



Kenai City Council - Regular Meeting

June 05, 2024 – 6:00 PM

Kenai City Council Chambers

210 Fidalgo Avenue, Kenai, Alaska

www.kenai.city

****Telephonic/Virtual Information on Page 3****

Agenda

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Approval of the Agenda and Consent Agenda (*Public comments on Consent Agenda Items 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 ADMINISTRATIVE REPORTS

1. Fiscal Year 2023 Audit Report, Joy Merriner, BDO USA, LLP.

C. SCHEDULED PUBLIC COMMENTS (*Public comments limited to ten (10) minutes per speaker*)

D. UNSCHEDULED PUBLIC COMMENTS (*Public comments limited to three (3) minutes per speaker; thirty (30) minutes aggregated*)

E. PUBLIC HEARINGS

1. **Ordinance No. 3418-2024** - Adopting the Annual Budget, Salary Schedule and Employee Classification Plan for the Fiscal Year Commencing July 1, 2024 and Ending June 30, 2025 and Committing \$4,499,039 of General Fund, Fund Balance for Future Capital Improvements. (Administration)
2. **Ordinance No. 3419-2024** - Amending Sections of Kenai Municipal Code Title 23 - Personnel Regulations, Sections 23.05.070 - Definitions, 23.25.070 - Acting Positions, 23.30.030 - Probationary Period for Employees in the Classified Service, 23.30.110 – Travel Expense, 23.40.040 - Terminal Leave, 23.55.020 - Compensation Structure by Grade for Employees in the Classified Service, 23.55.030 - Qualification Pay, and 23.55.080 - Longevity Pay for Employees in the Classified Service, to Ensure Appropriate Compensation and Benefits to City Employees Comparable to Other Places of Public Employment Improving Recruitment and Retention of Qualified Employees. (Administration)
3. **Ordinance No. 3420-2024** - Increasing Estimated Revenues and Appropriations in the General Fund and Municipal Roadway Improvements Capital Fund and Awarding a Construction Agreement and Corresponding Purchase Order for the 2024 Lilac Lane Roadway Improvement Project. (Administration)
4. **Resolution No. 2024-19** - Fixing the Rate of Levy of Property Tax for the Fiscal Year Commencing July 1, 2024 and Ending June 30, 2025. (Administration)

- [5.](#) **Resolution No. 2024-20** - Amending the Comprehensive Schedule of Rates, Charges, and Fees to Incorporate Changes Included in the FY2025 Budget to Include Adjusting Airport Fees, Water Fees, Sewer Fees, and Adjusting the Monthly Rental Rates at Vintage Pointe. (Administration)
- [6.](#) **Resolution No. 2024-21** - Authorizing a Budget Transfer in the Airfield Fund, Airport Department for Amounts in Excess of Budget. (Administration)
- [7.](#) **Resolution No. 2024-22** - Authorizing a Budget Transfer in the Airport Terminal Improvements Capital Fund, and Awarding a Construction Contract and Corresponding Purchase Order for the Airport Landscaping Project. (Administration)
- [8.](#) **Resolution No. 2024-23** - Authorizing the City Manager to Execute a Lease of Airport Reserve Lands Between the City of Kenai and D & M Land Company, Limited Liability Corporation for Lot 9A, Block 5, General Aviation Apron Subdivision No. 5. (Administration)
- [9.](#) **Resolution No. 2024-24** - Authorizing the City Manager to Execute a Lease of Airport Reserve Lands Between the City of Kenai and Schilling Rentals, Limited Liability Corporation for Lot 5A, Block 1, FBO Subdivision 2018 Replat. (Administration)

F. **MINUTES**

- [1.](#) *Regular Meeting of May 15, 2024. (City Clerk)

G. **UNFINISHED BUSINESS**

- [1.](#) **Resolution No. 2024-17** - Renaming Cook Inlet View Drive to Cook Inlet Drive. (Sounart) *[On 05/15/24 this item was referred to the Planning and Zoning Commission for recommendation to Council and postponed to 06/05/24.]*

H. **NEW BUSINESS**

- [1.](#) ***Action/Approval** - Bills to be Ratified. (Administration)
- [2.](#) ***Action/Approval** - Special Use Permit to Crowley Fuels, LLC for Use of 35,000 Square Feet of Apron Space at the Kenai Municipal Airport for Aviation Fueling. (Administration)
- [3.](#) ***Action/Approval** - Special Use Permit to Empire Airlines, Inc. for Use of 11,250 Square Feet of Apron Space at the Kenai Municipal Airport for Aircraft Parking. (Administration)
- [4.](#) ***Action/Approval** - Special Use Permit to Everts Air Fuel, Inc. for Use of 30,000 Square Feet of Apron Space at the Kenai Municipal Airport Aircraft Parking. (Administration)
- [5.](#) ***Action/Approval** - Fourth Amendment to Agreement for Janitorial Services with Reborn Again Janitorial Service at the Kenai Municipal Airport. (Administration)
- [6.](#) ***Action/Approval** - Special Use Permit to Kenai Aviation Operations, LLC. for Use of 2,714 Square Feet of Apron Space at the Kenai Municipal Airport for Aircraft Parking. (Administration)
- [7.](#) ***Action/Approval** - Special Use Permit to United Parcel Service Co., Inc. for Use of 4,000 Square Feet of Apron Space at the Kenai Municipal Airport for Aircraft Loading and Parking. (Administration)
- [8.](#) ***Action/Approval** - Confirmation of Mayoral Nomination for a Partial Term Appointment of Joshua Belter to the Airport Commission. (Gabriel)
- [9.](#) ***Action/Approval** - Confirmation of Mayoral Nomination for a Partial Term Appointment of Samantha Springer to the Beautification Committee. (Gabriel)

- [10.](#) ***Ordinance No. 3421-2024** - Increasing Estimated Revenues and Appropriation in the Kenai City Airport Snow Removal Equipment, Visitor Center, and Public Safety Capital Project Funds to Transfer Residual Balance from Completed Projects Back to their Original Funding Sources. (Administration)
- [11.](#) ***Ordinance No. 3422-2024** - Increasing Estimated Revenues and Appropriations in the General Fund and Public Safety Capital Project Fund for Cost in Excess of Projected Budgeted Amounts for Fire Department Flooring Replacement Phase 2. (Administration)
- [12.](#) ***Ordinance No. 3423-2024** - Increasing Estimated Revenues and Appropriations in the General Fund and Personal Use Fishery Fund for Annual Transfer from Personal Use Fishery Fund to the General Fund for Non-Departmental Expenses. (Administration)
- [13.](#) **Action/Approval** - Airport Commission 2024 Work Plan. (City Clerk)
- [14.](#) **Action/Approval** - Beautification Committee 2024 Work Plan. (City Clerk)

I. 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

J. REPORT OF THE MAYOR

K. ADMINISTRATION REPORTS

- [1.](#) City Manager
- 2. City Attorney
- 3. City Clerk

L. ADDITIONAL PUBLIC COMMENTS

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

M. EXECUTIVE SESSION

N. PENDING ITEMS

O. ADJOURNMENT

P. INFORMATION ITEMS

The agenda and supporting documents are posted on the City's website at 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.

Registration is required to join the meeting remotely through Zoom. Please use the following link to register: <https://us02web.zoom.us/join/register/tZMofuihqT0uHdQEPAQbyuLo65KcQNnOUgQZ>



Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3418-2024**

AN ORDINANCE ADOPTING THE ANNUAL BUDGET, SALARY SCHEDULE AND EMPLOYEE CLASSIFICATION PLAN FOR THE FISCAL YEAR COMMENCING JULY 1, 2024 AND ENDING JUNE 30, 2025 AND COMMITTING \$4,499,039 OF GENERAL FUND, FUND BALANCE FOR FUTURE CAPITAL IMPROVEMENTS.

WHEREAS it is a requirement of the Code of the City of Kenai, Alaska, that the City Council, not later than the tenth day of June, adopt a budget for the following fiscal year and make appropriation of the monies needed; and,

WHEREAS, pursuant to Kenai City Charter section 2-4, the City Council has the power to adopt a budget, raise revenue, and make appropriations; and regulate salaries and wages and all other fiscal affairs of the City; and,

WHEREAS, adoption of this Ordinance constitutes Council meeting its obligation to adopt a budget, raise revenue, and make appropriations; and,

WHEREAS, through adoption of the document entitled "Annual Budget for the City of Kenai, Alaska July 1, 2024 – June 30, 2025", which includes the City Manager presented table of Authorized Personnel Staffing and Salary Schedules, Council meets its obligation to adopt the Salary Schedule of the City for fiscal year 2025; and,

WHEREAS, adoption of the document entitled "Annual Budget for the City of Kenai, Alaska July 1, 2024 – June 30, 2025", which includes the City Manager presented Employee Classification Plan satisfies the requirement of KMC 23.50.010; and,

WHEREAS, committed fund balance represents resources whose use is constrained by Council self-imposed limitations at its highest level of decision making, an Ordinance, and that remain binding unless removed in the same manner; and,

WHEREAS, in recognition of deferred and ongoing maintenance needs of City facilities and in support of the City's Fiscal Year 2025 – 2029 Capital Improvement Plan (The Plan), Council commits \$4,515,416 towards funding of The Plan for fiscal years 2025-2029.

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

Section 1. That certain document entitled "Annual Budget for the City of Kenai, Alaska July 1, 2024 – June 30, 2025" which is available for examination by the public in the Office of the City Clerk, the City's website and is incorporated herein by reference is hereby adopted as the budget for the City of Kenai for the fiscal year commencing July 1, 2024 and ending June 30, 2025.

Section 2. The following sums of money are hereby appropriated for the operations of the City of Kenai for the fiscal year commencing on the first day of July, 2024, and ending the 30th day of June, 2025, to be expended consistent with and subject to the restrictions, procedures, and purposes set forth in the Code of the City of Kenai and to be expended substantially by line item in the manner shown in the budget adopted by Section 1 hereof:

General Fund	\$ 20,226,392
Enterprise Fund – Congregate Housing Fund	793,714
Internal Service Funds:	
Equipment Replacement Fund	272,476
Fleet Replacement Fund	93,332
Employee Health Care Fund	<u>3,209,541</u>
Total Internal Service Funds	3,575,349
Special Revenue Funds:	
Personal Use Fishery Fund	537,796
Water & Sewer Fund	3,746,439
Airport Fund	3,709,963
Senior Citizen Fund	<u>1,067,727</u>
Total Special Revenue Funds	9,061,925
Permanent Funds:	
Airport Land Sale Permanent Fund	1,090,387
General Land Sale Permanent Fund	<u>151,278</u>
Total Permanent Revenue Funds	1,241,665
Capital Project Funds:	
Park Improvement	150,000
Kenai Senior Center Improvement	50,000
Kenai Public Safety Improvement	150,000
Municipal Roadway Improvement	440,000
Congregate Housing Improvement	215,000
Airport Improvement	125,000
Water & Sewer Improvement	662,000
Water & Sewer vehicle replacements	145,000
Waste Water Treatment Plant Equipment	<u>100,000</u>
Total Capital Project Funds	<u>2,037,000</u>
Debt Service Fund – Library Expansion Bonds	<u>130,750</u>
Total All Funds	<u>\$37,066,795</u>

Section 3. Council hereby commits \$4,499,039 of Unassigned General Fund, Fund Balance for future renovations and improvements to City facilities.

Section 4. Council hereby adopts the Salary Schedule presented by the City Manager and included in the “Annual Budget for the City of Kenai, Alaska July 1, 2024 – June 30, 2025”:

Classified employees excluding those engaged in fire protection activities.

