.

**10. Assumption of Risk.** Permittee assumes full control and sole responsibility as between Permittee and City for the activities of Permittee, its personnel, employees, and persons acting on behalf of or under the authority of the Permittee anywhere on the Airport. Permittee shall provide all proper safeguards and shall assume all risks incurred in its activities on and access to the Kenai Municipal Airport and its exercise of the privileges granted in this Permit.

**11. Indemnity, Defend, and Hold Harmless Agreement.** Permittee agrees to fully indemnify, defend, and hold harmless, the City of Kenai, its officers, agents, employees, and volunteers from and against all actions, damages, costs, liability, claims, losses, judgments, penalties, and expenses of every type and description, including any fees and/or costs reasonably incurred by the City's staff attorneys and outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of the Permittee in connection with or arising from or out of Permittee's activities on or use of the Premises, Permittee's access to the Kenai Municipal Airport, and/or Permittee's exercise of the privileges granted in this Permit. This shall be a continuing obligation and shall remain in effect after termination of this Permit.

**12. Fuel Spill Prevention and Response Plan.** Areas of the apron have been seal coated to protect asphalt from adverse effects of petroleum product spills. The City requires that



Permittee provide adequate absorbent materials and tools available on the Premises and at the airport in order to maintain a fuel spill and response capability. Permittee shall be liable for any damage caused by and costs associated with any spill, the cleanup of any spill, or the discharge of petroleum products or hazardous materials due to Permittee's use of the apron and/or use of the Airport.

Permittee shall provide to City an acceptable fuel spill prevention and response plan and will maintain fuel spill and response capability. Permittee further agrees to have a copy of the fuel spill prevention and response plan located in the Permittee's fuel dispensing equipment at all times. Permittee must comply with the Airport's Storm Water Pollution Prevention Plan as appropriate to Permittee's activities.

Permittee shall not store any personal property, solid waste, petroleum products, Hazardous Material as defined by 14 CFR § 171.8, hazardous waste (ignitable, corrosive, reactive, or toxic) or any hazardous substance on any portion of the Airport. Permittee is aware that there are significant penalties for improperly disposing of the Hazardous Materials and other waste and for submitting false information regarding Hazardous Materials, including the possibility of fine and imprisonment for knowing violations.

Permittee shall immediately remove the material in the event of spillage or dripping of gasoline, oil, grease, or any other material which may be unsightly or detrimental to the pavement or surface in or on any area of the Airport.

Permittee may not construct or install any above-ground or underground fuel storage tanks or dispensing systems at the Airport.

No person shall smoke on an aircraft-parking ramp, inside an aircraft hangar, or within 50' of any aircraft fuel facility or fuel truck.

Permittee is subject to FAA Advisory Circular 150/5230-4 Aircraft Fuel Storage, Handling, and Dispensing on Airports, the National Fire Protection Associations' "Standard for Aircraft Fueling Servicing" in NFPA 407 (1996 version), and the current version of the International Fire Codes. All inspections of fuel facilities, by City or other regulating entities to which Permittee is subject, shall be conducted to assure compliance with the fire safety practices listed in these referenced documents.

**13. Hazardous Substances and Materials.** Permittee shall conform and be subject to the requirements of 14 CFR § 139.321 regarding the handling and storage of hazardous substances and materials.

**14. No Discrimination.** Permittee shall not discriminate against any person because of the person's race, creed, color national origin, sex, age, or handicap. Permittee recognizes

the right of City to take any action necessary to enforce this requirement of the Permit. Permittee will furnish services provided under this Permit on a reasonable, and not unjustly discriminatory, basis to all users of the Airport and shall charge reasonable, and not unjustly discriminatory, prices for each product or service provided at the Airport.

**15. Licenses and Permits.** Permittee shall obtain and maintain all required federal, state, and local licenses, certificates, and other documents required for its operations under the Permit. Permittee shall provide proof of compliance to City upon request by the City.

**16. Compliance with Law/Grant Assurances.** This Permit, and Permittee's activities conducted under this Permit, is subject to all executive orders, policies and operational guidelines and all applicable requirements of federal, state, and City statutes, ordinances, and regulations in effect during the term of this Permit. Further, Permittee shall comply with all applicable requirements imposed on the Airport by federal law to ensure that the Airport's eligibility for federal money or for participation in federal aviation programs is not jeopardized. This Permit is subordinate to the City's grant assurances and federal obligations.

**17. No Exclusivity.** The privileges granted under this Permit are not exclusive to Permittee. City has the right to grant to others any right or privilege on the Airport.

**18. Assignment.** The privileges granted under this Permit are personal to Permittee and may not be assigned by Permittee.

**19. No Joint Venture.** City shall not be construed or held to be a partner or joint venturer of Permittee in the conduct of its business or activities on the Premises or elsewhere at the Kenai Municipal Airport.

**20. No Waiver.** Failure to insist upon a strict compliance with the terms, conditions, and requirements herein contained, or referred to, shall not constitute or be construed as a waiver or relinquishment of the right to exercise such terms, conditions, or requirements.

**21. Personalty.** Permittee shall remove any and all personal property, including all vehicles, from the Premises at the termination of this Permit (or any renewal thereof). Personal property placed or used upon the Premises will be removed and/or impounded by the City, if not removed upon termination of this Permit and when so removed and/or impounded, such property may be redeemed by the owner thereof only upon the payment to the City of the costs of removal plus storage charges of \$25.00 per day. The City of Kenai is not responsible for any damage to or theft of any personalty of Permittee or of its customers.

**22. Termination; Default.** This Permit may be terminated by either party hereto by giving 30 days advance written notice to the other party. City may terminate the Permit immediately, or upon notice shorter than 30 days, to protect public health and safety or due to a failure of Permittee to comply with condition or term of this Permit which failure remains uncured after notice by City to Permittee providing Permittee with a reasonable time period under the circumstances to correct the violation or breach.

**23. Landing Fees; Fee Schedule.** Timely payment of landing fees and other required Airport fees is a condition of this Permit and, as such, failure to timely pay landing and other airport fees is grounds for termination. Without limiting the foregoing, Permittee shall pay landing fees for aircraft landings as set out in the City’s comprehensive schedule of rates, charges and fees. Permittee shall make payment within 30 days following the end of each month and without demand or invoicing from City. Permittee shall also provide Airport Administration with monthly certified gross take-off weight reports within ten days following the end of each month for landings for the preceding month. Airport landing fees shall be paid at the Airport Administration Building, 305 North Willow Street, Suite 200, Kenai, AK 99611.

**24. Impoundment.** At the discretion of the Airport Manager, City may impound any aircraft parked on the Premises after termination of this Permit. Impoundment may be accomplished by affixing a seal to the door of the aircraft or the moving of the aircraft for impoundment purposes. Inconvenience or damage that may result from such movement will be at the risk of Permittee. An impoundment fee plus a towage fee shall be charged on each aircraft impounded. In addition, a daily storage fee shall be charged for each day the aircraft remains impounded. Any impounded aircraft that is not redeemed within 90 days after impoundment shall be considered abandoned and shall be subject to sale at public auction. Notice of any auction shall be published. Publication shall be in a newspaper of general circulation in that area for at least once during each of three consecutive weeks not more than 30 days nor less than seven days before the time of the auction.

**25. Definitions.** As used in this Permit, “Permittee” means State, Department of Natural Resources, Division of Forestry, and where the context reasonably indicates, its officers, agents, and employees. “Airport” means the Kenai Municipal Airport.

**CITY OF KENAI**

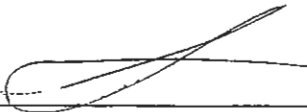
**STATE OF ALASKA  
DEPARTMENT OF NATURAL  
RESOURCES, DIVISION**



\_\_\_\_\_  
Jamie Heinz, City Clerk

SEAL:

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Scott M. Bloom, City Attorney

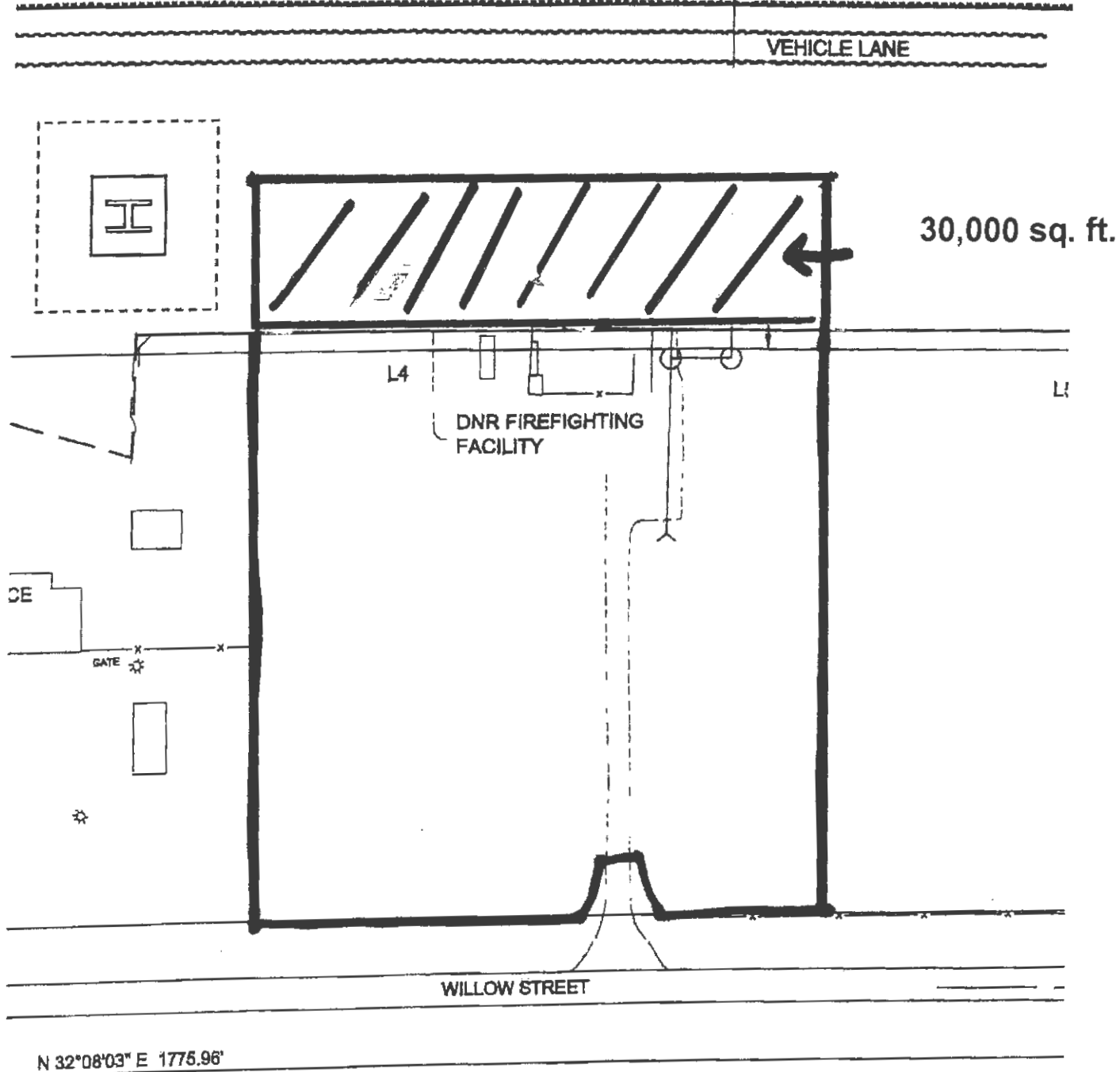


Exhibit A



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3192-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, Red Line Sports was awarded a contract to provide Facility Management and Ice Machine Services for the 2020/21 season with the expectation the contract would be adjusted, if needed, based on actual ice rental hours and required maintenance; and,

WHEREAS, the Kenai Multi-purpose Facility experienced a substantial increase in use this season due to restrictions and closures at other rinks throughout the state due to COVID-19; and,

WHEREAS, the Alaska State Hockey Association desires to use the Kenai Multi-purpose Facility to host three youth State hockey tournaments; and,

WHEREAS, the Agreement for Facility Management Services needs to be extended into March 2021 in order to accommodate the last tournament of the season, and;

WHEREAS, the revenue generated from additional ice sales will exceed ice maintenance costs; and,

WHEREAS, increasing the compensation to Redline Sports to account for increased use of the Facility is in the best interest of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the Kenai City Council authorizes the City Manager to authorize Red Line Sports to extend FY21 ice maintenance services by eight days to conclude on March 31, and authorizes an increase to Purchase Order No. 121375 in the amount of \$15,000.

**Section 2.** That the estimated revenues and appropriations be increased as follows:

General Fund:

Increase Estimated Revenues –	
Kenai Multi-purpose Facility User Fees	\$15,000
Increase Appropriations – Parks, Recreation & Beautification	
Professional Services	\$15,000

**Section 3.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 4.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 3rd day of March, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 17, 2021  
Enacted: March 3, 2021  
Effective: March 3, 2021





## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Robert J. Frates, Parks & Recreation Director  
**DATE:** February 9, 2021  
**SUBJECT:** **Ordinance 3192-2021**

---

The purpose of this memo is to recommend adoption of Ordinance No. 3192-2021 increasing the Multi-purpose Facility Management Services purchase order to Red Line Sports and extending the terms of the agreement to March 31, 2021.

The Multi-purpose Facility experienced a significant surge in ice sales from previous seasons. The increased ice sales (up approximately 60%) was a direct result of other ice rinks around the State being either closed most of the season, or severely restricted due to COVID-19.

Additionally, the Alaska State Hockey Association has requested our rink to be utilized to host three youth State hockey tournaments, with the last tournament scheduled for the end of March.

Although the growth in sales increased expenditures for contractual services related to ice maintenance, the revenue associated with this far exceeds the maintenance costs.

Council's support is respectfully requested.



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3193-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, annually the City receives a grant from the State of Alaska Department of Health and Social Services to provide the Senior Citizen, Nutrition, Transportation, and Support Services (NTS); and,

WHEREAS, the State of Alaska received additional COVID-19 funding for the provision of meals, food boxes, and other forms of nutrition for Alaskan seniors; and,

WHEREAS, the Kenai Senior Center has been providing additional home meals throughout the COVID-19 Public Health Emergency; and,

WHEREAS, the FY2021 adopted budget estimated grant funding for the NTS program in the amount of \$190,847; and,

WHEREAS, an increase of \$1,000 to the NTS grant has been received from the State of Alaska Department of Health and Social Services; and,

WHEREAS, additional funding in the amount of \$27,859.08 was also received from the United States Treasury, passed through the State of Alaska Department of Health and Social Services for Kenai Senior Center's response to the COVID-19 Public Health Emergency; and,

WHEREAS, the City has received notice the actual amount of the FY2021 grant, with the increases of \$28,859.08, will be \$219,706.08 ; and,

WHEREAS, acceptance of this grant is in the best interest of the City and its residents.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the City Manager is authorized to accept a \$1,000 increase to the Nutrition, Transportation and Support Services Grant from the State of Alaska Department of Health and Social Services.

**Section 2.** That the City Manager is authorized to accept a grant in the amount of \$27,859.08 from the United States Treasury passed through the State of Alaska Department of Health and Social Services for Kenai Senior Center’s response to the COVID-19 Public Health Emergency.

**Section 3.** That the estimated revenues and appropriations be increased as follows:

Senior Citizen Fund:

Increase Estimated Revenues –	
State Grant	\$ 1,000.00
Federal Grant	<u>27,859.08</u>
	<u>\$28,859.08</u>

Increase Appropriations –	
Congregate Meals – Operating & Repair Supplies	\$21,644.00
Choice Waiver – Operating & Repair Supplies	<u>7,215.08</u>
	<u>\$28,859.08</u>

**Section 4.** That the City Manager is authorized to execute the necessary grant amendment and grant agreements to accept the grant funds and is authorized to expend the funds in accordance with grant provision and the provision of this ordinance.

**Section 5.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 6.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 3<sup>rd</sup> day of March, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 17, 2021  
Enacted: March 3, 2021  
Effective: March 3, 2021



# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Kathy Romain, Senior Center Director

**DATE:** February 8, 2021

**SUBJECT:** Ordinance No. 3193-2021 – Increase in the Title III Grant from the State

The Kenai Senior Center has received a supplemental funding appropriation through the State of Alaska Title III - Nutrition, Transportation and Services as follows:

State of Alaska Department of Health and Social Services	\$ 1,000.00
U.S. Department of Treasury passed through Alaska Department of Health & Social Services	<u>\$27,859.08</u>
	\$28,859.08

These funds are supplemental funding from the State of Alaska and a pass-through grant from the United States Department of Health and Human Services in support of the COVID-19 Pandemic.

I respectfully request consideration of the ordinance and accepting and appropriating these grant funds.



Sponsored by: Administration

**CITY OF KENAI**

**ORDINANCE NO. 3194-2021**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, 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.

WHEREAS, Well House Number One sustained substantial damages during the 2018 earthquake; and,

WHEREAS, in coordination with the City's insurance carrier it has been determined that abandonment of these improvements at this location in lieu of rebuilding them is in the best interest of the City; and,

WHEREAS, the steel building on the property still retains some value and will provide for a much needed storage facility to be relocated adjacent to the Water Division staff office off of Shotgun Drive; and,

WHEREAS, the funding below coupled with proceeds from the insurance carrier will provide for this relocation; and,

WHEREAS, bid ready plans and specifications have been developed for this project, and with Council's approval of this Ordinance an Invitation to Bid is anticipated to be released in early March 2021 to complete this Work.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, as follows:

**Section 1.** That the following budget revision is authorized:

Water & Sewer Fund:

Transfer to -	
Water Department – Transfer to Capital Projects	<u>\$26,000</u>
Transfer from –	
Water Department – Improvements	<u>\$(26,000)</u>

**Section 2.** That the estimated revenues and appropriations be increased as follows:

Water & Sewer Fund:

Increase Estimated Revenues –  
Appropriation of Fund Balance \$57,500

Increase Appropriations –  
Water Department – Transfer to Capital Projects \$57,500

**Section 3.** That the estimated revenues and appropriations be increased as follows:

Water & Sewer Capital Project Fund:

Increase Estimated Revenues:  
Restitution \$ 56,500  
Transfer from Water & Sewer Fund 83,500  
\$140,000

Increase Appropriations –  
Construction \$140,000

**Section 4.** Severability: That if any part or provision of this ordinance or application thereof to any person or circumstances is adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision, or application directly involved in all controversy in which this judgment shall have been rendered, and shall not affect or impair the validity of the remainder of this title or application thereof to other persons or circumstances. The City Council hereby declares that it would have enacted the remainder of this ordinance even without such part, provision, or application.


**Section 5.** Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect immediately upon enactment.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 3<sup>rd</sup> day of March, 2021.

\_\_\_\_\_  
BRIAN GABRIEL SR., MAYOR

ATTEST:

\_\_\_\_\_  
Jamie Heinz, CMC, City Clerk

Approved by Finance: 

Introduced: February 17, 2021  
Enacted: March 3, 2021  
Effective: March 3, 2021



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Scott Curtin  
**DATE:** February 10, 2021  
**SUBJECT:** **Ordinance No. 3194-2021**

---

As Council may recall, the November 2018 earthquake caused structural damages to the Well House One Facility located at 7465 Kenai Spur Highway. The earthquake caused the concrete foundation to subside 4-5" around the structure, causing extensive concrete damages.

This well house was a low producing well site, especially after improvements to the well field located off of Shotgun Drive which produces the vast majority of water the City uses today. The property is leased from the State, and after review during the Land Management Plan updates it was determined this well site should be abandoned, and the low producing well capped.

In an effort to make use of some of the salvageable materials, the steel building remains in relatively good condition and would make an excellent storage facility for parts and equipment for the Water Division. It was determined the most appropriate location to move the structure to was directly adjacent to the Staff's Office space at the Water Treatment facility, which resides behind a fenced enclosure, off of Shotgun Drive.