Range	A	B	C	D	E	F	AA	BB	CC	DD	EE
1	\$14.24	\$14.60	\$14.95	\$15.31	\$15.66	\$16.02	\$16.63	\$17.23	\$17.84	\$18.44	\$19.05
2	\$14.95	\$15.32	\$15.70	\$16.07	\$16.45	\$16.82	\$17.46	\$18.09	\$18.73	\$19.36	\$20.00
3	\$15.70	\$16.09	\$16.49	\$16.88	\$17.27	\$17.66	\$18.33	\$18.99	\$19.66	\$20.33	\$21.00
4	\$16.49	\$16.90	\$17.31	\$17.73	\$18.14	\$18.55	\$19.25	\$19.95	\$20.65	\$21.35	\$22.05
5	\$17.30	\$17.73	\$18.17	\$18.60	\$19.03	\$19.46	\$20.20	\$20.93	\$21.67	\$22.40	\$23.14
6	\$18.18	\$18.63	\$19.09	\$19.54	\$20.00	\$20.45	\$21.22	\$22.00	\$22.77	\$23.54	\$24.31
7	\$19.08	\$19.56	\$20.03	\$20.51	\$20.99	\$21.47	\$22.28	\$23.09	\$23.90	\$24.71	\$25.52
8	\$20.43	\$20.94	\$21.45	\$21.96	\$22.47	\$22.98	\$23.85	\$24.72	\$25.58	\$26.45	\$27.32
9	\$21.46	\$22.00	\$22.53	\$23.07	\$23.61	\$24.14	\$25.05	\$25.96	\$26.88	\$27.79	\$28.70
10	\$22.52	\$23.08	\$23.65	\$24.21	\$24.77	\$25.34	\$26.30	\$27.25	\$28.21	\$29.17	\$30.13
11	\$23.63	\$24.22	\$24.81	\$25.40	\$25.99	\$26.58	\$27.58	\$28.59	\$29.59	\$30.60	\$31.60
12	\$24.84	\$25.46	\$26.08	\$26.70	\$27.32	\$27.95	\$29.01	\$30.06	\$31.12	\$32.17	\$33.23
13	\$26.09	\$26.74	\$27.39	\$28.05	\$28.70	\$29.35	\$30.46	\$31.57	\$32.68	\$33.79	\$34.89
14	\$27.39	\$28.07	\$28.76	\$29.44	\$30.13	\$30.81	\$31.97	\$33.14	\$34.30	\$35.47	\$36.63
15	\$28.74	\$29.46	\$30.18	\$30.90	\$31.61	\$32.33	\$33.55	\$34.77	\$35.99	\$37.22	\$38.44
16	\$30.18	\$30.93	\$31.69	\$32.44	\$33.20	\$33.95	\$35.23	\$36.52	\$37.80	\$39.08	\$40.36
17	\$31.72	\$32.51	\$33.31	\$34.10	\$34.89	\$35.69	\$37.04	\$38.39	\$39.73	\$41.08	\$42.43
18	\$33.28	\$34.11	\$34.94	\$35.78	\$36.61	\$37.44	\$38.85	\$40.27	\$41.68	\$43.10	\$44.51
19	\$34.95	\$35.82	\$36.70	\$37.57	\$38.45	\$39.32	\$40.81	\$42.29	\$43.78	\$45.26	\$46.75
20	\$36.68	\$37.60	\$38.51	\$39.43	\$40.35	\$41.27	\$42.83	\$44.39	\$45.95	\$47.51	\$49.06
21	\$38.52	\$39.48	\$40.45	\$41.41	\$42.37	\$43.34	\$44.98	\$46.61	\$48.25	\$49.89	\$51.53
22	\$40.45	\$41.46	\$42.47	\$43.48	\$44.50	\$45.51	\$47.23	\$48.95	\$50.67	\$52.39	\$54.11
23	\$42.45	\$43.51	\$44.57	\$45.63	\$46.70	\$47.76	\$49.56	\$51.37	\$53.17	\$54.98	\$56.78
24	\$44.59	\$45.70	\$46.82	\$47.93	\$49.05	\$50.16	\$52.06	\$53.95	\$55.85	\$57.74	\$59.64
25	\$46.82	\$47.99	\$49.16	\$50.33	\$51.50	\$52.67	\$54.66	\$56.65	\$58.64	\$60.63	\$62.62
26	\$49.19	\$50.42	\$51.65	\$52.88	\$54.11	\$55.34	\$57.43	\$59.52	\$61.61	\$63.70	\$65.79
27	\$51.60	\$52.89	\$54.18	\$55.47	\$56.76	\$58.05	\$60.24	\$62.44	\$64.63	\$66.82	\$69.02
28	\$54.20	\$55.56	\$56.91	\$58.27	\$59.62	\$60.98	\$63.28	\$65.59	\$67.89	\$70.19	\$72.50

Classified employees engaged in fire protection activities.

Range	A	B	C	D	E	F	AA	BB	CC	DD	EE
18	\$23.77	\$24.36	\$24.95	\$25.54	\$26.13	\$26.72	\$27.73	\$28.74	\$29.75	\$30.76	\$31.77
20	\$26.19	\$26.84	\$27.49	\$28.14	\$28.79	\$29.44	\$30.55	\$31.67	\$32.78	\$33.89	\$35.01
21	\$27.52	\$28.21	\$28.90	\$29.59	\$30.28	\$30.97	\$32.14	\$33.31	\$34.48	\$35.65	\$36.82

Department Head service employees

Range	Minimum	Maximum
23	88,296	123,614
24	92,747	129,846
25	97,386	136,340
26	102,315	143,241
27	107,328	150,259
28	112,736	157,830

Temporary employees excluding those engaged in fire protection activities.

Range	A	B	C
	Step		
T1	\$ 14.24	\$ 14.60	\$ 14.95
T2	\$ 14.95	15.32	15.70
T3	\$ 15.70	16.09	16.49
T4	\$ 16.49	16.90	17.31
T5	\$ 17.30	17.73	18.17
T6	\$ 18.18	18.63	19.09
T7	\$ 19.08	19.56	20.03
T8	\$ 20.43	20.94	21.45
T9	\$ 21.46	22.00	22.53
T10	\$ 22.52	23.08	23.65
T11	\$ 23.63	24.22	24.81
T12	\$ 24.84	25.46	26.08
T13	\$ 26.09	26.74	27.39
T14	\$ 27.39	28.07	28.76
T15	\$ 28.74	29.46	30.18
T16	\$ 30.18	30.93	31.69
T17	\$ 31.72	32.51	33.31
T18	\$ 33.28	34.11	34.94
T19	\$ 34.95	35.82	36.70
T20	\$ 36.68	37.60	38.51
T21	\$ 38.52	39.48	40.45
T22	\$ 40.45	41.46	42.47
T23	\$ 42.45	43.51	44.57
T24	\$ 44.59	45.70	46.82
T25	\$ 46.82	47.99	49.16
T26	\$ 49.19	50.42	51.65
T27	\$ 51.60	52.89	54.18
T28	\$ 54.20	55.56	56.91
T29	\$ 56.99	58.41	59.84

Temporary employees engaged in fire protection activities.

Range	A	B	C
T18	\$ 23.77	\$ 24.36	\$ 24.96
T19	\$ 24.96	25.58	26.21
T20	\$ 26.21	26.87	27.52
T21	\$ 27.52	28.21	28.90
T22	\$ 28.91	29.63	30.36

Section 5. Council hereby adopts the Employee Classification Plan presented by the City Manager and included in the “Annual Budget for the City of Kenai, Alaska July 1, 2024 – June 30, 2025”:

Class Code	Class Title	Range
<i>(A) Supervisory and Professional</i>		
101	City Manager**	NG
102	City Attorney**	NG
103	City Clerk**	NG
104	Finance Director*	28
105	Public Works Director*	28
106	Police Chief*	28
107	Fire Chief*	27
112	Airport Director*	25
117	Planning Director*	24
118	Information Technology (IT) Manager	23
119	Assistant to City Manager/Special Projects Coordinator	23
120	Library Director*	23
121	Senior Center Director*	23
122	Parks and Recreation Director*	23
123	Human Resources Director*	23
124	Controller	25
<i>(B) Administrative Support</i>		
203	Administrative Assistant I	13
204	Accounting Technician I	14
205	Accounting Technician II	16
207	Desktop Support Technician	15
210	Administrative Assistant II	14
211	Administrative Assistant III	15
214	Library Assistant	12
218	Library Aide	8
<i>(C) Public Safety</i>		
302	Fire Fighter	18
303	Police Lieutenant	27
304	Police Sergeant	24
305	Police Officer	21
306	Public Safety Dispatcher	15
307	Fire Engineer	20
311	Fire Captain	21
312	Fire Marshal	22
313	Communications Supervisor	18
314	Police Trainee	21/1

315	Deputy Fire Chief	25
316	Chief Animal Control Officer	17
317	Animal Control Officer	14

(D) Public Works/ Airport Operations

400	Capital Project Manager	22
401	Building Official	21
402	Shop Foreman	21
403	Street Foreman	21
404	Utility Foreman I/II	21/22
405	Utility Operator I/II	15/18
407	Equipment Operator	16
408	Shop Mechanic	19
409	Equipment Lead Operator	19
412	Building Maintenance Technician	16
413	Utility Lead Operator	19
417	Airport Operations Specialist	16
418	Airport Operations Supervisor	21
419	Building Maintenance Lead Technician	19

(E) General Services

502	Assistant Parks & Recreation Director	19
503	Recreation Center Attendant	6
504	Parks and Recreation Maintenance Technician	14
505	Parks and Recreation Laborer	6
506	Cook	8
508	Driver	6
509	Kitchen Assistant	6
511	Janitor I/II	6

* Department Head Service

** City Manager, City Clerk, and City Attorney are Council-appointed administrative offices

Section 6. 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 7. Effective Date: That pursuant to KMC 1.15.070(f), this ordinance shall take effect July 1, 2024.

ENACTED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 5TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: _____



Introduced:

May 15, 2024

Enacted:

June 5, 2024

Effective:

July 1, 2024



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: Terry Eubank, City Manager

FROM: David Swarner, Finance Director

DATE: May 7, 2024

SUBJECT: **Ordinance 3418-2024 Adopting the FY2025 City of Kenai Annual Budget**

The purpose of this memo is to recommend enactment of Ordinance 3418-224, Adopting the Annual Budget, Salary Schedule and Employee Classification Plan for the year commencing July 1, 2024 and ending June 30, 2025.

The City Council held the following work sessions relating to the budget:

January 17, 2024 to discuss the Fiscal year 2025 – 2029 Capital Plan. The Capital Plan was approved by Resolution 2024-07 on February 7, 2024.

January 3, 2024 to develop the FY 2025 Budget Goals. The Council established the FY 2025 Budget Goals with the approval of Resolution 2024-03 January 17, 2024.

May 4, 2024 for the Administration to present the draft FY 2025 Annual Budget including the Salary Schedule and Employee Classification Plan. The draft budget document is available for public review on the City's website on the Finance Department page.

Since the last budget work session some adjustments were made to the budget for a total increase of \$30,762 in General Fund expenses due to a \$22,480 increase in the contract for the operations of the visitor center along with salary adjustments for the City Manager, City Clerk, City Attorney, an increase from 20 hours to 24 hours for the Planning and Zoning Admin II position and adjustments to the number of police officers receiving investigator pay.

There were some adjustments to revenue related to PERS for the Airport Fund an increase of \$169, an increase for the General Fund \$298 and an increase of \$5 for the Senior Citizen Fund. There were Revenue adjustments for the Fleet and Equipment Replacement funds, decrease of \$3,206 and an increase of \$34,399 respectively. Attached is the supporting documentation for all funds showing the revised budgets for each fund impacted (General Fund, Special Revenue Fund, Enterprise Funds and Internal Service Funds).

The Administration will be available to answer questions regarding the FY 2025 budget during, or any time prior to, the public hearing on Ordinance 3418-2024.