Plans & Specifications for the relocation have already been completed by Nelson Engineering, and the project is being conducted in coordination with the City's insurance carrier. Upon Council's approval the project will be formally released for Construction Bids with the work anticipated to take place this Spring and into the Summer. Insurance proceeds and City funds will be required to complete the work, this Ordinance is appropriating both.

The photos below indicate the structure and the intended new location it will be rebuilt at.

Council's support is respectfully requested.



7465 Kenai Spur Hwy – WH#1



420 Shotgun Drive – Water Treatment Plant







## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**FROM:** Jamie Heinz, City Clerk  
**DATE:** February 12, 2021  
**SUBJECT:** **Planning & Zoning Commission Appointment**

---

Effective January 1, 2021, Tim McIntyre resigned his position on the Planning & Zoning Commission. Gwen Woodard has applied and Mayor Gabriel has nominated her to fill the vacancy. The term for this seat expires December 31, 2021.

Kenai Municipal Code (KMC) 1.90.010 requires Council confirmation of nominations presented by the Mayor.

Your consideration regarding confirmation is appreciated.

**Meghan Thibodeau**

---

**From:** Gwen Woodard via Kenai, Alaska <webmaster@kenai.city>  
**Sent:** Tuesday, January 26, 2021 11:48 AM  
**To:** City Clerk  
**Subject:** Form submission from: Commission/Committee Application

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Submitted on Tuesday, January 26, 2021 - 11:47am Submitted by anonymous user: 69.178.28.175 Submitted values are:

Date: Tue, 01/26/2021

Name: Gwen Woodard

Resident of City of Kenai? Yes

If resident, how long? 54 years

Residence Address:

Mailing Address:

Home Telephone:

Home Fax:

Business Telephone:

Business Fax:

Email address: woodard.g@outlook.com

May we include your contact information on our website? Yes, but not all (specify below) If not all, what may we include? email only

Employer: Retired from Kenai Fabric Center Job Title: Owner Name of Spouse: Mike Woodard Current Membership Organization: Republican party Past organizational memberships: PTA Committees or commissions in which you are interested: Planning & Zoning

Why do you want to be involved with this commission or committee? Having lived and owned a business in the community for over 50 years I feel the need to get a bit more involved now that I'm retired.

What background, experience, or credentials do you possess to bring the board, commission, or committee membership? During our 50 years in business there's been many conversations over a multitude of subjects about the area with numerous patrons. Maybe some of those views will be of some use.

The results of this submission may be viewed at:

<https://www.kenai.city/node/2601/submission/7191>



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**FROM:** Jamie Heinz, City Clerk  
**DATE:** February 10, 2021  
**SUBJECT:** **Beautification Committee Appointment**

---

On December 31, 2020, terms for certain seats on the Beautification Committee expired. Branda Madrid did not seek reappointment which left a vacancy on the Committee. Barbara Roland has applied and Mayor Gabriel has nominated her to fill the vacancy. The term for this seat expires December 31, 2023.

Kenai Municipal Code (KMC) 1.90.010 requires Council confirmation of nominations presented by the Mayor.

Your consideration regarding confirmation is appreciated.

**Meghan Thibodeau**

---

**From:** Barbara Roland via Kenai, Alaska <webmaster@kenai.city>  
**Sent:** Saturday, February 6, 2021 8:47 AM  
**To:** City Clerk  
**Subject:** Form submission from: Commission/Committee Application

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Submitted on Saturday, February 6, 2021 - 8:46am Submitted by anonymous user: 216.67.25.239 Submitted values are:

Date: Sat, 02/06/2021

Name: Barbara Roland

Resident of City of Kenai? Yes

If resident, how long? 10 years

Residence Address:

Mailing Address: PO Box 1576, Kenai AK 99611 Home Telephone:

9072528579 Home Fax:

Business Telephone: 907-283-1331

Business Fax:

Email address: nelonbarbara@gmail.com

May we include your contact information on our website? Yes, but not all (specify below) If not all, what may we include? Not my physical address

Employer: Hilcorp Alaska

Job Title: Management of Change Admin

Name of Spouse: NA

Current Membership Organization: None

Past organizational memberships:

Committees or commissions in which you are interested: City Beautification committee Why do you want to be involved with this commission or committee? I want to get off the bench and start being more involved in my community and need to take a first step. Victoria Askin recommended that I apply.

What background, experience, or credentials do you possess to bring the board, commission, or committee membership? I'm a homeowner and gardener who likes to creatively work on making my surroundings a nice place to live.

The results of this submission may be viewed at:

<https://www.kenai.city/node/2601/submission/7261>



# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | [www.kenai.city](http://www.kenai.city)

February 17, 2021

The Honorable Mike Dunleavy  
Governor, State of Alaska  
P.O. Box 110001  
Juneau, AK 99811-0001

Re: Kenai Bluff Stabilization Project – State of Alaska Capital Improvement Program

Dear Governor Dunleavy,

At our meeting of February 3, 2021, the Kenai City Council passed Resolution 2021-07, establishing the City's capital improvement program priorities for State of Alaska funding requests for fiscal year 2022. We appreciate the opportunity to prioritize and describe all of these important projects to the State for consideration but wanted to provide additional detail on our top priority project: Kenai Bluff Stabilization.

The City of Kenai has recognized this project as a number one priority for over 30 years, and we have reached a point in which it can become a reality with full project funding. It is a critical first step in the revitalization of Old Town Kenai, an area of cultural and historical significance to Alaska. Preservation and development efforts have been restrained in this area due to the consistent erosion of the nearby bluff. Stabilization of this bluff will eliminate uncertainty and allow for investment in businesses, residences, and improvements to public parks and recreation areas.

Beyond Old Town, this project makes the statement that the City of Kenai is a worthy investment. With Federal, State, and Local monies, including the issuance of general obligation bonds approved by Kenai voters, being utilized to construct this project, all levels of government are partnering towards a vibrant and stable Kenai that can preserve its unique cultural identity as well as fulfill its potential as a hub of tourism, fishing, and business development on the Kenai Peninsula.

The benefits of this project are significant, including stabilization of 31 bluff parcels and saving 27 structures, including the senior center and senior housing complex. Roads and other valuable infrastructure will be saved. It will protect against cultural vulnerability such as the loss of historical and archaeological sites and provide residents of Old Town Kenai and visitors who frequent the bluffs greater safety. It will also provide needed economic development opportunities during a period of recovery.

This project is of vital importance to the City of Kenai, and we are looking forward to its successful completion. The United States Corps of Engineers, Alaska District issued the Final Section 116

Feasibility Report and Environmental Impact Statement in March of 2019. The Director’s Report, the document that formally concurs with the Report’s recommendations, was signed on April 10, 2019. That concurrence places the project on the USACE work plan, making it eligible to receive Federal funding for both design and construction. Both the design and construction phases are supported by Federal funding at 65% and non-Federal funding (City, State, or other eligible funds) at 35%, with a total estimated cost of \$32,500,000.

The City is requesting capital funding to support this project in the amount of \$5,000,000. The resultant match from Federal funds would be over \$9,200,000. We support any and all efforts of the State to stretch our limited capital funds by investing in projects that result in matching funds, increasing the benefits of those projects to businesses in our State and to our economy. Leveraging \$5,000,000 of State Capital funding into over \$14,200,000 of economic activity in our State in support of this project provides an outstanding return on the investment of the State’s money, while helping the City save critical infrastructure and drive additional private capital investment in Old Town Kenai.

Thank you for your consideration.

Sincerely,

CITY OF KENAI:

\_\_\_\_\_  
Brian Gabriel, Mayor

\_\_\_\_\_  
Bob Molloy, Vice Mayor

\_\_\_\_\_  
Henry Knackstedt, Council Member

\_\_\_\_\_  
Glenese Pettey, Council Member

\_\_\_\_\_  
Jim Glendening, Council Member

\_\_\_\_\_  
Teea Winger, Council Member

\_\_\_\_\_  
Victoria Askin, Council Member





# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | [www.kenai.city](http://www.kenai.city)

February 17, 2021

Honorable Ben Carpenter  
State Capital Room 400  
Juneau, AK 99801

Re: Kenai Bluff Stabilization Project – State of Alaska Capital Improvement Program

Dear Representative Carpenter,

At our meeting of February 3, 2021, the Kenai City Council passed Resolution 2021-07, establishing the City's capital improvement program priorities for State of Alaska funding requests for fiscal year 2022. We appreciate the opportunity to prioritize and describe all of these important projects to the State for consideration but wanted to provide additional detail on our top priority project: Kenai Bluff Stabilization.

The City of Kenai has recognized this project as a number one priority for over 30 years, and we have reached a point in which it can become a reality with full project funding. It is a critical first step in the revitalization of Old Town Kenai, an area of cultural and historical significance to Alaska. Preservation and development efforts have been restrained in this area due to the consistent erosion of the nearby bluff. Stabilization of this bluff will eliminate uncertainty and allow for investment in businesses, residences, and improvements to public parks and recreation areas.

Beyond Old Town, this project makes the statement that the City of Kenai is a worthy investment. With Federal, State, and Local monies, including the issuance of general obligation bonds approved by Kenai voters, being utilized to construct this project, all levels of government are partnering towards a vibrant and stable Kenai that can preserve its unique cultural identity as well as fulfill its potential as a hub of tourism, fishing, and business development on the Kenai Peninsula.

The benefits of this project are significant, including stabilization of 31 bluff parcels and saving 27 structures, including the senior center and senior housing complex. Roads and other valuable infrastructure will be saved. It will protect against cultural vulnerability such as the loss of historical and archaeological sites and provide residents of Old Town Kenai and visitors who frequent the bluffs greater safety. It will also provide needed economic development opportunities during a period of recovery.

This project is of vital importance to the City of Kenai, and we are looking forward to its successful completion. The United States Corps of Engineers, Alaska District issued the Final Section 116 Feasibility Report and Environmental Impact Statement in March of 2019. The Director's Report,

the document that formally concurs with the Report's recommendations, was signed on April 10, 2019. That concurrence places the project on the USACE work plan, making it eligible to receive Federal funding for both design and construction. Both the design and construction phases are supported by Federal funding at 65% and non-Federal funding (City, State, or other eligible funds) at 35%, with a total estimated cost of \$32,500,000.

The City is requesting capital funding to support this project in the amount of \$5,000,000. The resultant match from Federal funds would be over \$9,200,000. We support any and all efforts of the State to stretch our limited capital funds by investing in projects that result in matching funds, increasing the benefits of those projects to businesses in our State and to our economy. Leveraging \$5,000,000 of State Capital funding into over \$14,200,000 of economic activity in our State in support of this project provides an outstanding return on the investment of the State's money, while helping the City save critical infrastructure and drive additional private capital investment in Old Town Kenai.

Thank you for your consideration.

Sincerely,

CITY OF KENAI:

\_\_\_\_\_  
Brian Gabriel, Mayor

\_\_\_\_\_  
Bob Molloy, Vice Mayor

\_\_\_\_\_  
Henry Knackstedt, Council Member

\_\_\_\_\_  
Glense Pettey, Council Member

\_\_\_\_\_  
Jim Glendening, Council Member

\_\_\_\_\_  
Tea Winger, Council Member

\_\_\_\_\_  
Victoria Askin, Council Member







# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | [www.kenai.city](http://www.kenai.city)

February 17, 2021

Honorable Ronald Gillham  
State Capital Room 410  
Juneau, AK 99801

Re: Kenai Bluff Stabilization Project – State of Alaska Capital Improvement Program

Dear Representative Gillham,

At our meeting of February 3, 2021, the Kenai City Council passed Resolution 2021-07, establishing the City’s capital improvement program priorities for State of Alaska funding requests for fiscal year 2022. We appreciate the opportunity to prioritize and describe all of these important projects to the State for consideration but wanted to provide additional detail on our top priority project: Kenai Bluff Stabilization.

The City of Kenai has recognized this project as a number one priority for over 30 years, and we have reached a point in which it can become a reality with full project funding. It is a critical first step in the revitalization of Old Town Kenai, an area of cultural and historical significance to Alaska. Preservation and development efforts have been restrained in this area due to the consistent erosion of the nearby bluff. Stabilization of this bluff will eliminate uncertainty and allow for investment in businesses, residences, and improvements to public parks, and recreation areas.

Beyond Old Town, this project makes the statement that the City of Kenai is a worthy investment. With Federal, State, and Local monies, including the issuance of general obligation bonds approved by Kenai voters, being utilized to construct this project, all levels of government are partnering towards a vibrant and stable Kenai that can preserve its unique cultural identity as well as fulfill its potential as a hub of tourism, fishing, and business development on the Kenai Peninsula.

The benefits of this project are significant, including stabilization of 31 bluff parcels and saving 27 structures, including the senior center and senior housing complex. Roads and other valuable infrastructure will be saved. It will protect against cultural vulnerability such as the loss of historical and archaeological sites and provide residents of Old Town Kenai and visitors who frequent the bluffs greater safety. It will also provide needed economic development opportunities during a period of recovery.

This project is of vital importance to the City of Kenai, and we are looking forward to its successful completion. The United States Corps of Engineers, Alaska District issued the Final Section 116

Feasibility Report and Environmental Impact Statement in March of 2019. The Director’s Report, the document that formally concurs with the Report’s recommendations, was signed on April 10, 2019. That concurrence places the project on the USACE work plan, making it eligible to receive Federal funding for both design and construction. Both the design and construction phases are supported by Federal funding at 65% and non-Federal funding (City, State, or other eligible funds) at 35%, with a total estimated cost of \$32,500,000.

The City is requesting capital funding to support this project in the amount of \$5,000,000. The resultant match from Federal funds would be over \$9,200,000. We support any and all efforts of the State to stretch our limited capital funds by investing in projects that result in matching funds, increasing the benefits of those projects to businesses in our State and to our economy. Leveraging \$5,000,000 of State Capital funding into over \$14,200,000 of economic activity in our State in support of this project provides an outstanding return on the investment of the State’s money, while helping the City save critical infrastructure and drive additional private capital investment in Old Town Kenai.

Thank you for your consideration.

Sincerely,

CITY OF KENAI:

\_\_\_\_\_  
Brian Gabriel, Mayor

\_\_\_\_\_  
Bob Molloy, Vice Mayor

\_\_\_\_\_  
Henry Knackstedt, Council Member

\_\_\_\_\_  
Glenese Pettey, Council Member

\_\_\_\_\_  
Jim Glendening, Council Member

\_\_\_\_\_  
Tea Winger, Council Member

\_\_\_\_\_  
Victoria Askin, Council Member





# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | [www.kenai.city](http://www.kenai.city)

February 17, 2021

Honorable Peter Micciche  
State Capital Room 504  
Juneau, AK 99801

Re: Kenai Bluff Stabilization Project – State of Alaska Capital Improvement Program

Dear Senate President Micciche,

At our meeting of February 3, 2021, the Kenai City Council passed Resolution 2021-07, establishing the City's capital improvement program priorities for State of Alaska funding requests for fiscal year 2022. We appreciate the opportunity to prioritize and describe all of these important projects to the State for consideration but wanted to provide additional detail on our top priority project: Kenai Bluff Stabilization.

The City of Kenai has recognized this project as a number one priority for over 30 years, and we have reached a point in which it can become a reality with full project funding. It is a critical first step in the revitalization of Old Town Kenai, an area of cultural and historical significance to Alaska. Preservation and development efforts have been restrained in this area due to the consistent erosion of the nearby bluff. Stabilization of this bluff will eliminate uncertainty and allow for investment in businesses, residences, and improvements to public parks and recreation areas.

Beyond Old Town, this project makes the statement that the City of Kenai is a worthy investment. With Federal, State, and Local monies, including the issuance of general obligation bonds approved by Kenai voters, being utilized to construct this project, all levels of government are partnering towards a vibrant and stable Kenai that can preserve its unique cultural identity as well as fulfill its potential as a hub of tourism, fishing, and business development on the Kenai Peninsula.

The benefits of this project are significant, including stabilization of 31 bluff parcels and saving 27 structures, including the senior center and senior housing complex. Roads and other valuable infrastructure will be saved. It will protect against cultural vulnerability such as the loss of historical and archaeological sites and provide residents of Old Town Kenai and visitors who frequent the bluffs greater safety. It will also provide needed economic development opportunities during a period of recovery.

This project is of vital importance to the City of Kenai, and we are looking forward to its successful completion. The United States Corps of Engineers, Alaska District issued the Final Section 116 Feasibility Report and Environmental Impact Statement in March of 2019. The Director's Report,

the document that formally concurs with the Report’s recommendations, was signed on April 10, 2019. That concurrence places the project on the USACE work plan, making it eligible to receive Federal funding for both design and construction. Both the design and construction phases are supported by Federal funding at 65% and non-Federal funding (City, State, or other eligible funds) at 35%, with a total estimated cost of \$32,500,000.

The City is requesting capital funding to support this project in the amount of \$5,000,000. The resultant match from Federal funds would be over \$9,200,000. We support any and all efforts of the State to stretch our limited capital funds by investing in projects that result in matching funds, increasing the benefits of those projects to businesses in our State and to our economy. Leveraging \$5,000,000 of State Capital funding into over \$14,200,000 of economic activity in our State in support of this project provides an outstanding return on the investment of the State’s money, while helping the City save critical infrastructure and drive additional private capital investment in Old Town Kenai.

Thank you for your consideration.

Sincerely,

CITY OF KENAI:

\_\_\_\_\_  
Brian Gabriel, Mayor

\_\_\_\_\_  
Bob Molloy, Vice Mayor

\_\_\_\_\_  
Henry Knackstedt, Council Member

\_\_\_\_\_  
Glense Pettey, Council Member

\_\_\_\_\_  
Jim Glendening, Council Member

\_\_\_\_\_  
Tea Winger, Council Member

\_\_\_\_\_  
Victoria Askin, Council Member





## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Mary Bondurant, Airport Manager  
**DATE:** February 8, 2021  
**SUBJECT:** **Airport Mid-Month Report February 2021**

---

2018 Terminal Rehabilitation Project – Construction: The project has reached the closeout stage. Closeout package to the FAA in March 2021. Project is under warranty until March 27, 2021.

2019 Alaska Fire Training Facility Rehabilitation & Acquire Aircraft Rescue and Firefighting Trucks (ARFF) – This project has reached the closeout stage. The two ARFF vehicles are on-order with OSHKOSH with a delivery date of June 2021.

2020 Acquire SRE (Loader) – The new 621F Case loader arrived at the Airport on Friday, February 5, 2021. The closeout process will begin.

2020 Land Acquisition – The project is in the closeout process with the Airport Layout Plan being updated to reflect this acquisition and other land updates. Once the ALP updates are complete the closeout package will be submitted to the FAA.

2020 Sand/SRE Storage Building – This project is in winter shutdown; however, the engineers provided an update that submittals are coming in and the contractor is ramping up for spring work. Project is scheduled for completion in fall of 2021.

### In-house Activities:

#### Airport Administration –

- The FY22 budget was completed and submitted to Finance on Friday, February 5, 2021.
- At the request of the FAA, a five-year Airport Capital Improvement Plan was submitted on January 28, 2021. City Admin. will meet with FAA officials to discuss the program.
- Working on a package to submit to the NWAAAE on the terminal rehabilitation project for their 50<sup>th</sup> anniversary history book. Deadline is February 28, 2021.
- Reviewing department procedures to identify efficiencies to improve or reduce costs to operations.
- Working on the design of the terminal landscaping and upgrades to the camping sites at the Float Plane Basin.



# KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## MEMORANDUM

**TO:** Mayor Gabriel and Council Members  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Terry Eubank, Finance Director  
**DATE:** February 10, 2021  
**SUBJECT:** Finance Department Mid-Month Report – February 2021

---

The FY22 Budget is now a major focus of the department with preparation packets having been distributed to department heads. The Council is scheduled to receive its first draft of the FY2022 budget in April. The budget calendar is attached. There is much work to be done by all City departments over the next couple of months.

The department is implementing the change in asset allocation for the City's Permanent Funds adopted by Council on February 3<sup>rd</sup>. This transition will be implemented over time to avoid losses when liquidating fixed income assets and to smooth the investment into the equity markets. The transition should be complete by the end of the first calendar quarter 2021.