City of Kenai
Fiscal Year 2025 Operating Budget

Combined Revenue and Appropriations All Fund Types

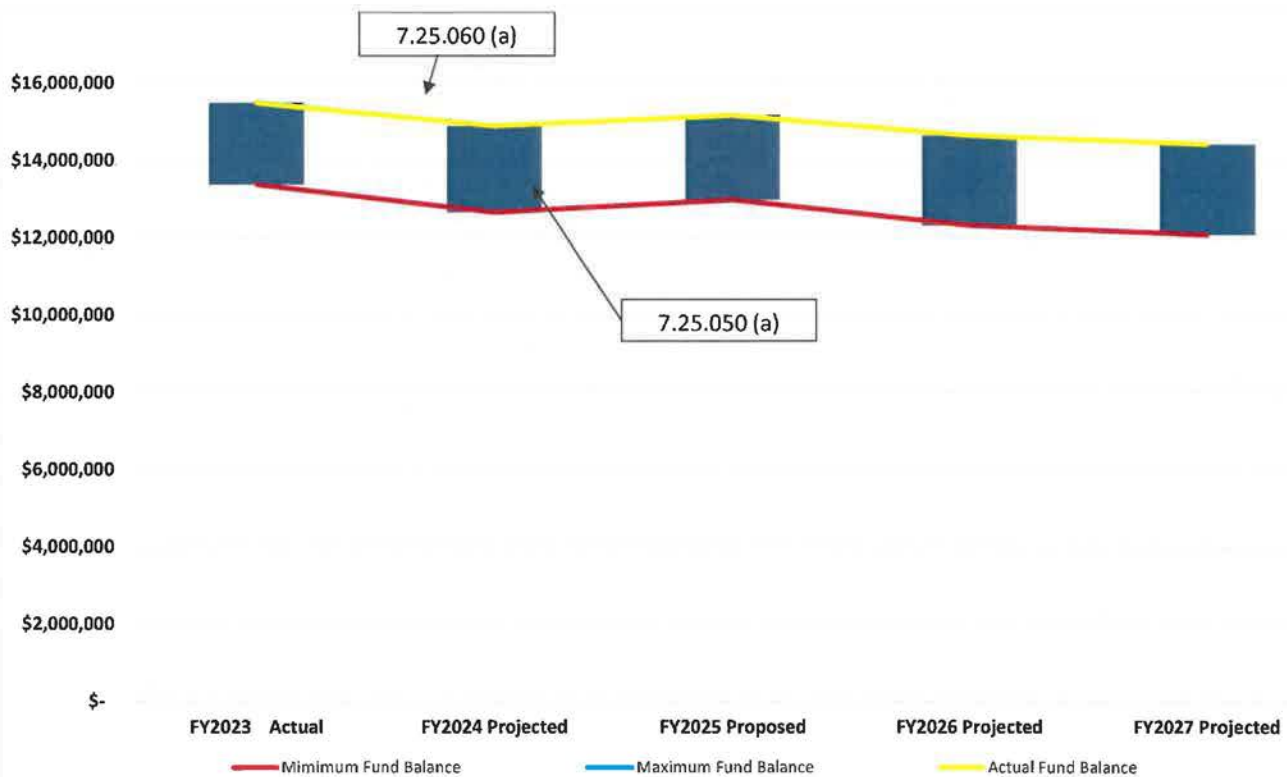
	FY2025 Adopted Budget							
	<u>General Fund</u>	<u>Special Revenue</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>	<u>Permanent Funds</u>	<u>Debt Service Fund</u>	<u>Capital Project Funds</u>	<u>Total All Funds</u>
REVENUES								
Taxes	\$ 14,550,814	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,550,814
Intergovernmental	698,645	625,069	2,897	-	-	-	37,854,385	39,180,996
Interest/Investment Earnings	475,000	200,000	15,000	53,791	1,869,486	-	-	2,613,277
Charges for Service	1,165,645	4,963,267	-	3,248,717	-	-	-	9,377,629
Rents & Leases	232,020	1,248,425	477,403	611,181	-	-	-	2,569,029
Licenses & Permits	158,100	-	-	-	-	-	-	158,100
Fines & Forfeitures	72,950	-	-	-	-	-	-	72,950
Miscellaneous	135,000	299,800	-	64,112	10,000	-	-	508,912
Transfers In	2,060,478	1,327,854	-	-	-	130,750	1,584,126	5,103,208
Total Revenues	19,548,652	8,664,415	495,300	3,977,801	1,879,486	130,750	39,438,511	74,134,915
EXPENDITURES/EXPENSES								
Salaries & Benefits	14,392,264	3,010,473	101,020	-	-	-	-	17,503,757
Supplies	1,049,039	924,948	34,674	10,000	-	-	-	2,018,661
Services	3,672,990	2,362,897	255,774	3,565,349	-	-	-	9,857,010
Debt Service	-	-	-	-	-	130,750	-	130,750
Depreciation	-	-	140,446	-	-	-	-	140,446
Capital Outlay	22,963	245,000	8,000	-	-	-	47,780,194	48,056,157
Transfers	1,089,136	2,518,607	253,800	-	1,241,665	-	-	5,103,208
Total Expenditures	20,226,392	9,061,925	793,714	3,575,349	1,241,665	130,750	47,780,194	82,809,989
Contributions to (from) Fund Balance/Net Assets	(677,740)	(397,510)	(298,414)	402,452	637,821	-	(8,341,683)	(8,675,074)
Add Credit From Depreciation	-	-	140,446	-	-	-	-	140,446
Projected lapse/encumbrances	956,863	379,095	-	-	-	-	-	1,335,958
Adjusted Deficit/Surplus	279,123	(18,415)	(157,968)	402,452	637,821	-	(8,341,683)	(7,198,670)
Beginning Fund Balance/Net Assets	14,885,738	3,544,764	484,058	7,543,882	31,559,559	-	8,341,683	66,359,684
Ending Fund Balance/Unrestricted Net Assets	\$ 15,164,861	\$ 3,526,349	\$ 326,090	\$ 7,946,334	\$ 32,197,380	\$ -	\$ -	\$ 59,161,014

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	Actual FY2023	Original Budget FY2024	Projection FY2024	Manager Proposed FY2025	Projection FY2026	Projection FY2027	Projection FY2028
TAXABLE VALUES (000'S)	\$ 894,277	\$ 961,718	\$ 987,136	\$ 1,030,991	\$ 1,048,602	\$ 1,066,716	\$ 1,085,335
MILL RATE	4.35	4.35	4.35	4.35	4.35	4.35	4.35
REVENUES							
Property & Sales Taxes							
Property Tax	4,316,203	4,321,161	4,321,161	4,477,109	4,620,190	4,697,410	4,776,783
Sales Tax	9,818,482	9,999,729	9,999,729	10,073,705	10,275,179	10,480,683	10,690,297
Total Property & Sales Taxes	14,134,685	14,320,890	14,320,890	14,550,814	14,895,369	15,178,093	15,467,080
Intergovernmental Revenue:							
PERS Funding	207,305	255,735	255,735	404,100	416,223	428,710	441,571
Community Assistance	201,915	75,805	75,805	175,745	175,745	175,745	175,745
Fish Tax	35,646	50,000	50,000	17,500	18,025	18,566	19,123
Other	98,579	52,500	80,450	48,500	50,925	53,471	56,145
Total State/Federal Revenue	543,445	434,040	461,990	645,845	660,918	676,492	692,584
Other Revenue							
Licenses and Permits	151,244	155,100	155,100	157,100	161,813	166,667	171,667
Ambulance Fees	1,072,366	875,000	875,000	875,000	901,250	928,288	956,137
Interest	334,569	461,788	461,788	475,000	454,946	439,247	432,678
Other	892,078	770,700	796,894	784,415	807,947	832,185	857,151
Total Other Revenue	2,450,257	2,262,588	2,288,782	2,291,515	2,325,956	2,366,387	2,417,633
Total Revenues	17,128,387	17,017,518	17,071,662	17,488,174	17,882,243	18,220,972	18,577,297
Transfer From Other Funds							
Charges to other funds	1,798,500	1,757,300	1,757,300	1,795,400	1,849,262	1,904,740	1,961,882
Capital Projects / Special Revenue	103,266	75,000	75,000	75,000	75,000	75,000	75,000
Enterprise	47,000	40,600	40,600	38,800	39,964	41,163	42,398
Trust Fund	-	138,209	138,209	151,278	154,304	157,390	167,377
Total Transfers	1,948,766	2,011,109	2,011,109	2,060,478	2,118,530	2,178,293	2,246,657
Total Revenues and Transfers	19,077,153	19,028,627	19,082,771	19,548,652	20,000,773	20,399,265	20,823,954
EXPENDITURES/APPROPRIATIONS							
General Government	3,469,046	4,210,045	4,238,195	4,439,691	4,572,882	4,710,069	4,851,371
Public Safety	8,491,863	9,101,734	9,124,878	9,338,108	9,618,251	9,906,799	10,204,003
Public Works	2,437,717	2,814,870	2,924,813	2,795,779	2,879,652	2,966,042	3,055,023
Parks, Recreation & Cultural	2,370,510	2,567,164	2,613,814	2,563,678	2,640,588	2,719,806	2,801,400
Total Operating Expenditures	16,769,136	18,693,813	18,901,700	19,137,256	19,711,373	20,302,716	20,911,797
Transfers or Non-Operating	2,368,812	944,780	1,724,780	1,089,136	1,798,264	1,330,642	2,243,455
Total Expenditures/Appropriations	19,137,948	19,638,593	20,626,480	20,226,392	21,509,637	21,633,358	23,155,252
Total Surplus (Deficit)	(60,795)	(609,966)	(1,543,709)	(677,740)	(1,508,864)	(1,234,093)	(2,331,298)
Projected Lapse - 5%	-	934,691	945,085	956,863	985,569	1,015,136	1,045,590
Adjusted Surplus (Deficit)	(60,795)	324,725	(598,624)	279,123	(523,295)	(218,957)	(1,285,708)
Beginning Fund Balance	15,545,157	15,291,178	15,484,362	14,885,738	15,164,861	14,641,566	14,422,609
Ending Fund Balance	15,484,362	15,615,903	14,885,738	15,164,861	14,641,566	14,422,609	13,136,901
Restricted	(735,423)	(749,494)	(782,423)	(818,423)	(854,423)	(890,423)	(926,423)
Committed	(11,639,380)	(11,993,977)	(10,856,067)	(11,122,279)	(10,403,306)	(10,113,873)	(8,605,799)
Assigned	(3,109,559)	(2,872,432)	(3,247,2				

General Fund Fund Balance Policy Compliance

		FY2023 Actual	FY2024 Projected	FY2025 Proposed	FY2026 Projected	FY2027 Projected
Ending Fund Balance 6/30/22		\$ 15,484,362	\$ 14,885,738	\$ 15,164,861	\$ 14,641,566	\$ 14,422,609
Nonspendable		\$ -	\$ -	\$ -	\$ -	\$ -
Restricted -						
Athletics - Daubenspeck Donation		\$ (735,423)	\$ (782,423)	\$ (818,423)	\$ (854,423)	\$ (890,423)
Committed:						
Outstanding Encumbrances		\$ (161,356)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)
Subsequent Year Expenditures		(1,577,903)	-	-	-	-
Health Insurance Reserve		-	-	-	-	-
Capital Improvement Plan Reserve		(3,550,177)	(4,102,805)	(4,499,039)	(3,363,032)	(3,033,392)
Budgetary Stabilization Reserve	3.8998	(6,349,944)	(6,703,262)	(6,573,240)	(6,990,274)	(7,030,481)
Total Committed		\$ (11,639,380)	\$ (10,856,067)	\$ (11,122,279)	\$ (10,403,306)	\$ (10,113,873)
Assigned -						
Accrued Compensated Absences		\$ (992,856)	\$ (1,012,713)	\$ (1,032,967)	\$ (1,053,626)	\$ (1,074,699)
Operational and Capital Contingencies Reserve	1.300	(2,116,703)	(2,234,535)	(2,191,192)	(2,330,211)	(2,343,614)
Total Assigned		\$ (3,109,559)	\$ (3,247,248)	\$ (3,224,159)	\$ (3,383,837)	\$ (3,418,313)
Unassigned		\$ -	\$ -	\$ -	\$ -	\$ -



City of Kenai
Fiscal Year 2025 Operating Budget

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Fund: 019 - Senior Citizens Fund
Department: Title III Summary

	<u>Actual FY2022</u>	<u>Actual FY2023</u>	<u>Original Budget FY2024</u>	<u>Projection FY2024</u>	<u>Proposed FY2025</u>
Revenues					
State Grants	\$ 283,815	\$ 260,288	\$ 261,497	\$ 294,573	\$ 261,646
Federal Grants	100,000	-	-	-	-
USDA Grant	21,969	22,022	22,000	15,214	22,000
Choice Waiver	65,023	68,496	75,000	96,127	80,000
KPB Grant	169,221	186,143	186,143	186,143	186,143
Other Grants	25,000	-	-	-	-
Rents and Leases	5,531	7,398	7,000	15,054	10,000
Donations	25,456	25,330	35,000	25,798	27,500
Donation - Senior Connection	50,000	100,000	100,000	100,000	100,000
Meal Donations	66,208	87,969	94,650	100,840	97,650
Transfer from General Fund - Operations	220,518	241,562	199,476	173,724	237,467
Other	3	185	300	300	300
Total Revenue	<u>1,032,744</u>	<u>999,393</u>	<u>981,066</u>	<u>1,007,773</u>	<u>1,022,706</u>
Expenditures					
Senior Citizen Access	226,753	219,553	221,833	225,092	233,071
Congregate Meals	286,666	130,016	131,025	145,136	184,526
Home Meals	277,743	459,299	491,082	500,212	433,927
Senior Transportation	94,964	97,583	109,744	109,768	130,479
Choice Waiver	150,127	89,433	71,368	71,406	85,724
Total Expenditures	<u>1,036,253</u>	<u>995,884</u>	<u>1,025,052</u>	<u>1,051,614</u>	<u>1,067,727</u>
Contribution To/(From) Fund Balance:	(3,509)	3,509	(43,986)	(43,841)	(45,021)
Projected Lapse (5%)	-	-	42,435	43,841	45,021
Adjusted (Deficit)/Surplus	(3,509)	3,509	(1,551)	-	-
Beginning Fund Balance	-	(3,509)	-	-	-
Ending Fund Balance	<u>\$ (3,509)</u>	<u>\$ -</u>	<u>\$ (1,551)</u>	<u>\$ -</u>	<u>\$ -</u>