With the assistance of Vice Mayor Molloy and Councilors Askin and Glendening, the department is preparing a request for proposal (RFP) to solicit the City's auditors for the next three years. The RFP is prepared and will be released in March with the expectation to have a resolution of award before Council in April.

The Department issued a request for quotes to provide implementation assistance with the new Governmental Accounting Standards Board Pronouncement number 87 dealing with the accounting for leases. Quotes were obtained from three firms with BDO USA, LLP. Providing the lowest quote of \$11,000. Implementation was originally required by June 30, 2021 however, because of COVID-19 the implementation was delayed to June 30, 2022. Despite the delay in implementation the department plans to implement by June 30, 2021 as previously scheduled. Funds were provided in the FY21 Budget for these services.

## FY 2022 BUDGET PREPARATION CALENDAR

Date	Facilitator	Action
January 5	Finance Director	Revenue & COLA estimates to City Manager
January 8	City Manager & Finance Director	Budget guidance and submission requirements provided to department heads with preparation packets.
January 15	Department Heads	Overtime, new positions, and reclassification requests to City Manager.
January 22	City Manager	Personnel requests forwarded for analysis to Human Resource Director.
January 29	Human Resource Director	Personnel requests forwarded for analysis to Finance Director.
February 5	Department Heads	Department operational budget submission due to Finance.
February 5	Department Heads	Department Special Project requests due to Finance.
February 12	Finance Director	Personnel budget submitted to City Manager
February 19	City Manager	City Manager approval of personnel budget requests.
February 19	Finance Director	Consolidated operational budget submitted to City Manager.
February 19	Finance Director	Consolidated Special Project requests submitted to City Manager.
February 24-26 March 1-3	City Manager, Finance Director & Department Heads	Departmental budget meetings with City Manager.
March 24	Finance Director & City Manager	Budget goals public meeting
March 31	Public Works Director	5-year Capital Plan Complete
April 7	Finance Director	Draft budget distributed to Council.
April 12 – April 30	City Manager, Finance Director & Department Heads	Budget work session. Meeting date to be determined by Council.
April 28	Finance Director	Budget Ordinance to City Clerk for May 5 Council packet.
May 5	Finance Director	Introduction of Budget Ordinance.
May 10	Finance Director	Publish notice of public hearing to adopt FY22 Budget.
May 11	Finance Director	Mill Rate Resolution to City Clerk for May 19 Council packet.
<b>May 19</b>	<b>Finance Director</b>	<b>Public hearing and adoption of Budget Ordinance</b>
May 19	Finance Director	Public hearing and approval of Mill Rate Resolution (Must be provided to KPB by 6/15).
June 25	Finance Director	Publication & distribution of Budget document.



## MEMORANDUM

**TO:** Mayor Brian Gabriel and City Council

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Tony Prior, Fire Chief

**DATE:** February 8, 2021

**SUBJECT:** Fire Department Mid-Month Report – January

As we head into 2021 we begin with a decline in call volume comparative to January 2020 numbers. January calls for service are as follows:

Year	2020	2021	% change
January total	142	92	-35.2%
EMS	97	77	-20.6%
All Other	45	15	-66.7%
Year total	142	92	-35.2%

We joined with our neighboring departments to host a Paramedic Refresher and 8 of our Paramedics attended the annual refresher. Our personnel were also very busy in completing their vaccination training to begin hosting our clinics. We assisted Safeway to vaccinate occupants of Vintage Point, then we assisted Nikiski Fire Department to vaccinate seniors who are part of our Meals-On-Wheels Program. Both clinics were hosted at the Kenai Senior Center and follow up clinics are scheduled for February 16.

We are now an “Enrolled Partner” with the State of Alaska Department of Public Health as vaccinators to help in the COVID-19 pandemic. We completed our first clinic in coordination with Soldotna Professional Pharmacy on the 6<sup>th</sup> of February with 218 total doses given by our staff and more clinics to follow. There are still limited supplies of vaccines available and we will continue to work through the Phases and Tiers the State has identified as we move forward.

I’d also like to thank them for helping cover shifts and as we begin hosting clinics that require our whole staff to make those a success. I believe we are off to a good start in 2021!





# KENAI





City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

## MEMORANDUM

**TO:** Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Katja Wolfe, Library Director  
**DATE:** February 5, 2021  
**SUBJECT:** Library Mid-Month Report January 2021

After being closed for over 2 months, the Kenai Community Library reopened on January 18, 2021, with a reduced building capacity and Grab & Go services. For more information on all the services we provide, please visit our website at <https://www.kenai.city/library>.

### January 2021 at a Glance

Items Borrowed		Jan-20	Jan-21	2021 YTD
Physical		8,149	2,869	2,869
Digital		1,182	1,469	1,469
<b>Visits and Services</b>				
Visitors Welcomed		6,942	870	870
Number of Curbside Pickups		n/a	381	381
New Memberships		46	32	32
<b>Programs</b>				
Number of Programs		30	17	17
People Reached (DIY Kits)		380	168	168
People Reached Virtually		n/a	675	675
<b>Technology Sessions</b>				
Computer sessions		689	83	83
WiFi Sessions		n/a	3,067	3,067

### January 2021 programming highlights

- Virtual programs via Facebook, YouTube, and Zoom included
  - Weekly Lego® challenge (155 views)
  - Virtual story times (20 participants, 347 views)
  - Zoom class visit (7 participants)
  - Let's Draw! Woolly Mammoth (97 views)
  - Charcoal Portrait Demo (100 views)
  - Bath Indulgence (125 views)
- DIY kits
  - Calendar Cube (72)
  - Comic Book Diary (40)
  - Financial Wellness Kit (6)
  - Time Thief Escape Room (50)

### January 2021 library services highlights

- Curbside pickup service will continue during library hours
  - Average of 12 curbside pickups per day (381 total)
  - Numbers down since we reopened on January 18
- Transits:
  - We loaned 676 items to member libraries of the Alaska Library Catalog. These loans are in addition to the items checked out at our library
  - We borrowed 801 items from member libraries of the Alaska Library Catalog. These loans are included in the number of items borrowed at our library.
- New collections
  - New Discovery kits launched at the end of November 2020
    - Have checked out 37 times since then (turnover rate of 3!)
  - Chromebooks are now available for checkout for home use.





## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Robert J. Frates, Parks & Recreation Director  
**DATE:** February 9, 2021  
**SUBJECT:** **Mid-month Activity Report - January**

---

The Kenai Multi-purpose Facility continued to see a significant uptick in ice hours reserved. January's total of reserved ice hours was 178.75, compared to 107.75 last year during this same time. The Kenai Peninsula Hockey Association (KPHA) successfully held a COVID safe Peninsula Games Tournament which included a few out-of-town teams.

Laborer Charlotte Thurman accumulated 21 hours clearing snow from fire hydrants. This was a culmination of handwork and use of a tractor. The department received some volunteer assistance through arrangements made by the Kenai Fire Department.

The recreation center has seen some increased traffic due to relaxation of certain COVID-19 restrictions. December's attendance numbers were 1,123 visitors while January's was 1,871. We are encouraged this trend will continue.

Below is a list of activities accomplished by the department:

- Staff completed assigned online cyber-security training.
- A total of 35.25 hours were spent clearing snow from facility sidewalks and parking lot areas.
- Operator Dodge groomed a total of 152.20 miles of ski trails located at the golf course; total accumulated hours was 48.75.
- The department spent 24.50 hours maintaining the ice skating pond at Daubenspeck Family Park. A handful of birthday parties have been held there as an alternative to utilizing indoor facilities.
- Staff incorporated electrostatic sprayers to assist with COVID-19 disinfecting efforts. This should significantly reduce labor hours needed for routine disinfecting of touch point surfaces.



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Ryan Foster, Planning Director  
**DATE:** February 9, 2021  
**SUBJECT:** **Planning and Zoning January 2021 Report**

---

### Planning and Zoning Commission Agenda Items and Resolutions

- **Resolution PZ2020-37** - Preliminary Subdivision Plat of Beaver Creek Alaska Subdivision 2020 Replat, submitted by Segesser Surveys, Inc., 30485 Rosland Street, Soldotna, AK 99669, on behalf of Freedom Indeed LLC, P.O. Box 1109, Kasilof, AK 99610 and Luke Saven LLC, P.O. Box 439, Kasilof, AK 99610
- **Resolution PZ2021-03** - Preliminary Plat of Illiamna View Subdivision 2020 Replat, submitted by McLane Consulting, Inc., P.O. Box 468, Soldotna, AK 99669, on behalf of Clifford Heus and Kathleen Heus, 4540 Kenaitze Court, Kenai, AK 99611
- **Resolution PZ2021-01** - Application for a Conditional Use Permit for eight additional single family dwellings, on Government Lot 107, Section 31, Township 6 North, Range 11 West, and located at 1614 Second Avenue. The application was submitted by Byler Contracting, P.O. Box 877750, Wasilla, AK 99687, on behalf of the TKC LLC, P.O. Box 10658, Bakersfield, CA 93389

### Building Permit and Site Plan Reviews

Planning and Zoning staff reviews all Building Permits for compliance with the zoning code. The Department conducted 2 Building Permit reviews in January, 2021.

### Code Enforcement

There were no new code enforcement cases opened in January 2021.

### Lands

The City did not receive any applications for Special Use Permits or Leases during January, 2021. Professional Escrow Services is in the process of preparing the closing documents to complete the purchase of Tract A, Original Townsite of Kenai Bluff Replat for the Bluff Erosion Stabilization Project.



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** David Ross, Police Chief  
**DATE:** February 8, 2021  
**SUBJECT:** **Police & Communications Department Activity – January 2021**

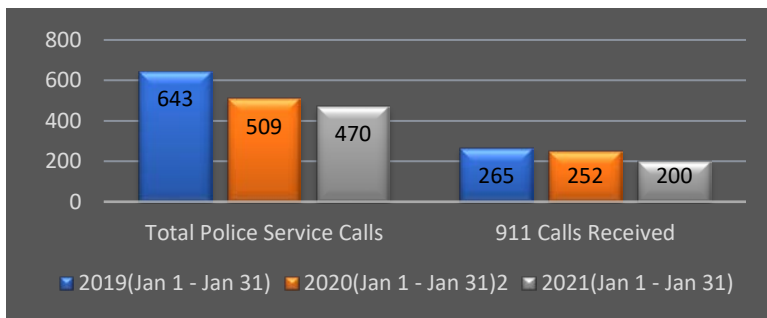
---

Police handled 470 calls for service in December. Dispatch received 200 9-1-1 calls. Officers made 44 arrests. Traffic enforcement resulted in 157 traffic contacts and 49 traffic citations. There was 1 DUI arrest. Officer investigations were conducted on 8 motor vehicle crashes. There was 1 collision involving a moose. There were no collisions involving drugs or alcohol.

One new officer completed his field training, and two new officers continue in their field training. Two new officers started a three week lateral officer academy in Sitka at the Department of Public Safety Training Academy.

Our School Resource Officer has returned to his regular assignment in the schools. He handled multiple police related calls in the schools this month and taught DARE classes at Mountain View Elementary.

The Dispatch Center experienced some employee turnover this month and will be working to fill a part-time and a full-time dispatch position. The large grant funded dispatch radio console replacement project is underway and completion is anticipated in February.





## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council

**THROUGH:** Paul Ostrander, City Manager

**THROUGH:** Dave Ross, Police Chief

**FROM:** Jessica “JJ” Hendrickson, Animal Control Chief

**DATE:** February 1, 2021

**SUBJECT:** January 2021 Monthly Report

This month the Kenai Animal Shelter took in **54** animals. Animal intake and disposition:

DOGS:				
	INTAKE	41	DISPOSITION	12
	Waiver	4	Adopted	4
	Stray	15	Euthanized	2
	Impound	0	Claimed	6
	Protective Custody	0	Field Release	0
	Quarantine	2	Transferred	0
	Microchips	18	Other Dispositions	0
	Other Intakes	2		
CATS:				
	INTAKE	13	DISPOSITION	20
	Waiver	5	Adopted	11
	Stray	8	Euthanized	2
	Impound	0	Claimed	1
	Protective Custody	0	Field Release	0
	Quarantine	0	Transferred	6

Microchips	0	Other Dispositions	0
Other Intakes	0		0
OTHER ANIMALS:			
INTAKE	0	DISPOSITION	0
Chinchilla	0	Chinchilla	0
Rabbit	0	Rabbit	0
Other	0	Guinea Pig	0
DOA:	9	OTHER STATISTICS:	
Dog	4	Licenses (City of Kenai Dog Licenses)	53
Cat	5		

- 0 Animal dropped with After Hours (days we are closed but cleaning and with KPD)
- 38 Animals are *known* borough animals
- 30 Animals are *known* City of Kenai
- 5 Animals are *known* City of Soldotna
- 0 Animals from unknown location
- 33 Field Investigations & patrols
- 0 Volunteer Hours Logged
- 0 Citations
- 0 Educational Outreach

Statistical Data:

- 73 2019 YTD Intakes
- 89 2020 YTD Intakes
- 54 2021 YTD Intakes

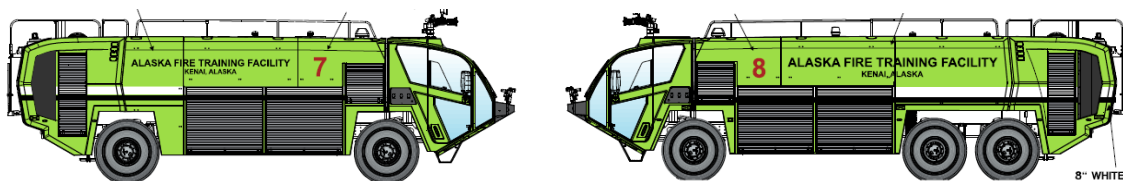




## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council  
**THROUGH:** Paul Ostrander, City Manager  
**FROM:** Scott Curtin, Public Works Director  
**DATE:** February 2021  
**SUBJECT:** **Mid-Month Report - Public Works / Capital Projects**

- Terminal Building Rehabilitation Project – The project reached Substantial Completion on March 27, 2020! Facility is in the warranty period through March 27, 2021. All closeout documentation has been received from the Contractor. *Final Notice of Completion was received from the Department of Labor on January 5, 2021. Closeout with the Federal Aviation Administration is expected to start in March 2021.*
- Alaska Regional Fire Training Facility Building Rehabilitation Project – The project reached Substantial Completion on June 2, 2020 and Fire Training successfully took place this past summer. Staff continues to work with the FAA on project closeout. Project will continue through Warranty phase through June 2021.
- Alaska Regional Fire Training Facility Equipment Rehabilitation Project - The project reached Substantial Completion on March 13, 2020 and Fire Training successfully took place this past summer. The Contractor did return to complete Punch list items last September, a propane tank inspection was conducted at that time and did identify deficiencies within that part of the equipment. These repairs will take place in the spring coinciding with the next round of training, so the Contractor will be onsite in the event of any operational issues.
- *Alaska Regional Fire Training Facility Aircraft Rescue Fire Fighting (ARFF) Vehicles – The Federal Aviation Administration (FAA) grant that provided funding for the other two projects listed above is also providing for two new ARFF vehicles. One 1500 gal and one 3000 gal unit, images below. Delivery is anticipated for June 2021, PO119953 was issued 3/19/20.*





- Kenai Municipal Airport Wheeled Loader Replacement – An Invitation to Bid was released on May 20, 2020 with bids due on June 10, 2020. Two bids were received with Yukon Equipment, Inc. providing the lowest responsive bid for 2020 Case model 621G and associated attachments. Total cost of loader with all attachments as well as some minor administrative costs equal \$270,000. An FAA grant will be covering 100% of the costs. Contract was executed on September 4, 2020 and the Loader *has now arrived in Kenai on February 4, 2021. Staff is finalizing preparations for placing the equipment in service and conducting training with the Manufacturer's representatives. See photo below. Yukon Equipment and the City Shop staff have done an excellent job in completing this purchase for the City.*



- Kenai Municipal Airport Sand Storage Facility – The City executed a design agreement to HDL Engineering on April 17, 2020 for a new Sand Storage Facility. On August 7, 2020 Final Design Documents were received and a Formal Invitation to Bid was released on August 10<sup>th</sup> with Bids due on August 31<sup>st</sup>, 2020. Orion Construction was the successful bidder with a low bid of \$2,289,000. The City successfully executed a grant with the FAA on September 25, 2020 in the amount of \$1,954,101, a second grant is anticipated for next Spring, May 2021, to cover the remaining costs on a total project cost of \$2,835,263. A Notice to Proceed for Construction was issued for October 14, 2020, and the schedule will run 365 days. The Contractor successfully mobilized to the site, cleared the area for the new building and brought in structural fill where required by Contract. Project is now winterized and will start back up in spring. Submittals will be completed over the winter months.
- Kenai Municipal Airport Airfield Drainage – Ordinance 3166-2020 Authorized HDL Engineering to begin an assessment on both the existing runway as well as some ongoing drainage issues. On December 14, 2020 an agreement was executed to begin investigations on the Airfield Drainage project. The initial agreement in the amount of \$37,230 will provide for CCTV camera inspections of several thousand feet of storm main near the runway. On January 8, 2021 we received a report from HDL with the condition assessment of the drainage lines that were inspected prior to the Holidays. Based on this information HDL has provided a proposal to complete Construction Documents for the replacement of approximately 500 LF of the most deteriorated pipe, with other sections to wait and be completed along with the future Runway Rehabilitation Project. Ordinance 3185-2021 is up for approval at the February

17, 2021 Council Meeting and appropriates additional funds for a total anticipated project cost of \$300,000.

- Dock repair – An Invitation to Bid was released on May 29, 2020 with Bids due on June 19, 2020. No bids were received. On July 10, 2020 the project was re-advertised for bids with bids due on July 27, 2020. The City received one Bid from Endries Company in the amount of \$298,365. Ordinance 3154-2020 was introduced on August 5, 2020 *and approved on August 19, 2020*. Formal contract was executed with Endries Company on August 31, 2020 with a formal Notice to Proceed provided on the same day. Work associated with the Cathodic Protection is now complete. The remaining Work will need to wait until warmer temperatures arrive in the spring. Anticipated final completion June 1, 2021.
- Peninsula Avenue Bluff Erosion 2020 – An Invitation to Bid was released on May 31, 2020 with Bids due on June 19, 2020. Four bids were received with Foster Construction being the lowest responsive responsible bidder at \$94,670. Council approved the project through passage of Resolution 2020-57 at the July 1, 2020 meeting. Contractor has completed submittals with the Engineers, and is anticipated to mobilize to the site on September 11, 2020 and begin moving dirt the week of the 14th. As of October 13<sup>th</sup> the project is nearly complete. The project was successful and will require installation of top soil and grass seed in the spring. The December 16, 2020 Council Packet includes a Purchase Order increase request, to Foster's Construction to account additional necessary measures taken to control ground water and runoff during construction, details within the included Memo. The Department would like to thank Fosters Construction and Larsen Engineering for their efforts on the project.
- Vault Restrooms – 100% Design documents were received on June 10, 2020 from Nelson Engineering. An Invitation to Bid was released on June 14, 2020 with Bids due on June 29, 2020. Four bids were received with Polar North Construction being the lowest responsive responsible bidder at \$359,850. Council approved the project through passage of Resolution 2020-58 at the July 1, 2020 meeting. Contract documents were executed on July 23, 2020. Construction is now shutdown for the winter. Pending Change Order 1 shall provide for a credit back to Owner in the amount of \$264 for minor changes to door hardware, and will add time to the contract to allow final painting to take place in spring under warmer temperatures. Construction has proceeded very smoothly, please extend the City's gratitude to Polar North Construction and Nelson Engineering for making this project a success.
- Waste Water Treatment Plant Master Plan – Resolution 2020-48 was approved at the June 17, 2020 Council meeting allowing this work to proceed. On July 2, 2020 HDL staff and consultants spent the day on the property going through all systems of the plant. On August 31, 2020 the first draft assessment was received. Staff continues to work with HDL to develop plans for the facility in preparation of updates to the Capital Plan. HDL also continues to assist the department with the renewal of our APDES Permit which expires every five years.
- Waste Water Treatment Plant WAS Pumps – Polar North was awarded a Contract on September 22, 2020 in the amount of \$79,703 to demo and replace 40-year-old pumps. Both

pumps are now installed and operational. Painting of the piping, installation of pipe stands, and final cleanup is pending. There is a pending change order #1 in the amount of \$3,865, which provided for installation of air release valves which greatly improved the pumps operation. The Project has been a great success, the pumps were previously 15hp and the new ones are 3hp and work more efficiently, which will further assist with reductions in utility costs for the facility. Polar North and the Waste Water staff ensured this project was completed on time and on budget, their efforts are appreciated.