City of Kenai
Fiscal Year 2025 Operating Budget

Fund 008 - Airport Fund
Department:- Airport Fund Summary

	<u>Actual FY2022</u>	<u>Actual FY2023</u>	<u>Original Budget FY2024</u>	<u>Projection FY2024</u>	<u>Proposed FY2025</u>
Revenues					
State & Federal Grants	\$ 1,391,559	\$ 1,249,807	\$ 26,317	\$ 24,487	\$ 37,700
Usage Fees					
Fuel Sales	19,423	38,298	35,000	46,186	45,000
Fuel Flowage	10,035	16,322	17,000	15,881	17,000
Float Plane	1,002	1,915	1,000	1,000	2,000
Tie Down	9,597	10,015	10,500	12,105	10,500
Landing	420,431	365,551	451,094	385,000	384,855
Plane Parking	18,479	19,166	22,000	11,709	22,000
Total Usage Fees	478,967	451,267	536,594	471,881	481,355
Rents and Leases - Land	562,370	559,207	532,323	543,318	708,089
Miscellaneous					
Penalty and Interest	3,547	5,929	3,000	2,085	3,000
Interest on Investments	(33,781)	80,860	120,000	35,000	120,000
Other	18,625	43,570	148,392	190,410	170,000
Total Miscellaneous	(11,609)	130,359	271,392	227,495	293,000
Terminal Revenue					
Parking Fees	224,144	215,983	225,000	215,432	225,000
Rents and Leases	554,613	690,036	599,087	481,207	522,336
Penalty and Interest	1,496	5,134	5,000	10,081	5,000
Car Rental Commissions	140,025	186,928	180,000	187,413	185,000
Advertising Commissions	27,796	19,086	20,000	26,497	28,000
Miscellaneous	39,583	2,829	3,000	4,243	3,000
Total Terminal Revenue	987,657	1,119,996	1,032,087	924,873	968,336
Transfers In					
Capital Project Fund	1,684,996	286	-	-	-
Airport Land Trust Fund	1,025,736	1,028,478	1,053,635	1,065,618	1,090,387
Total Transfers In	2,710,732	1,028,764	1,053,635	1,065,618	1,090,387
Total Revenues	6,119,676	4,539,400	3,452,348	3,257,672	3,578,867
Expenditures					
Airport Terminal	525,296	568,901	616,724	624,724	693,273
Airport Airfield	1,850,849	1,889,544	2,160,579	2,158,061	2,222,638
Airport Administration	413,484	332,670	368,204	413,222	378,370
Airport Other Buildings and Areas	153,261	165,156	175,605	200,605	224,878
Airport Training Facility	30,803	108,706	207,793	224,293	164,987
Total Expenditures	2,973,693	3,064,977	3,528,905	3,620,905	3,684,146
Transfers					
Transfer to Capital Projects	1,531,833	2,251,842	346,875	796,875	25,817
Transfer to General Fund	-	-	-	-	-
Total Transfers	1,531,833	2,251,842	346,875	796,875	25,817
Total Expenditures & Transfers	4,505,526	5,316,819	3,875,780	4,417,780	3,709,963
Contribution To/(From) Fund Balance:	1,614,150	(777,419)	(423,432)	(1,160,108)	(131,096)
Projected Lapse (6%)	-	-	140,256	145,776	147,813
Adjusted (Deficit)/Surplus			(283,176)	(1,014,332)	16,717
Beginning Fund Balance	2,273,082	3,887,232	4,298,729	3,109,813	2,095,481
Ending Fund Balance	\$ 3,887,232	\$ 3,109,813	\$ 4,015,553	\$ 2,095,481	\$ 2,112,198

City of Kenai
Fiscal Year 2025 Operating Budget

Budget Projection
Fund: 010 - Water and Sewer Fund

	<u>Actual FY2022</u>	<u>Actual FY2023</u>	<u>Original Budget FY2024</u>	<u>Projection FY2024</u>	<u>Proposed FY2025</u>
Revenues					
PERS Grant	\$ 45,630	\$ 18,073	\$ 22,525	\$ 18,950	\$ 35,719
Usage Fees					
Service Hook-up	7,762	9,030	4,125	9,761	10,152
Residential Water	874,085	967,050	989,748	989,772	1,029,363
Commercial Water	343,557	351,024	381,325	381,335	396,588
Residential Sewer	1,235,894	1,358,476	1,388,566	1,388,600	1,444,144
Commercial Sewer	480,088	475,421	515,265	515,278	535,889
Total Usage Fees	<u>2,941,386</u>	<u>3,161,001</u>	<u>3,279,029</u>	<u>3,284,746</u>	<u>3,416,136</u>
Miscellaneous Revenues					
Penalty and Interest	32,856	41,583	40,950	40,950	42,588
Interest Earnings	(69,134)	78,182	35,000	35,000	75,000
Other	19,810	5,798	5,000	18,901	5,000
Total Miscellaneous Revenues	<u>(16,468)</u>	<u>125,563</u>	<u>80,950</u>	<u>94,851</u>	<u>122,588</u>
Transfer In, Capital Projects	<u>147,303</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>3,117,851</u>	<u>3,304,637</u>	<u>3,382,504</u>	<u>3,398,547</u>	<u>3,574,443</u>
Expenditures					
Water Department	783,101	889,643	1,273,813	1,273,813	1,127,196
Sewer Department	389,368	453,824	683,559	688,397	759,759
Wastewater Treatment Plant Department	1,031,021	1,073,800	1,268,902	1,268,902	1,237,094
Total Expenditures	<u>2,203,490</u>	<u>2,417,267</u>	<u>3,226,274</u>	<u>3,231,112</u>	<u>3,124,049</u>
Transfers					
Capital Projects	<u>1,520,000</u>	<u>740,000</u>	<u>679,970</u>	<u>679,970</u>	<u>622,390</u>
Total Expenditures & Transfers	<u>3,723,490</u>	<u>3,157,267</u>	<u>3,906,244</u>	<u>3,911,082</u>	<u>3,746,439</u>
Contribution To/(From) Fund Balance:	(605,639)	147,370	(523,740)	(512,535)	(171,996)
Projected Lapse (6%)	-	-	142,146	176,848	169,629
Adjusted (Deficit)/Surplus			(381,594)	(335,687)	(2,367)
Beginning Fund Balance	<u>1,951,658</u>	<u>1,346,019</u>	<u>987,486</u>	<u>1,493,389</u>	<u>1,157,702</u>
Ending Fund Balance	<u>\$ 1,346,019</u>	<u>\$ 1,493,389</u>	<u>\$ 605,892</u>	<u>\$ 1,157,702</u>	<u>\$ 1,155,335</u>

**City of Kenai
Fiscal Year 2025 Operating Budget**

**Budget Projection
Fund: 006 - Personal Use Fishery Fund**

	<u>Actual FY2022</u>	<u>Actual FY2023</u>	<u>Original Budget FY2024</u>	<u>Projection FY2024</u>	<u>Proposed FY2025</u>
Revenues					
State Grant	\$ 2,394	\$ 694	\$ 1,169	\$ 1,169	\$ 1,861
Usage Fees					
Beach Parking	161,580	153,976	177,482	157,839	164,980
Beach Camping	186,387	200,802	191,463	216,085	210,102
Dock Launch & Park	95,105	106,548	110,565	100,609	100,754
Dock Parking Only	10,641	12,540	12,495	12,460	12,495
Participant Drop-off Fee	4,019	4,971	4,707	6,274	4,707
Total Usage Fees	<u>457,732</u>	<u>478,837</u>	<u>496,712</u>	<u>493,267</u>	<u>493,038</u>
Miscellaneous Revenues					
Investment earnings	(4,412)	4,755	750	750	5,000
Other	(11,150)	(11,320)	(11,500)	(11,112)	(11,500)
Total Miscellaneous Revenues	<u>(15,562)</u>	<u>(6,565)</u>	<u>(10,750)</u>	<u>(10,362)</u>	<u>(6,500)</u>
Transfer In, Capital Projects	-	-	-	-	-
Total Revenue	<u>444,564</u>	<u>472,966</u>	<u>487,131</u>	<u>484,074</u>	<u>488,399</u>
Expenditures					
Public Safety	104,368	114,046	178,544	178,544	136,531
Streets	36,602	33,921	39,059	39,059	39,302
Boating Facility	46,963	39,868	47,686	47,686	42,815
Parks, Recreation & Beautification	173,351	204,667	229,212	229,212	244,148
Total Expenditures	<u>361,284</u>	<u>392,502</u>	<u>494,501</u>	<u>494,501</u>	<u>462,796</u>
Transfers					
General Fund	75,000	75,000	-	-	75,000
Capital Projects	21,920	50,000	-	-	-
Total Transfers	<u>96,920</u>	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>75,000</u>
Total Expenditures & Transfers	<u>458,204</u>	<u>517,502</u>	<u>494,501</u>	<u>494,501</u>	<u>537,796</u>
Contribution To/(From) Fund Balance:	(13,640)	(44,536)	(7,370)	(10,427)	(49,397)
Projected Lapse	-	-	18,423	83,327	16,632
Adjusted (Deficit)/Surplus	(13,640)	(44,536)	11,053	72,900	(32,765)
Beginning Fund Balance	<u>276,857</u>	<u>263,217</u>	<u>250,604</u>	<u>218,681</u>	<u>291,581</u>
Ending Fund Balance	<u>\$ 263,217</u>	<u>\$ 218,681</u>	<u>\$ 261,657</u>	<u>\$ 291,581</u>	<u>\$ 258,816</u>

City of Kenai
Fiscal Year 2025 Operating Budget

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Budget Projection
Fund: 009 - Congregate Housing Fund

	<u>Actual FY2022</u>	<u>Actual FY2023</u>	<u>Original Budget FY2024</u>	<u>Projection FY2024</u>	<u>Proposed FY2025</u>
Revenues					
PERS Grant	\$ 3,421	\$ 1,314	\$ 1,860	\$ 1,337	\$ 2,897
Rents and Leases	445,806	466,139	454,363	486,502	477,403
Interest on Investments	(12,650)	17,198	4,000	2,000	15,000
Miscellaneous	1,075	502	-	-	-
Total Revenues	<u>437,652</u>	<u>485,153</u>	<u>460,223</u>	<u>489,839</u>	<u>495,300</u>
Expenses	<u>498,507</u>	<u>510,086</u>	<u>710,195</u>	<u>642,525</u>	<u>793,714</u>
Net Income (loss)	(60,855)	(24,933)	(249,972)	(152,686)	(298,414)
Beginning Retained Earnings	843,627	923,218	1,013,889	1,013,889	484,058
Capital Asset Acquisitions	-	(24,842)	(17,330)	(517,591)	-
Allocated to Capital Projects	(510,255)	(585,413)	(718,083)	-	-
Credit for Depreciation	<u>140,446</u>	<u>140,446</u>	<u>140,446</u>	<u>140,446</u>	<u>140,446</u>
Available Retained Earnings	<u>\$ 412,963</u>	<u>\$ 428,476</u>	<u>\$ 168,950</u>	<u>\$ 484,058</u>	<u>\$ 326,090</u>

City of Kenai
Fiscal Year 2025 Operating Budget

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Fund: 011 - Employee Health Care Fund
Department: 18 - Health Care Fund Summary

	<u>Actual FY2022</u>	<u>Actual FY2023</u>	<u>Original Budget FY2024</u>	<u>Projection FY2024</u>	<u>Proposed FY2025</u>
Revenues					
Charge for Services	\$ 2,823,678	\$ 3,046,664	\$ 2,640,656	\$ 3,046,664	\$ 2,825,839
Participant premiums	373,117	369,183	415,545	456,576	422,878
Transfer from Other Funds	-	-	-	-	-
Interest Earnings	(16,402)	27,328	30,000	6,000	30,000
Total Revenues	<u>3,180,393</u>	<u>3,443,174</u>	<u>3,086,201</u>	<u>3,509,240</u>	<u>3,278,717</u>
Expenses	<u>2,863,722</u>	<u>2,863,722</u>	<u>3,016,689</u>	<u>3,016,689</u>	<u>3,209,541</u>
Net Income (loss)	316,671	579,452	69,512	492,551	69,176
Beginning Retained Earnings	<u>1,084,437</u>	<u>1,401,108</u>	<u>849,034</u>	<u>1,980,560</u>	<u>2,473,111</u>
Available Retained Earnings	<u>\$ 1,401,108</u>	<u>\$ 1,980,560</u>	<u>\$ 918,546</u>	<u>\$ 2,473,111</u>	<u>\$ 2,542,287</u>
	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>Difference</u>	<u>% Change</u>
Employer cost per position:					
Full-time	\$ 28,810	\$ 25,209	\$ 26,722	\$ 1,513	6.00%
Part-time	14,405	12,605	13,361	757	6.00%
	<u>Jan 1 - Dec 31 FY2023</u>	<u>Jan 1 - Dec 31 2024</u>	<u>Projected* Jan 1 - June 30 2025</u>	<u>1-Jan-25 Projected Increase</u>	<u>% Increase</u>
Employee monthly premiums:					
\$3,000/\$6,000 Deductible Plan					
Employee only	152.00	\$ 162.00	\$ 175.00	13.00	8.02%
Employee with child(ren)	277.00	296.00	319.00	23.00	7.77%
Employee with spouse	304.00	325.00	350.00	25.00	7.69%
Employee with family	413.00	444.00	479.00	35.00	7.88%
Part-time employee only	651.00	584.00	761.00	177.00	30.31%
Part-time employee w/Children	1,636.00	1,497.00	1,904.00	407.00	27.19%
Part-time employee w/Spouse	1,879.00	1,723.00	2,148.00	425.00	24.67%
Part-time employee w/Family	2,864.00	2,636.00	3,136.00	500.00	18.97%

* Assumes a 8.50% premium increase for health insurance and a 3.00% increase for dental and an employee cost share of 13%

City of Kenai
Fiscal Year 2025 Operating Budget

Fund: 061 - Equipment Replacement Fund
Department: 59 - Equipment Replacement Fund Summary

	<u>Actual FY2022</u>	<u>Actual FY2023</u>	<u>Original Budget FY2024</u>	<u>Projection FY2024</u>	<u>Proposed FY2025</u>
Revenues					
Rents & Leases	\$ 347,374	\$ 323,938	\$ 422,792	\$ 355,865	\$ 457,191
Interest Earnings	(20,778)	25,441	10,000	31,884	10,000
Other income	20,571	-	33,456	8,359	33,456
Total Revenues	<u>347,167</u>	<u>349,380</u>	<u>466,248</u>	<u>396,108</u>	<u>500,647</u>
Expenses - Depreciation	<u>190,321</u>	<u>205,289</u>	<u>206,907</u>	<u>206,907</u>	<u>272,476</u>
Net Income (loss)	156,846	144,091	259,341	189,201	228,171
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net income (loss) and transfers out	156,846	144,091	259,341	189,201	228,171
Beginning Net Position	<u>3,512,068</u>	<u>3,668,914</u>	<u>3,858,342</u>	<u>3,813,005</u>	<u>4,002,206</u>
Ending Net Position	3,668,914	3,813,005	4,117,683	4,002,206	4,230,377
Invested in Capital Assets	<u>(2,283,158)</u>	<u>(2,133,505)</u>	<u>(1,869,571)</u>	<u>(2,151,119)</u>	<u>(1,845,394)</u>
Unrestricted Net Position	<u>\$ 1,370,788</u>	<u>\$ 1,679,500</u>	<u>\$ 2,248,112</u>	<u>\$ 1,851,087</u>	<u>\$ 2,384,983</u>

City of Kenai
Fiscal Year 2025 Operating Budget

Fund: 063 - Fleet Replacement Fund
Department: 59 - Fleet Replacement Fund Summary

	<u>Actual FY2022</u>	<u>Actual FY2023</u>	<u>Original Budget FY2024</u>	<u>Projection FY2024</u>	<u>Proposed FY2025</u>
Revenues					
Rents & Leases	\$ 150,919	\$ 152,059	\$ 157,196	\$ 151,327	\$ 153,990
Interest Earnings	(6,056)	9,340	13,791	7,294	13,791
Other income	9,465	6,245	30,656	6,344	30,656
Transfer In	-	-	-	-	-
Total Revenues	<u>154,328</u>	<u>167,644</u>	<u>201,643</u>	<u>164,965</u>	<u>198,437</u>
Expenses - Depreciation	<u>61,519</u>	<u>62,268</u>	<u>62,268</u>	<u>68,067</u>	<u>93,332</u>
Net Income (loss)	92,809	105,376	139,375	96,898	105,105
Transfers out	-	-	-	-	-
Total net income (loss) and transfers out	92,809	105,376	139,375	96,898	105,105
Beginning Net Position	<u>773,482</u>	<u>866,291</u>	<u>980,704</u>	<u>971,667</u>	<u>1,068,565</u>
Ending Net Position	866,291	971,667	1,120,079	1,068,565	1,173,670
Invested in Capital Assets	<u>(338,639)</u>	<u>(503,083)</u>	<u>(496,050)</u>	<u>(89,381)</u>	<u>(25,287)</u>
Unrestricted Net Position	<u>\$ 527,652</u>	<u>\$ 468,584</u>	<u>\$ 624,029</u>	<u>\$ 979,184</u>	<u>\$ 1,148,383</u>



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kathy Romain, Senior Center Director

DATE: May 30, 2024

SUBJECT: **Ordinance 3418-2024 Requested Amendment to Draft FY2025 Budget Document**

This memo requests an amendment to the FY2025 Draft Budget Document. At their May 24, 2024 meeting, the Kenai Senior Connection, Inc. (KSC) Board of Directors voted to allocate \$120,000 to the FY25 Senior Center budget. This amount represents a \$20,000 increase from previous years, made possible by the outstanding success of this year's March for Meals event.

We are exceptionally grateful for the continued support of this dedicated group of individuals as we work together to make a meaningful difference in the lives of our seniors.

Motion

Amend Ordinance No. 3418-2024, Section 2 as follows:

Decrease the General Fund appropriation by (\$20,000)

Amend the Draft FY2025 Budget Document as follows:

General Fund – Transfers, page 110

Decrease the proposed FY25 Transfers by an additional (\$20,000)

Senior Citizen Fund – Revenue, page 237

Increase Donation – Senior Connection \$20,000

Decrease Transfer from General Fund – Operations (\$20,000)

Thank you for your consideration.



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

FROM: Council Member James Baisden

DATE: May 28, 2024

SUBJECT: **Ordinance 3418-2024 – Requested Amendment to Draft FY2025 Budget Document**

The memo requests an amendment to the FY2025 Draft Budget Document. The City has a current project to expand its cemetery. A columbarium to accommodate veteran memorial markers is needed as the City's current columbarium cannot support the markers provided to veterans by the United States Department of Veterans Affairs. Inclusion of a columbarium for this purpose in the new cemetery section is a meaningful way to recognize the service and sacrifice of the City's veterans.

This request is to increase the transfer from the General Fund to the Cemetery Improvement Capital Project Fund by \$25,000 and appropriate the funds in the Cemetery Improvement Capital Project Fund for construction of a veteran columbarium in the City's cemetery expansion project.

Motion

Amend Ordinance No. 3418-2024, Section 2 as follows:

Increase the General Fund appropriation by \$25,000

General Fund – Non-Departmental, page 110

Increase Transfers by an additional \$25,000; and

Fund 118 – Cemetery Improvement Capital Project Fund, page 284

Increase Transfer from General Fund and Current Year Authorizations – Veterans Columbarium by \$25,000.

Thank you for your consideration.



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

FROM: Council Member James Baisden

DATE: May 28, 2024

SUBJECT: **Ordinance 3418-2024 – Requested Amendment to Draft FY2025 Budget Document**

The memo requests an amendment to the FY2025 Draft Budget Document. After the Administration met with employees regarding the Salary Study Report, the Administration re-evaluated the Fire Captain classification to ensure the pay range was commensurate with existing duties and responsibilities.

Human Resources reviewed the classification and consulted with McGrath Human Resources Group to determine that to accurately reflect the minimum qualifications and to fairly reflect the differences in duties and responsibilities within the City's Classification Plan related to compensation for comparable positions in other places of public employment, and to meet the City's objective to provide an appropriate compensation structure to recruit and retain an adequate supply of competent employees, an amendment to the Classification Plan for Fire Captain from a range 21 to a range 22 is appropriate.

This request is to increase the range and to provide funding for the position at range 22 on the City's Salary Schedule.

Motion

Amend Ordinance No. 3418-2024, Section 5 as follows:

Class Code 311 – Fire Captain

Increase the range from 21 to 22; and

Amend the Draft FY2025 Budget Document as follows:

General Fund – Fire, page 132

Increase the Salaries and Benefits section by an additional \$7,483; and

Amend the Draft FY2025 Budget Document, by increasing the Class Code for Fire Captain from range 21 to range 22 throughout the document.

Thank you for your consideration.

MEMORANDUM

TO: Mayor Gabriel and Council Members

FROM: Council Member Victoria Askin

DATE: May 28, 2024

SUBJECT: Ordinance 3418-2024 – Requested Amendment to Draft FY25 Budget Document

The memo requests an amendment to the Draft FY2025 Budget Document. Central Area Rural Transit System, Inc (CARTS) President Jodi Stuart and Executive Director Jessica Schultz presented a CARTS update and status report at the March 20, 2024 City Council meeting requesting a donation in the amount of \$5,000. Based on the presentation, I support amending the FY2025 budget to provide an operational grant to CARTS in the amount of \$2,500.

Based on the total amount of grants to other agencies, I support amending the Draft FY2025 budget to decrease the proposed budget amount from \$5,000 to \$1,500 for an operational grant to the Kenai Watershed Forum for Water Quality Baseline Monitoring of the Kenai River. This reduction represents the City's in-kind contribution in the form of allowing the Kenai Watershed Forum to utilize the City's Water and Sewer lab for testing water.

The following changes to the budget document are needed to include this amendment:

Motion 1

Amend the Draft FY2025 Budget Document as follows:

General Fund – Legislative, page 84

Account Number 001-411-5047, Grants to Agencies

Increase the proposed budget amount by an additional \$2,500, for the purpose of providing an operational grant of \$2,500 to Central Area Rural Transit System, Inc.

Motion 2

Amend the Draft FY2025 Budget Document as follows:

General Fund – Legislative, page 84-85

Account Number 001-411-5047, Grants to Agencies

Decrease the proposed budget amount by \$1,500 to reduce the total amount of an operational grant to the Kenai Watershed Forum.

Thank you for your consideration.

MEMORANDUM

TO: Mayor Gabriel and Council Members

FROM: Council Member James Baisden

DATE: May 28, 2024

SUBJECT: **Ordinance 3418-2024 – Requested Amendment to the Draft FY2025 Budget Document**
Ordinance 3419-2024 – Requested Amendment Contingent on the Enactment of Ordinance 3418-2024

This memo requests an amendment to the Draft FY2025 Budget Document and to KMC 23.55.030 to incorporate qualification pay for Public Safety Dispatchers and adjust recognition entitlements for Paramedic certification for eligible Fire Department grades.

After the Administration held meetings with employees and recognized the added responsibilities of Public Safety Dispatchers who serve as communications training officers as part of the department's training program and to ensure compensation is competitive for comparable positions in other places of public employment, an amendment to add recognition pay for qualified Public Safety Dispatchers in the amount of a 5% increase of the employee's current range and step is recommended. This amendment is supported by Human Resources and the City Manager, with an estimated annual cost of \$2,996.

For Fire Department positions, it is recommended that qualification pay for Paramedic certification be calculated on the employee's current range and step to ensure competitive compensation. An amendment is also needed to accurately reflect the type of certification to reflect the Fire Department's current certification levels and transition to the National Registry of Emergency Medical Technicians standards. Human Resources and the City Manager met with employees, reviewed certification pay, and supported an amendment to correct the certification types, increase certification pay for Paramedic to 5%, and adjust the pay so that it is determined by the employee's current range and step rather than being fixed at step A of the Firefighter range, with an estimated annual cost of \$25,504.

The following changes to the draft FY2025 budget document referenced in Ordinance 3418-2024 are respectfully requested:

Motion

Amend the Draft FY2025 Budget Document as follows:

General Fund - Fire, page 132

Increase the Salaries and Benefits section by an additional \$25,504

General Fund - Communications, page 137

Increase the Salaries and Benefits section by an additional \$2,996

For an overall increase of \$28,500 to the FY2025 Budget

The following amendments to Ordinance 3419-2024 are respectfully requested and are contingent on the enactment of Ordinance 3418-2024, adopting the “Annual Budget for the City of Kenai, Alaska July 1, 2024 – June 30, 2025,” Salary Schedule, and Employee Classification Plan and appropriating funds for the fiscal year July 1, 2024 – June 30, 2025:

Motion 1

Amend Ordinance 3419-2024, Section 7, Section 23.55.030 - Qualification Pay, to include a new subparagraph (b)(1)(v) to read:

(Recognition pay for qualified Public Safety Dispatcher personnel for employees temporarily assigned dispatcher training duties for eligible shifts only as follows:

An additional five percent (5%) of the employee's current range and step.

New Text Underlined; [DELETED TEXT BRACKETED]

Motion 2

Amend Ordinance 3419-2024, Section 7, Section 23.55.030 - Qualification Pay, paragraph (b)(2)(ii), to read:

- (ii) Recognition entitlements for EMT certification for eligible grades of fire fighter, engineer, captain, Fire Marshal, Deputy Fire Chief, and Fire Chief are as follows:

EMT/EMS Instructor An additional one-half percent (.5%) of step A of the Firefighter range.

EMT III /Advanced Emergency Medical Technician (AEMT)

An additional two and one-quarter percent (2.25%) of step A of the Firefighter range.

[EMT-]Paramedic An additional [3.75% OF STEP A FIREFIGHTER RANGE (INCLUDES EMT III PAY)] five percent (5%) the employee's current range and step (includes AEMT Pay).

New Text Underlined; [DELETED TEXT BRACKETED]

Thank you for your consideration.





Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3419-2024**

AN ORDINANCE AMENDING SECTIONS OF KENAI MUNICIPAL CODE TITLE 23 - PERSONNEL REGULATIONS, SECTIONS 23.05.070 - DEFINITIONS, 23.25.070 - ACTING POSITIONS, 23.30.030 - PROBATIONARY PERIOD FOR EMPLOYEES IN THE CLASSIFIED SERVICE, 23.30.110 – TRAVEL EXPENSE, 23.40.040 - TERMINAL LEAVE, 23.55.020 - COMPENSATION STRUCTURE BY GRADE FOR EMPLOYEES IN THE CLASSIFIED SERVICE, 23.55.030 - QUALIFICATION PAY, AND 23.55.080 - LONGEVITY PAY FOR EMPLOYEES IN THE CLASSIFIED SERVICE, TO ENSURE APPROPRIATE COMPENSATION AND BENEFITS TO CITY EMPLOYEES COMPARABLE TO OTHER PLACES OF PUBLIC EMPLOYMENT IMPROVING RECRUITMENT AND RETENTION OF QUALIFIED EMPLOYEES.