- Waste Water Treatment Plant Replacement Sludge Press – Resolution 2020-95 approved at the December 16, 2020 Council meeting authorized HDL Engineering to begin the Design Phase of the WWTP Replacement Sludge Press. Contract Documents were executed on January 6, 2021 with a Notice to Proceed issued on January 11, 2021. First step will be to request proposals from various press manufacturers and make a selection to move through design phases with. Presses of this type typically take six months to manufacturer, goal will be to have an operational new press around late November 2021. *On February 3, 2020 HDL staff was on site taking measurements and further detailing the new press location and associated appurtenances.*
- USACE Bluff Erosion – See City Manager’s report. Director’s Report from the Army Corp of Engineers was signed April 10, 2019. On June 17, 2020 Council authorized the City Manager to sign the MOU received from the Corp. PED Agreement arrived on September 2, 2020. The City mailed a check in the amount of \$350,000 on September 18, 2020 to cover the City’s initial share of PED costs. Meetings have begun with the City Manager and Public Works Director with the ACOE. Draft RFP Docs were sent to ACOE Staff for comment on December 8, 2020 during phone conference with ACOE, City Manager and PWD. Comments were received back on December 9<sup>th</sup>. *Formal Request for Proposals was released on January 28, 2021, Pre-proposal zoom meeting was conducted on February 9, 2021 with approximately twenty people attending. Proposals will be received on March 4, 2021 and we expect to be under contract approximately April 1, 2021.*
- Multi-purpose Facility – The Building Maintenance Department went through the Ice Rink and pressure washed all of the algae that has been growing on the steel beams. Nelson Engineering was also able to come out and assess the structure and condition of the rusting. Formal report was received on October 6, 2020. *Work will continue in the spring.*
- Recreation Center – The Building Maintenance Department and Streets Department are performing repairs with in house personnel. Repairs to a drainage issue on the west side of building are being completed, as well as pressure washing of the building and new exterior staining. Photos below. *Work will continue into the spring as weather warms back up.*
- Kenai Municipal Airport (KMA) Tractor & Mower – Invitations to Bid were released on November 20, 2020 with Bids Due on December 8, 2020. This project is in support of Airfield Maintenance Operations and is identified as Project No. 5 for the Airport Fund in the City’s current Capital Improvement Plan. Council can expect to see legislation in December in relation to this Project. Ordinance 3176-2020 *was approved at the January 6<sup>th</sup>, 2021 Council Meeting with an Award to Craig Taylor Equipment in the amount of \$151,736. Formal Notice of Award was issued on January 12<sup>th</sup>, contract was formally executed on January 21, 2021 and the equipment is now on order. Anticipated arrival August 2021.*

- Fire Sprinkler Testing, Inspection & Monitoring – Invitations to Bid were released on November 20, 2020 with Bids Due on December 8, 2020. This will be for up to a five year term service agreement for all City Facilities. Resolution 2020-93 with a Contract Award to Yukon Fire Protection was approved at the December 16, 2020 Council meeting. Total contract for five years services totals \$74,373. Contractor will be in Kenai on starting on January 18<sup>th</sup> going through all City owned facilities. *The Contractor has performed all preliminary site inspections with the exception of the Senior Housing which was decided to wait until after their vaccination clinics which were actively taking place when contractor started. The City received Yukon Fire's formal report on February 2, 2021, the Contractor is set to return in March and begin repairing deficiencies identified during their inspection. Council will see some upcoming legislation to address needs at the Visitors Center and Recreation Center that are beyond the current budgeted contingencies.*



## MEMORANDUM

**TO:** Mayor Brian Gabriel and Kenai City Council

**THROUGH:** Paul Ostrander, City Manager

**FROM:** Kathy Romain, Senior Center Director

**DATE:** February 8, 2021

**SUBJECT:** **January 2021 Monthly Report**

---

Home Delivered Meals	1107
Home Delivered Meals – COVID-19	1389
Pick-Up Meals – COVID-19	164
Grocery Shopping Assistance	6
Vintage Pointe Meals – COVID-19	409

Though closed to the public, the Senior Center continues to provide services to our senior population. During this crisis we have been able to offer the following:

- Home delivered meals, served Monday – Friday to over 100 individuals in the greater Kenai area.
- Pick-up curb side meals
- Shopping and delivery assistance through Country Foods.
- Prescription pickups and delivery.
- Low income food box delivery.
- Information on COVID19, State of Alaska benefits, and the newest scams surrounding the current crisis.
- PFD Applications

In January, we were able to host two vaccination clinics in conjunction with Kenai Safeway and Kenai and Nikiski Fire Departments. More than 60 individuals, 65 and older received the vaccine.

Kenai Senior Connection, Inc., held their annual meeting in the Senior Center dining room on January 22. The Board voted to purchase a countertop ice/water dispenser, home meal client coolers, a water bottle filler/drinking fountain and new computers for senior learning. All of these purchases are geared toward COVID-19 safety concerns and the re-opening of the Senior Center.

**PURCHASE ORDERS BETWEEN \$2,500.00 AND \$15,000.00 FOR COUNCIL REVIEW**  
**COUNCIL MEETING OF: FEBRUARY 17, 2021**

<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>DEPT.</b>	<b>ACCOUNT</b>	<b>AMOUNT</b>
NORTHSTAR SUPPLY	CALCIUM CHLORIDE	STREETS	OPERATING SUPPLIES	13,671.00
ZONES	ADOBE ACROBAT SUBSCRIPTIONS	VARIOUS	SOFTWARE	3,762.78
STATE OF ALASKA - DEC	ANNUAL PERMIT-WASTEWATER SYSTEM	WWTP	DUES & PUBLICATIONS	7,920.00
KACHEMAK ELECTRIC	N. TARMAC LIGHT POLE REPAIR	AIRPORT	REPAIR & MAINTENANCE	13,140.00
SNAP-ON INDUSTRIAL	VEHICLE DIAGNOSTICS	SHOP	OPERATING SUPPLIES	3,263.45

**Question 1: What is the process for filing an Alternate Measure?**

*Answer:* The Security Directives (SD) 1542 21-02 contain a section that allows an airport operator to make a request of the Federal Security Director (FSD) for alternative measures to comply with the security requirements contained in an SD. The airport operator must propose alternative measures to those in the SD that meet or exceed the requirements outlined therein. An Alternative Measure is not meant to be a means of relieving an airport operator of a security measure or reducing the scope of a measure.

If an FSD fully supports the Alternative Measure submitted by the airport and the included proposed alternatives meet or exceed the requirements in the SD, then the FSD may recommend the measure to the Assistant Administrator of Policy, Plans and Engagement for consideration.

**SD Section: APPROVAL OF ALTERNATIVE MEASURES**

The operator must immediately notify the FSD whenever any action required by this SD or a TSA-approved alternative measure cannot be carried out. In accordance with 49 CFR 1542.303(d), the airport operator may submit proposed alternative measures and the basis for submitting those measures in writing to the Assistant Administrator for Policy, Plans, and Engagement through the FSD.

**Question 2: Does the SD apply to Military/Government Charters that operate out of non-airport location, such as a military base, or Fixed Base Operation?**

*Answer:* Military/Government Charter Flight are not regulated under 49 CFR part 1544.

**Question 3: What is meant by “escort them from the airport”?**

*Revised Answer:* SD 1542-21-01 B.2 Should an individual refuse to wear a mask at the airport after being asked to do so, they must be escorted from the airport **at the earliest safe opportunity**. Compliance with this Security Directive will be achieved by escorting the individual who refuses to wear a mask to the area closest to the affected terminal that is not covered by the airport’s security program. At airport locations where such an escort is impracticable, compliance may be achieved by escorting the individual who refuses to wear the mask to the outdoor area that is closest to the affected airport terminal **and directing them to leave airport property**.

**Question 4:**

**Can you confirm that in offices and other spaces located in non-public locations in the airport where employees, authorized representative or contractors are alone, a mask is not necessary and will not be enforced?**

**Does this mask mandate apply to areas of an airport that are not accessible by the general public? (I.E. conference rooms, cargo areas, fire department, etc.)**

**As it would relate to our private hangar and offices that are not accessible to the public, and not related to passenger or cargo transportation. Do you have any guidance for us on the applicability of the SD in our own, non-public hangar?**

**Can you expand upon the scope of “in or on the airport”? Does this include the parking garage, gas station, grocery store, general aviation facilities, etc.? (There are a number of entities on airport property that do not pertain to aviation).**

*Answer:* Yes, a mask is required to be worn while on airport property, unless the individual meets one of the exemptions described in the SD or EA. TSA has determined that all guidance provided includes the mandate of wearing a mask at the airport and offices are not expressly excluded.

**Question 5: Are crewmembers on the flight deck required to wear a mask?**

*Answer:* SD 1544-21-01 allows for exemptions for aircraft operators in Section F.3. Section F.3 identifies an exemption for people for whom wearing a mask would create a risk to workplace health, safety, or job duty as determined by the relevant workplace safety guidelines or federal regulations.

**Question 6: Can an aircraft operator compile the incident reports, collect the requested data, and crew reports, and then notify TSOC at a later time?**

*Answer:* SD 1544-21-01 requires regulated entities to follow incident reporting procedures in accordance with its TSA-approved standard security program.

**Question 7: Enforcement continues to be a concern – not the basic mask wearing but rather the putting your mask on between food bites while eating language. They are concerned with having to enforce this.**

*Answer:* The requirement to wear a mask does not apply while an individual is actively consuming a meal. Aircraft and Airport Operators must use their own judgment on a case-by-case basis.