WHEREAS, pursuant to KMC 23.15.010, the City Manager prepares and recommends revisions and amendments to the personnel regulations as deemed necessary; and,

WHEREAS, the City and other comparable government employers have experienced workforce challenges in recent years, which have made additional efforts necessary to recruit and retain qualified employees to meet the needs and expectations of the community; and,

WHEREAS, the City contracted with McGrath Human Resources Group to perform a Classification Study and work with the Administration and an internal personnel working group to develop an overall compensation and classification recommendation for the City; and,

WHEREAS, McGrath Human Resources Group presented its Classification, Compensation, and Benefits Study results to the City Council at the April 3, 2024 Kenai City Council Meeting; and,

WHEREAS, the recommendations include an update to the City's salary structure to add two steps (DD-EE) to the end of the schedule, adjustments to qualification pay, acting pay, longevity pay, probationary period, part-time employee compensation structure, and travel reimbursement; and,

WHEREAS to ensure compensation is competitive for comparable positions in other places of public employment and uniform in application, the City Manager recommends amendments to the personnel regulations necessary to provide an appropriate compensation structure to recruit and retain qualified employees.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, AS FOLLOWS:

Section 1. Amendment of Section 23.05.070 of Kenai Municipal Code: That Kenai Municipal Code, Section 23.05.070 – Definitions, is hereby amended as follows:

23.05.070 Definitions.

Probationary Period. An employee appointed to a position in the classified service must serve a probationary period, [NORMALLY SIX (6) MONTHS, EXCEPT FOR POLICE, COMMUNICATIONS AND FIRE,] which is normally twelve (12) months. This period can be extended up to, but no longer than [, TWELVE (12) MONTHS AND] eighteen (18) months[, RESPECTIVELY].

Section 2. Amendment of Section 23.25.070 of Kenai Municipal Code: That Kenai Municipal Code, Section 23.25.070 – Acting positions, is hereby amended as follows:

23.25.070 Acting Positions.

Compensation During Temporary Assignment. An employee who is temporarily assigned to and performs duties of a position with a higher pay range for a period of forty (40) or more consecutive regular work hours for employees not performing fire protection activities and fifty-six (56) or more consecutive regular work hours for employees performing fire protection activities shall be paid [AT THE FIRST STEP OF THE HIGHER PAY RANGE, OR, THE EMPLOYEE SHALL BE GRANTED A ONE (1) STEP PAY INCREASE, WHICHEVER IS HIGHER]an additional ten percent (10%) of the employee's current range and step, for the period worked in the temporary assignment. An employee who is temporarily assigned to a position with a lower pay range, for any period, shall not receive a reduction in pay. No such temporary assignment shall exceed six (6) months. Such acting appointments shall be in writing and the employee must perform the duties of the position.

Section 3. Amendment of Section 23.30.030 of Kenai Municipal Code: That Kenai Municipal Code, Section 23.30.030 – Probationary period for employees in the classified service, is hereby amended as follows:

23.30.030 Probationary Period for Employees in the Classified Service.

- (a) All original appointments for employees in the classified service including those that result from transfers shall be tentative and subject to a probationary period of not less than [SIX (6) MONTHS CONSECUTIVE SERVICE, EXCEPT FOR POLICE, FIRE, AND COMMUNICATIONS, WHICH SHALL BE NORMALLY] twelve (12) months[, SUBJECT TO MEETING CRITERIA FOR CERTIFICATION WHICH MAY BE ACCOMPLISHED FOLLOWING SIX (6) MONTHS OF SERVICE AND EXCEPT FOR SEASONAL EMPLOYEES WHOSE PROBATIONARY PERIOD IS ESTABLISHED BY THE TERM OF THE FIRST SEASON OF EMPLOYMENT]. Promotional appointment probationary period shall, for all employees in the classified service, be not less than [SIX (6)] twelve (12) months.
- (b) In cases where the responsibilities of a position in the classified service are such that a longer period is necessary to demonstrate an employee's qualifications, the probationary period may be extended; however, no probationary period shall be extended beyond [TWELVE (12) MONTHS, OR] eighteen (18) months [FOR POLICE, FIRE, AND COMMUNICATIONS, OR ONE (1) ADDITIONAL SEASON FOR SEASONAL EMPLOYEES]. The employee shall be notified in writing of any extension and the reasons therefor.
- (c) Upon completion of the probationary period, employees in the classified service shall be considered as having satisfactorily demonstrated qualifications for the position, shall gain regular status, one (1) step in pay raise, and shall be so informed through his or her supervisor. The employee's anniversary date shall be the first of the month in which the employee's original probation ends. Employees who have gained regular status at the effective date of the ordinance codified in this section shall have their anniversary dates changed to the first of the month in which the employee's present anniversary date falls.
- (d) During the probationary period, a new employee hired in the classified service may be terminated at any time without advance notice, without cause, and without appeal.
- (e) In the case of promotional appointments, the promoted employee may be demoted at any time during the probationary period without appeal; provided, that the probationary employee be reinstated in the class designation from which he or she was promoted, even though this necessitates the layoff of the employee occupying the position.

Section 4. Amendment of Section 23.30.110 of Kenai Municipal Code: That Kenai Municipal Code, Section 23.30.110 – Travel expense, is hereby amended as follows:

23.30.110 Travel Expense.

When employees are required to travel outside the City on City business, reimbursement, subject to advances received, for expenditures incurred shall be determined as follows:

- (a) Prior to traveling outside the City, the employee shall obtain permission for the trip and the mode of travel from the department head.
- (b) Travel on official business outside the City by one (1) individual shall be via public carrier or City-owned vehicle whenever practical. If, for extenuating circumstances, the employee is authorized to use a private vehicle, total mileage shall be paid at the standard IRS mileage rate. This rate includes all travel, insurance and fuel.
- (c) Classified and department head service employees who often use their privately owned vehicle for City business shall be reimbursed thirty dollars (\$30.00) per month or the standard IRS mileage rate, whichever is greater, subject to authorization by the City Manager.
- (d) The authorized per diem rates are [FIFTY DOLLARS (\$50.00)] fifty-nine dollars (\$59.00) per full twenty-four (24) hour day, plus lodging expenses. Part days will be reimbursed for actual costs incurred, up to [FIFTY DOLLARS (\$50.00)] fifty-nine dollars (\$59.00) per day. Claims for lodging expenses will be supported by receipts.

Section 5. Amendment of Section 23.40.040 of Kenai Municipal Code: That Kenai Municipal Code, Section 23.40.040 – Terminal leave, is hereby amended as follows:

23.40.040 Terminal Leave.

Upon separation [DURING INITIAL PROBATION (FIRST SIX (6) MONTHS FOR POLICE, FIRE AND COMMUNICATION), ACCRUED ANNUAL LEAVE SHALL NOT BE GRANTED NOR PAID TO EMPLOYEES IN THE CLASSIFIED SERVICE. IN OTHER SEPARATIONS], accrued leave shall be paid in a lump sum, except for separation during initial probation, in which accrued annual leave shall not be paid in an amount to exceed eighty (80) hours. The salary or hourly rate to be used in computing the cash payment shall be the rate which is being received by the employee on the date the resignation/separation is signed by the employee.

Section 6. Amendment of Section 23.55.020 of Kenai Municipal Code: That Kenai Municipal Code, Section 23.55.020 – Compensation structure by grade for employees in the classified service, is hereby amended as follows:

23.55.020 Compensation Structure by Grade for Employees in the Classified Service.

- (a) Compensation structure by grade for employees in the classified service is hereby established in accordance with the most recent salary schedule effective upon enactment by City Council of the ordinance adopting a budget for the following fiscal year or by resolution.
- (b) On completion of the probationary period, each [PERMANENT FULL-TIME] employee in the classified service [, EXCEPT SEASONAL EMPLOYEES,] shall be advanced one (1) step. At succeeding anniversary dates, subject to an evaluation of "Meets Expectations" or better, the employee [S IN THE CLASSIFIED SERVICE] may be advanced a step increment subject to City Manager approval. The time period normally between steps B to C to D to E to F is one (1) year. The time normally between Steps F to AA to BB to CC to DD to EE is two (2) years.
- [(c) ON COMPLETION OF THE PROBATIONARY PERIOD, EACH PERMANENT PART-TIME EMPLOYEE IN THE CLASSIFIED SERVICE AND SEASONAL EMPLOYEE SHALL BE ADVANCED ONE (1) STEP. AT APPROPRIATE BIENNIAL OR QUADRENNIAL ANNIVERSARY DATES THEREAFTER, SUBJECT TO THE EMPLOYEE'S MOST RECENT ANNUAL EVALUATION BEING "MEETS EXPECTATIONS" OR BETTER, THE EMPLOYEE, INCLUDING SEASONAL EMPLOYEES, MAY BE ADVANCED A STEP INCREMENT. THE TIME PERIOD NORMALLY BETWEEN STEPS B TO C TO D TO E TO F IS TWO (2) YEARS. THE TIME PERIOD NORMALLY BETWEEN STEPS F TO AA TO BB TO CC IS FOUR (4) YEARS.]

Section 7. Amendment of Section 23.55.030 of Kenai Municipal Code: That Kenai Municipal Code, Section 23.55.030 – Qualification pay, is hereby amended as follows:

23.55.030 Qualification Pay.

- (a) In recognition of professional development, personal time, and effort of the individual to achieve same, the following annual recognition entitlement is authorized, payable on a pro rata monthly basis.
- (b) This recognition entitlement, except senior officer pay, investigator pay, certified municipal clerk pay, and driver/operator pay, is not considered when calculating hourly rates for annual leave or holiday pay.

(1) Police Department.

- (i) Certification in accordance with State of Alaska Certification Standards as follows:

[POLICE OFFICER]

Intermediate Certification [\$1,800/YEAR] An additional 2.25% of step A of the Police Officer range. Eligible grades are Police Officer and Police Sergeant.

Advanced Certification [\$3,000/YEAR] An additional 3.75% of step A of the Police Officer range. Eligible grades are Police Officer, Police Sergeant, Police Lieutenant, and Police Chief.

[POLICE SERGEANT]

INTERMEDIATE CERTIFICATION \$1,800/YEAR

ADVANCED CERTIFICATION \$3,000/YEAR

POLICE LIEUTENANT

ADVANCED CERTIFICATION \$3,000/YEAR

POLICE CHIEF

ADVANCED CERTIFICATION \$3,000/YEAR]

- (ii) Recognition Pay for Qualified Senior Officers. Senior officer pay is for police officers who have completed [STEP 21E] five years of service with the City of Kenai subject to an overall evaluation rating of “Meets Expectations” or better, as follows:

[ADVANCE ONE (1) PAY GRADE FROM 21E TO 22E] An additional 5% of the employee’s current range and step.

- (iii) Recognition pay for qualified field training officer personnel for officers temporarily assigned field training officer duties for eligible shifts only as follows:

Five percent (5%) increase of the employee’s current range and step.

- (iv) Recognition pay for qualified “investigator” personnel for temporary assignment as an investigator when the assignment is the employee’s primary assignment and the assignment has been approved by the City Manager or designee as follows:

Five percent (5%) increase of the employee’s current range and step.

(2) Fire Department.

- (i) Recognition entitlement for an associate degree in fire science is four hundred eighty dollars (\$480.00) per year. Eligible grades are fire fighter, engineer, and captain.

- (ii) Recognition entitlements for EMT certification for eligible grades of fire fighter, engineer, [AND] captain, Fire Marshal, Deputy Fire Chief, and Fire Chief are as follows:

EMT I Instructor	[\$250/YEAR] <u>An additional .5% of step A of the Firefighter range.</u>
[EMT II	\$500/YEAR]
EMT III	[\$1,000/YEAR (INCLUDES EMT II PAY)] <u>An additional 2.25% of step A of the Firefighter range.</u>
EMT-Paramedic	[\$1,500/YEAR (INCLUDES EMT II AND III PAY)] <u>An additional 3.75% of step A Firefighter range (includes EMT III pay)</u>

- (iii) Recognition entitlements for driver/operator qualified personnel for eligible grades of fire fighter are as follows:

Driver/Operator Qualified	[ONE (1) PAY RANGE INCREASE (PAY RANGE 18 TO PAY RANGE 19)] <u>An additional 5% of the employee's current range and step</u>
---------------------------	--

- (3) Water and Sewer Utility. Certification in accordance with the State of Alaska Certification Standards.

W & S II \$300/year

W & S III \$480/year

- (4) City Clerk's Office. Certification in accordance with International Institute of Municipal Clerks.

Certified Municipal Clerk 2.5% of the employee's base pay

- (5) Building Plans Examiner.

Recognition Pay for certification in accordance with the International Code Council as a Building Plans Examiner beyond the basic requirements of the employee's position, which provides substantial cost savings or additional benefit to the City, upon recommendation by the Department Head and approval of the City Manager as follows:

An additional 2.25% of step A of the employee's current range and step.

Section 8. Amendment of Section 23.55.080 of Kenai Municipal Code: That Kenai Municipal Code, Section 23.55.080 – Longevity pay for employees in the classified service, is hereby amended as follows:

23.55.080 Longevity Pay for Employees in the Classified Service.

All regular employees who have received an overall rating of "Meets Expectations" or better in their last performance evaluation and who have been at Step [CC]EE for a period of at least two (2) years as of July 31st shall be paid a longevity bonus of two percent (2%) of his or her annual pay rate (i.e., excluding overtime). The longevity pay shall be paid just once a year on the August payroll, except that the longevity bonus in 2008 shall be paid after the effective date of the ordinance codified in this section but prior to the end of the calendar year 2008. Notwithstanding the above, any employee in the classified service who has received a range increase or a non-cost of living pay increase within their current pay range within the twelve (12) months prior to July 31st is not eligible for a longevity pay bonus.

Section 9. 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 10. 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 5TH DAY OF June, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Introduced:	May 15, 2024
Enacted:	June 5, 2024
Effective:	July 5, 2024



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager
Scott Bloom, City Attorney

FROM: Stephanie Randall, Human Resources Director

DATE: April 11, 2024

SUBJECT: **Ordinance No. 3419-2024 – Amending Kenai Municipal Code Title 23 Personnel Regulations**

The City contracted with McGrath Human Resources Group (McGrath) to conduct a Classification Study. Working with an internal personnel working group of City employees, McGrath developed an overall compensation and classification recommendation for the City. McGrath and Human Resources Director Stephanie Randall presented the recommendations to the City Council on April 3, 2024. The recommendations encompass several key updates to the City's salary structure. These include adding two steps (DD-EE) to the end of the schedule, adjustments to qualification/certification pay, acting pay, longevity pay, probationary period, part-time employee compensation structure, and travel reimbursement. These changes, designed to enhance the City's personnel regulations, are necessary to provide an appropriate compensation structure to recruit and retain qualified employees.

Below is a sectional analysis for the proposed code changes included in the Ordinance.

Section 1. This section amends 23.05.070, which defines the probationary period for employees in the classified service, except for public safety positions, as six months and public safety positions as 12 months, to change the probationary period to 12 months for all positions. City employees are eligible for a one-step pay raise upon satisfactory completion of probation. McGrath recommended extending the City's pay schedule with the intention that employees would be eligible for step A-F on an annual basis, subject to a satisfactory evaluation. Based on the recommendation of McGrath, to ensure consistency across positions and to align the City with industry standards, an amendment to Section 23.05.070 to make the probationary period 12 months for all positions is recommended.

Section 2. This section amends 23.25.070, which provides acting pay to an employee temporarily assigned to and performing the duties of a position with a higher pay range for 40 or more consecutive regular work hours (56 hours for employees performing fire protection activities). Depending on an employee's current step placement and whether the employee is acting in the Department Head Service or in the capacity of a position appointed by the City Council, which do

not have a “first step,” acting pay ranges from an additional 2% to, in some cases 40% and, in one case, an almost 96% pay increase. This amendment changes acting pay from the first step of the higher range or a one-step pay increase to a fixed increase to 10% of the employee’s current range and step, providing a fairer compensation approach. Based on the recommendation of McGrath and to ensure a fair and equitable approach to acting pay, the amendment to change acting pay to 10% is recommended.

Section 3. This section amends 23.30.030, which provides for a 6- or 12-month probationary period for employees in the classified service. As described above, an amendment to Section 23.30.030 to make the probationary period 12 months for all positions is recommended to ensure consistency across positions.

Section 4. This section amends 23.30.110, which provides a \$50 per diem rate per day for employees traveling on City business outside of the City. The City’s authorized per diem rate was established in 1977 at \$20 per day plus lodging expenses and increased to \$50 in 2005 to adjust for inflation and has not been adjusted since. Per diem is an allowance paid to employees, City Council members, and Commissioners for meals and incidental expenses incurred when traveling. This allowance is in lieu of paying actual travel expenses, is not part of an employee’s wages, and is not taxable to the employee unless the rate is more than the federal per diem rate, which is set each year. Per diem typically covers lodging, meals, and incidentals, and the standard non-specified rate is \$59 for Meals & Incidentals (M&IE). The reimbursement for employees who habitually use their privately-owned vehicle for City business was set at \$30 per month in 1981 and has not increased since then. Employees who use their privately-owned vehicle more than the set amount have been reimbursed at the standard IRS mileage rate. To ensure employees are adequately reimbursed for travel expenses, an amendment to Section 23.30.110 to increase the per diem from \$50 to \$59 and provide a mileage reimbursement is recommended.

Section 5. This section amends 23.40.040, which prohibits the City from paying an employee accrued annual leave if the employee is terminated before completing probation. Employees are allowed to take leave during the probationary period and may terminate for various reasons beyond the employee’s control. Based on the City’s former policy that employees could not take leave during the probationary period, which has since been abolished, an amendment 23.40.040 to allow employees to be paid up to 80 hours of accrued leave upon separation during the probationary period and reflecting the extended probationary period, is recommended.

Section 6. This section amends 23.55.020, which sets the period when full-time and part-time employees are eligible for step increases. The City’s compensation structure by grade differs for full-time and part-time employees. This is true even when employees hold the same position as a full-time employee but work part-time. While full-time employees are eligible to advance one step annually for steps B-F and every two years for steps AA-CC, part-time employees are only eligible to advance every two years for steps B-F and every four years for steps AA-CC. Based on McGrath’s recommendation to extend the City’s pay schedule additional steps (DD and EE) and recommendation that all positions be paid the same pay range and afforded the same step adjustments at the same time intervals regardless of employment status (part-time or full-time) to ensure fairness and internal equity, an amendment to 23.55.020 to align the eligibility criteria for step increases between full-time and part-time employees is recommended.



Section 7. This section amends 23.55.030, which establishes qualification pay for employees in recognition of professional development, personal time, and effort for Police Department, Fire Department, Water and Sewer Utility, and Clerk's Office employees.

Police Department. Qualification pay for Police positions was established in 1978 and increased to the current amounts in 2020 to address the recruitment and retention of qualified officers. This increase included recognition pay for qualified senior officers, field training officers, and investigators. The pay for Senior Officers was modeled after a one-pay range increase for qualified Driver/Operator positions established in the Fire Department and is based on the employee's step placement. The certification pays for comparable positions in other places of public employment are calculated on an hourly basis or as a percentage of the base or regular hourly rate, which allows the pay to adjust annually based on adjustments to the salary schedule or pay plan. To ensure compensation is competitive for comparable positions in other places of public employment and apply qualification pay uniformly to promote efficiency and economy, an amendment to 23.55.030 to calculate certification pay as a percent instead of a flat rate is recommended. This change to Recognition Pay for Qualified Senior Officers would account for the pay more correctly as Certification Pay rather than change an employee's base pay and classification. There is no additional cost associated with amending Recognition Pay for Qualified Senior Officers because the cost to advance an employee one pay grade from 21E to 22E is the same as an additional 5% of the employee's current range and step. Qualified Senior Officer pay is considered when calculating hourly rates for annual leave and holiday pay. Overtime would also be calculated to include this recognition pay.

Fire Department. Qualification pay for Firefighters was established in 1978 and increased to the current amounts in 1981. In 1981, \$1,000 represented 3% of a firefighter's annual pay. Today, EMT III pay represents 1% of the base hourly rate. In 2013, a one-pay range increase for qualified Driver/Operator was adopted based on a compensation comparison with Engineer positions in neighboring fire departments. The Fire Marshal, Deputy Fire Chief, and Fire Chief positions are not listed in the Code as positions eligible for EMT III pay; however, employees in these positions have received this pay at the recommendation of the Department Head and previous City Administration based on the benefit provided to the City, as these positions are required to participate in fire suppression and other emergency situations. No employees are receiving EMT II pay, as most Fire Department employees are receiving EMT III Pay or have not yet achieved minimum certification requirements. The change to Recognition Pay for Driver/Operator positions would account for the pay more correctly as Certification Pay rather than change an employee's base pay and classification. There is no additional cost associated with amending Driver/Operator pay because the cost to advance an employee one pay grade is the same as an additional 5% of the employee's current range and step. To reflect the increase in compensation since 1981, ensure compensation is competitive for comparable positions in other places of public employment, and apply qualification pay uniformly to promote efficiency and economy, an amendment to 23.55.030 to remove EMT II pay, increase certification pay and calculate pay as a percent instead of a flat rate is recommended,



include all positions required to participate in fire suppression and other emergency situations is recommended.

Building Plans Examiner. To ensure the City meets the terms of its agreement for exemption of plan review and deferral of life safety inspections with the State of Alaska, to encourage employees to pursue certification beyond the basic requirements of their position, and to provide additional benefit to the City, an amendment to 23.55.030 to add a new type of certification pay as an additional 2.25% of step A of the employee's current range and step for employees who obtain certification in accordance with the International Code Council as a Building Plans Examiner, which provides substantial cost savings or additional benefit to the City, upon recommendation by the Department Head and approval of the City Manager is recommended.

Section 8. This section amends 23.55.080, which establishes longevity pay as a lump sum payment of 2% of an employee's base pay for employees who have been at the last step (Step CC) of the City's pay schedule for two years. Longevity Pay was adopted in 2008 to reward employees for their long-term service with the City based on its short pay model, which allowed employees to reach the maximum step in 10-10.5 years. McGrath recommended extending the compensation system to an 11-step model, which allows employees to reach the maximum step in 15 years. Longevity Pay for comparable public employers ranges from lump sum payments of 2-2.5%, with some employers either not having longevity pay or providing an annual bonus to all employees with at least one year's service. Based on the recommendations of McGrath and to ensure compensation is competitive for comparable positions in other places of public employment, an amendment to 23.55.080 to change the last step from CC to EE is recommended. As part of the Administration's proposed implementation of the updated pay schedule to an 11-step model, employees currently eligible for a longevity bonus who would see a non-cost of living pay increase would no longer be eligible for the longevity bonus under the City's Code. To ensure that no employees receive a decrease in annual pay, the longevity bonus amount is considered part of the total annual pay for employees in longevity when placing employees in the new schedule to ensure that the employee moves to the step closest to what they are earning without taking a decrease in pay.

These amendments aim to enhance the City's compensation and classification structure, ensuring fairness, competitiveness, and alignment with industry standards.

Thank you for your consideration.



MEMORANDUM

TO: Mayor Gabriel and Council Members

FROM: Council Member James Baisden

DATE: May 28, 2024

SUBJECT: **Ordinance 3418-2024 – Requested Amendment to the Draft FY2025 Budget Document**
Ordinance 3419-2024 – Requested Amendment Contingent on the Enactment of Ordinance 3418-2024

This memo requests an amendment to the Draft FY2025 Budget Document and to KMC 23.55.030 to incorporate qualification pay for Public Safety Dispatchers and adjust recognition entitlements for Paramedic certification for eligible Fire Department grades.

After the Administration held meetings with employees and recognized the added responsibilities of Public Safety Dispatchers who serve as communications training officers as part of the department's training program and to ensure compensation is competitive for comparable positions in other places of public employment, an amendment to add recognition pay for qualified Public Safety Dispatchers in the amount of a 5% increase of the employee's current range and step is recommended. This amendment is supported by Human Resources and the City Manager, with an estimated annual cost of \$2,996.

For Fire Department positions, it is recommended that qualification pay for Paramedic certification be calculated on the employee's current range and step to ensure competitive compensation. An amendment is also needed to accurately reflect the type of certification to reflect the Fire Department's current certification levels and transition to the National Registry of Emergency Medical Technicians standards. Human Resources and the City Manager met with employees, reviewed certification pay, and supported an amendment to correct the certification types, increase certification pay for Paramedic to 5%, and adjust the pay so that it is determined by the employee's current range and step rather than being fixed at step A of the Firefighter range, with an estimated annual cost of \$25,504.

The following changes to the draft FY2025 budget document referenced in Ordinance 3418-2024 are respectfully requested:

Motion

Amend the Draft FY2025 Budget Document as follows:

General Fund - Fire, page 132

Increase the Salaries and Benefits section by an additional \$25,504

General Fund - Communications, page 137

Increase the Salaries and Benefits section by an additional \$2,996

For an overall increase of \$28,500 to the FY2025 Budget

The following amendments to Ordinance 3419-2024 are respectfully requested and are contingent on the enactment of Ordinance 3418-2024, adopting the “Annual Budget for the City of Kenai, Alaska July 1, 2024 – June 30, 2025,” Salary Schedule, and Employee Classification Plan and appropriating funds for the fiscal year July 1, 2024 – June 30, 2025:

Motion 1

Amend Ordinance 3419-2024, Section 7, Section 23.55.030 - Qualification Pay, to include a new subparagraph (b)(1)(v) to read:

(Recognition pay for qualified Public Safety Dispatcher personnel for employees temporarily assigned dispatcher training duties for eligible shifts only as follows:

An additional five percent (5%) of the employee's current range and step.

New Text Underlined; [DELETED TEXT BRACKETED]

Motion 2

Amend Ordinance 3419-2024, Section 7, Section 23.55.030 - Qualification Pay, paragraph (b)(2)(ii), to read:

- (ii) Recognition entitlements for EMT certification for eligible grades of fire fighter, engineer, captain, Fire Marshal, Deputy Fire Chief, and Fire Chief are as follows:

EMT/EMS Instructor An additional one-half percent (.5%) of step A of the Firefighter range.

EMT III /Advanced Emergency Medical Technician (AEMT)

An additional two and one-quarter percent (2.25%) of step A of the Firefighter range.

[EMT-]Paramedic An additional [3.75% OF STEP A FIREFIGHTER RANGE (INCLUDES EMT III PAY)] five percent (5%) the employee's current range and step (includes AEMT Pay).

New Text Underlined; [DELETED TEXT BRACKETED]

Thank you for your consideration.





Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3420-2024**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE GENERAL FUND AND MUNICIPAL ROADWAY IMPROVEMENTS CAPITAL FUND AND AWARDING A CONSTRUCTION AGREEMENT AND CORRESPONDING PURCHASE ORDER FOR THE 2024 LILAC LANE ROADWAY IMPROVEMENT PROJECT.