**Question 8:**

**For reporting, are we required to report every event in which a passenger refuses to wear a mask, absent a threat, or only when it involves a security-related incident?**

**What sort of effort is sufficient when it comes to obtaining names and contact information under Section G?**

*Answer:* Operators must report all security incidents when an individual refuse to comply with mask requirements/refuses to comply with instruction given by a crew member with respect to wearing a mask. Operators should provide the information requested in (SD 1542-21-01, Section G; SD 1544-21-02, Section G; EA 1546-21-01, Section G) if available. While a name is necessary to pursue an investigation into the incident, incidents must still be reported even if the name of the violator is not available.

**Question 9: Does the exemption to allow masks to be briefly removed to eat, drink, and take oral medications extend to smoking?**

*Answer:* The CDC Order does not provide an exemption for smoking. TSA SD 1542-21-01 is consistent with the CDC Order and does not provide an exemption for smoking.

**Question 10: Does SD 1542-21-01 require Law Enforcement Officers to remove individuals from the airport?**

*Answer:* The SD 1542-21-01 requires airport operators to escort individuals who refuse to wear a mask from the airport. TSA does not specify that the removal must be done by a LEO.

**Question 11: How will passengers who have been granted a medical exemption be identified, so they are not challenged for not wearing a mask?**

*Answer:* The Airport Operator is responsible for ensuring a passenger complies with SD 1542-21-01, including that the passenger has a valid medical exemption. The SD does not require a specific process. The Airport Operator may implement a process to assist them in identifying passengers who have been exempted, including coordination with Aircraft Operators/Foreign Air Carriers.

**Question 12: When a passenger claims a disability exemption, does the airline/airport have to request medical documentation?**

*Answer:* As discussed in Footnote #6 in SD 1542-21-02, airport operators *may* impose requirements, or conditions of carriage, on persons requesting an exemption from the requirement to wear a mask, including medical consultation by a third party, medical documentation by a licensed medical provider, and/or other information as determined by the airport operator, as well as require evidence that the person does not have COVID-19 such as a negative result from a SAR-Co V-2 viral test or documentation of recovery from COVID-19. CDC definitions for SAR-CoV-2 viral test and documentation of recovery are available in Frequently Asked Questions at: <https://www.cdc.gov/coronavirus/2019-ncov/travelers/testing-international-air-travelers.html>. Airport operators may also impose additional protective measures that improve the ability of a person eligible for exemption to maintain social distance (separation from others by 6 feet), such as scheduling travel at less crowded times or on less crowded conveyances, or seating or otherwise situating the individual in a less crowded section of the conveyance or airport. Airport operators *may* further require that persons seeking exemption from the requirement to wear a mask request an accommodation in advance. The TSA checkpoint does require medical documentation.

**Questions 13:**

**How will federal enforcement work with passengers?**

**Once we pass the information we have to TSOC, does it go to TSIs for potential action or does it go to another agency for action?**

*Answer:* For security-related incidents, TSA will be the POC; for safety related incidents, please contact FAA.

**Question 14: Can a passenger be hit twice with violations (once by TSA, once by FAA for example)?**

*Answer:* With respect to compliance with SD 1544-21-02 and EA 1546-21-01, TSA is the agency that has authority; if the passenger commits other violations, the passenger could potentially be subjected to additional penalties from other agencies for those additional violations.

**Question 15: Public Health England’s (the UK Government) guidance is that children 11 and younger are exempt from all face mask requirements, including those for air travel. BA is anticipating a push back and compliance issue with parents who will cite this UK government age exemption when told by BA that they must put a mask on their children 3 and older. Does the Preemption language in the EA cover this?**

*Answer:* The preemption language in the EA does not apply because the UK measures are not more protective. EA 1546-21-01 only provides an exemption for children under the age of 2. For purposes of flight operations to, from, or within the U.S., the EA must be followed.

**Question 16: Are TSA officers trained to inform individuals at the passenger screening checkpoint the requirements for wearing a mask and will there be public announcements within the airport?**

*Answer:* Passengers who approach the TDC without a mask will be asked to wear or obtain one to proceed. While the officer at the TDC will request that travelers temporarily lower the mask to verify their identity, passengers who refuse to wear a mask will not be permitted to enter the secure area of the airport, which includes the terminal and gate area. SD 1542-21-01 requires that the airport operator must make best effort to provide individuals with prominent and adequate notice of the mask requirements to facilitate awareness and compliance. Notice may include, if feasible, advance notifications on digital platforms, such as on apps, websites, or email; posted signage in multiple languages with illustrations; or other methods as appropriate.

**Question 17: What are the federal penalties that the passenger could be facing?**

*Answer:* The TSA fine structure for individuals who violate the SD are below. Based on substantial aggravating or mitigating factors, TSA may also seek a sanction amount that falls outside these ranges.

1st offense – Recommend \$250-\$500

2nd offense – Recommend \$500 - \$1500

**Question 18: Can copies of incident reports to TSOC be obtained? Through FOIA?**

*Answer:* Yes, assuming no classified material and all FOIA redaction will apply to include Security Sensitive Information and Personally Identifiable Information.

**Question 19:**

**Are flight school instructors and their students required to wear masks at all times?**

**Are masks required for outdoor staff such as those fueling aircraft or ramp personnel not working within 6 feet of anyone?**

**Is a mask required to be worn in the airport designated smoking area?**

*Answer:* Yes, a mask is required to be worn while on airport property, unless the individual meets one of the exemptions described in the SD or EA. Outdoors activities are not an exemption

**Question 20: We have numerous military installations at some of our airports. USAF, USCG, guard, etc. We have always excluded these areas from our ASP and have always held that those areas are not regulated under 1542. We haven't notified them of the SD requirements and aren't planning to, based on the question 2 of the FAQ.**

**If TSA agrees that it does not apply there, is it because those areas aren't regulated by 1542 and aren't part of the ASP or something else? If the former, wouldn't that same logic hold when determining applicability to other areas of airport property not regulated by 1542 and not in the ASP? (nature trails, parks, parking lots, hotels, schools, businesses, etc.)**

*Answer:* The requirements in SD 1542-21-01 do not apply at locations under the control of a federal government agency or their contractors (as well as at locations under the control of aircraft operators and foreign air carriers); the SD was issued to implement Executive Order 13998 "Promote COVID-19 Safety in Domestic and International Travel," which was issued on January 21, 2021, and to enforce the related order issued by the CDC. Executive Order 13991 "Protecting the Federal Workforce and Requiring Mask-Wearing", issued on January 20, 2021, addresses mask-wearing by employees and contractors in airports or on airport grounds; this requirement applies regardless of whether the locations are described in the ASP.

**Question 21: We have numerous locations on airport property that may be a mile away from the airfield proper. We have residential housing, sledding hills, walking trails, and numerous other facilities that are in no way involved in air transportation, transportation hub, or protecting the federal workforce. TSA’s interpretation and direction to apply to all airport property is grossly overstepping the presidential EOs, the DHS emergency declaration, and the CDC order.**

*Answer:* TSA is implementing the requirements in SD 1542-21-01 based on EO 13998, and TSA is enforcing the CDC Order Under Section 361 of the Public Health Service Act and 42 Code of Federal Regulations (citations omitted), issued on January 29, 2021. The CDC Order expressly exempts private conveyances operated for personal, non-commercial use. While residential housing on airport property was not expressly contemplated by the CDC Order, TSA infers that private residential housing used for personal, non-commercial use is also exempted. However, sledding hills, walking trails, and numerous other facilities are not exempted.

**Question 22: Due to the continued and protracted financial/operational stress the airline industry continues to face during this COVID-19 pandemic, will TSA exercise enforcement discretion with regulated entities?**

*Answer:* The written guidance issued to the Compliance workforce regarding the SDs/EA specifically addresses these concerns. It requires the TSI, as part of the investigation, to look into whether the employee is excused from wearing a mask due to their job functions, including but not limited to safety regulations from OSHA. The guidance will further require the TSI receive concurrence from both field counsel and HQ before sending a Letter of Investigation. This additional measure was added as another layer of review to ensure that LOIs are not being issued to individuals who should not wear a mask because of these safety concerns.

**Question 23: Can passengers wear a gaiter/gaiter-type face covering?**

*Answer:* Yes, cloth masks should be made with two or more layers of a breathable fabric that is tightly woven (i.e., fabrics that do not let light pass through when held up to a light source). If gaiters are worn, they should have two layers of fabric or be folded to make two layers. Mask should fit snugly but comfortably against the side of the face. Mask should be a solid piece of material without slits, exhalation valves, or punctures. SD-1542-21-01 defines the term “mask,” and footnote 2 of the SD contains information about masks and their proper wearing.

**Question 24: May an airport employee (not a TSA employee) be granted an exemption from having to wear his mask when alone in an otherwise communal workplace? He has provided medical documentation stating he has pulmonary embolus from previously contracted COVID infection.**

*Answer:* Footnote 7 of SD 1542-21-01 discusses a narrow exception that includes a person with a disability who cannot wear a mask, or cannot safely wear a mask, for reasons related to the disability. The disability must rise to a level where the disability renders the person incapable of removing the mask. It is not meant to cover persons for whom mask-wearing may only be difficult. Additionally, footnote 6 of this SD states that an airport operator may impose requirements on persons requesting an exemption, impose additional protective measures, and require that persons seeking a mask-wearing exemption request an accommodation in advance. Footnote 5 of this SD states that persons who are experiencing difficulty breathing or shortness of breath or are feeling winded may remove the mask temporarily until able to resume normal breathing with the mask. Persons who are vomiting should remove the mask until vomiting ceases. Persons with acute illness may remove the mask if it interferes with necessary medical care such as supplemental oxygen administered via an oxygen mask.

**Question 25: Would a tug driver be required to wear a mask if the mask fogs up their corrective lenses, thus making for a safety concern?**

*Answer:* A mask is required to be worn while on airport property, unless the individual meets one of the exemptions described in the SD or EA. The exemption in SD-1542-21-01 is for “people for whom wearing a mask would create a risk to workplace health, safety, or job duty as determined by the relevant workplace safety guidelines or federal regulations.