WHEREAS, The City of Kenai formally released for construction bids the 2024 Lilac Lane Roadway Improvements Project on April 17, 2024 with bids due on May 7, 2024; and,

WHEREAS, the following bids were received:

Contractor	Base Bid	Alternative Bid
Peninsula Construction, Inc.	\$637,180	\$637,765
Foster Construction, LLC	\$785,843	\$877,000

; and,

WHEREAS, the project includes repair and replacement of severely settled concrete curb and asphalt areas along Lilac Lane from Cook Inlet View Drive to the Kenai Spur Highway, with the difference between the base bid and alternative bid being a complete replacement of all asphalt in lieu of patching effected areas only; and,

WHEREAS, Peninsula Construction, Inc. having successfully provided a low bid within budgeted amounts will be awarded the construction agreement for their alternative bid in the total amount of \$637,765, which includes a \$50,000 contingent sum for unforeseen conditions; and,

WHEREAS, this project is listed in the FY2025-2029 Capital Improvement Plan and was set to receive funding on July 1st during the new fiscal year, however this Ordinance is allowing appropriation of those funds earlier to allow sufficient time to complete the project this construction season; and,

WHEREAS, this project will take place through the summer with substantial completion anticipated for the Fall of 2024.

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>\$637,765</u>

Increase Appropriations –	
Transfer to Municipal Roadway Improvements Capital Fund	<u>\$637,765</u>

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

Municipal Roadway Improvements Capital Fund:

Increase Estimated Revenues -
Transfer from General Fund

\$637,765

Increase Appropriations –
Construction

\$637,765

Section 3. That the City Manager is authorized to execute a construction agreement in the amount of \$637,765 and to issue a corresponding purchase order to Peninsula Construction, Inc. in that same amount.

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 5TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: _____



Introduced:	May 15, 2024
Enacted:	June 5, 2024
Effective:	June 5, 2024



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: Terry Eubank, City Manager

FROM: Scott Curtin, Public Works Director

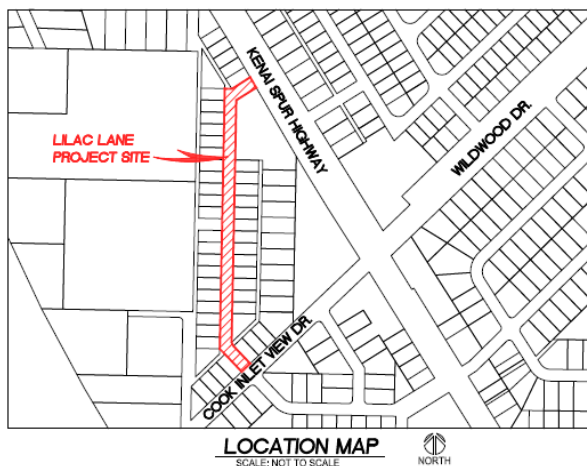
DATE: May 8, 2024

SUBJECT: Ordinance 3420-2024

On May 7th, 2024 the Public Works Department received construction bids for the 2024 Lilac Lane Roadway Improvements project, with Peninsula Construction, Inc. determined to have provided the lowest responsive and responsible bid at a total cost of \$637,765. The project has been moving forward within our Capital Improvement Plan for some years now. This Ordinance is being provided now to appropriate the funding a month ahead of our normal fiscal years appropriations to allow more time to complete the project during this construction season.

Lilac Lane is approximately 1600lf in length, located between Cook Inlet View Drive and the Kenai Spur Highway. The roadway is primarily residential with some commercial properties along the highway frontage. Map and photo below of the project area.

The project is anticipated to start in June with completion anticipated for later this fall. Council's approval of this Ordinance is respectfully requested.





Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2024-19**

A RESOLUTION FIXING THE RATE OF LEVY OF PROPERTY TAX FOR THE FISCAL YEAR COMMENCING JULY 1, 2024 AND ENDING JUNE 30, 2025.

WHEREAS, Kenai Municipal Code requires that the rate of levy of property tax be set annually not later than the tenth day of June; and,

WHEREAS, the Council has adopted the "City of Kenai 2025 Annual Budget," which estimates property tax revenue based upon a tax rate of 4.35 mills.

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

Section 1. That the rate of levy of property tax for the fiscal year commencing July 1, 2024 and ending June 30, 2025 is fixed at 4.35 mills.

Section 3. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 5TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



KENAI

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MEMORANDUM

TO: Mayor Brian Gabriel and Kenai City Council

THROUGH: Terry Eubank, City Manager

FROM: Dave Swarner, Finance Director

DATE: May 24, 2024

SUBJECT: **Resolution 2024-19 Establishing the City of Kenai FY2025 Property Tax Mill Rate**

Resolution 2024-19 will establish the rate of levy of property tax for FY2025, tax year 2024. The proposed rate of levy is 4.35 and will result in \$435 in taxes being paid for each \$100,000 of taxable assessed property value. The rate is unchanged and will generate the necessary property taxes to support the adopted FY25 budget. The last mill rate change for the City was in FY2015.

Your support is respectfully requested.



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2024-20**

A RESOLUTION AMENDING THE COMPREHENSIVE SCHEDULE OF RATES, CHARGES, AND FEES TO INCORPORATE CHANGES INCLUDED IN THE FY2025 BUDGET TO INCLUDE ADJUSTING AIRPORT FEES, WATER FEES, SEWER FEES, AND ADJUSTING THE MONTHLY RENTAL RATES AT VINTAGE POINTE.

WHEREAS, the newly adopted sections 10.40.090(a) and (b) provide that the fees for copying public records including paper documents, audio/video recordings, and digital records, as well as certified copies, will be a per copy fee as set forth in the City's schedule of fees adopted by the City Council; and,

WHEREAS, the newly adopted sections 10.40.090(c) and (d) provides that the fee for electronic services and products will be based on recovery of the actual incremental costs of providing the electronic services and products, and a reasonable portion of the costs associated with building and maintaining the information system of the City; and,

WHEREAS, the Comprehensive Schedule of Rates, Charges, and Fees currently provides for Audio CDs and cassettes as methods of electronic records transfer; outdated mediums which are no longer convenient for many members of the public to access; and,

WHEREAS, the Administration negotiated and implemented a five-year Airline Operating Agreement which was effective July 1, 2020; and,

WHEREAS, this Airline Operating agreement included a 5% annual increase in terminal rents for exclusive and non-exclusive space, signatory landing fees, and signatory apron space; and,

WHEREAS, non-signatory landing fees are 30% higher than the signatory rate and will be impacted proportionally by its increase; and,

WHEREAS, the proposed increase to Airport Reserve Land Annual Lease Rates is commensurate with the 2023 annual change in Consumer Price Index for Anchorage of 1.54% and is a required rate change under Kenai Municipal Code 21.10.090(b); and,

WHEREAS, the last water and sewer rate study performed by the City was in FY11 which called for annual adjustments by the Anchorage Alaska Annual Consumer Price Index (CPI) after a five-year period of rate increases in addition to CPI; and,

WHEREAS, annual adjustments in relation to CPI reduces the likelihood of dramatic future increases upon the completion of a new rate study that is being performed; and,

WHEREAS, the Anchorage Annual Consumer Price Index increase for 2022 and 2023 was 8.11% and 1.54% respectively and a 5% increase in FY2024, a 4% Water and Sewer rates is reasonable pending the completion the new rate study; and,

WHEREAS, the Library removal of fees for equipment no longer in circulation; and,

WHEREAS, the Library removal of postage fees in accordance to others in the consortium; and,

WHEREAS, the Library included a processing fee of \$5 to account for lost or damaged items; and,

WHEREAS, the Library included a \$10 fee for lost or damaged power cords; and,

WHEREAS, the Library removed fees for replacement cost of projector/screen kit and Fishing rods and reels as they are included in Juvenile kits/adult kits/Playaway launchpads; and,

WHEREAS, a rental rate study for Vintage Pointe was completed in 2020 and the City's policy is to adjust rental rates each year by the Anchorage Alaska Annual Consumer Price Index (CPI) to a maximum of \$50.00 per month until the next study, 2025; and,

WHEREAS, because of the high, 8.11% Anchorage CPI for 2022 all units in Vintage Pointe will be below market after the proposed \$50.00 per month increase; and,

WHEREAS, updating the City's Schedule of Rates, Charges, and Fees to include changes made in formation of the annual budget is in the best interest of the City.

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

Section 1. That City Clerk Fees be amended as follows:

CITY CLERK

PUBLIC RECORDS REQUESTS [KMC 10.40.050]

**[APX - PUBLIC
RECORD INSPECTION
REGULATIONS 1.01]**

<u>10.40.090(a)</u>	First 10 copies are free, more than 10 copies per copy	\$0.25
[1.01	AUDIO CD OR CASSETTE, FIRST	\$25.00
1.01	AUDIO CD OR CASSETTE, ADDITIONAL	\$5.00]
<u>10.40.090(d)</u>	<u>Electronic Services</u>	<u>Actual</u>
[1.02] <u>10.40.090(b)</u>	Certified Copy Fee	\$10.00
	Production fee will be calculated for work over 5	
[1.03] <u>10.40.090(c)</u>	hours	Actual

Section 2. That Airport Fees be amended as follows:

AIRPORT FEES

21.05.085	Fuel Flowage Fee per gallon	
	-Signatory	\$0.035
	-Non-signatory	\$0.07

**APX - Airport
Regulations**

Aircraft Parking Fees

6.05.070 (c)	-transient, under 4,000 lbs. 0 - 4 hrs.	FREE
6.05.070 (c)	-transient, under 4,000 lbs. over 4 hrs.	\$5.00
6.05.070 (c)	-transient, 4,001 - 12,500 lbs. 0-12 hrs.	\$25.00
6.05.070 (c)	-transient, 4,001 - 12,500 lbs. 12-24 hrs.	\$50.00
6.05.070 (c)	-transient, 12,501 - 100,000 lbs. 0-12 hrs.	\$50.00
6.05.070 (c)	-transient, 12,501 - 100,000 lbs. 12-24 hrs.	\$100.00
6.05.070 (c)	-transient, 100,001 lbs. per day	\$250.00

Landing Fees

14.05.010 (a)(2)	Signatory per thousand pounds	[\$1.97]	<u>\$2.07</u>
14.05.010 (b)(2)	Non-signatory per thousand pounds exempt -- float planes, test landings due to mechanical or weather, government aircraft	[\$2.56]	<u>\$2.69</u>

Terminal Building Rent -- Exclusive Space

-signatory - per square foot per year	[\$39.19]	<u>\$41.15</u>
-signatory -- arrival hallway, departure hallway, passenger hold room & baggage claim area (per square foot per year)	[\$39.19]	<u>\$41.15</u>

Terminal Building Rent -- Joint Use Space

-signatory -- baggage make up area (per square foot per year)	[\$23.75]	<u>\$24.94</u>
-signatory -- baggage break down area (per square foot per year)	[\$23.75]	<u>\$24.94</u>
-non-signatory terminal rates 30% higher		

Other Fees

-Taxi cab annual fee per vehicle		\$100.00
-Terminal building key replacement (per key)		\$10.00
-Non-signatory airline airport apron rental rate per square foot	[\$1.33]	<u>\$1.40</u>
-Signatory, airline, terminal apron parking and GSE storage space rent per square foot	[\$0.61]	<u>\$0.64</u>

21.10.090 (a) **Airport Reserve Land Annual Lease Rates**

<u>Legal Description of Property</u>	<u>KPB Parcel ID No.</u>	<u>FY25 Annual Rent</u>
Lot 2, Block 2, FBO Subdivision	04336004	[\$7,321.12] <u>\$7,430.96</u>
NW 1/4 NW 1/4 Sec. 33 lying W of Marathon Rd. excluding Baron Park 2007 Replat	04501056	Subject to Appraisal
Lot 8, Block 2, Cook Inlet Industrial Air Park	04322008	[\$17,477.44] <u>\$17,739.60</u>
Lot 3, Block 5, Cook Inlet Industrial Air Park	04322020	[\$6,441.44] <u>\$6,741.04</u>
Lot 4, Block 5, Cook Inlet Industrial Air Park	04322021	[\$6,691.44] <u>\$6,791.84</u>
Lot 9A, Block 5, General Aviation Apron No. 6	04324026	<u>\$15,769.12</u>
Lot 1, Block 2, FBO Subdivision	04336003	[\$7,621.12] <u>\$7,735.44</u>
Lot 1, FBO Subdivision No. 6	04336034	[\$14,267.28] <u>\$14,481.28</u>
Lot 3, FBO Subdivision No. 6	04336036	[\$20,211.92] <u>\$20,515.12</u>
[Lot 5, FBO Subdivision No. 9	04336043	Subject to Appraisal]
Tract A1, Baron Park 2007 Replat	04501031	[\$40,778.40] <u>\$41,390.08</u>
[Tract C-1, Gusty Subd. No. 8	04327034	<u>\$4,016.16]</u>
Portion of W1/2 of Sec. 28 & SE1/4, Sec. 29, T6N, R11W	04101021	Subject to Appraisal
Portion of SW1/4, Sec. 29, T6N, R11W Excluding Airport Float Basin Replat	04101022	Subject to Appraisal
Portion of Tract A, Kenai Airport Float Plane Basin Replat	04318043	Subject to Appraisal
Portion Sec. 32, T6N, R11W Excluding Subs. & Leased Areas & Float Plane Basin	04318044	Subject to Appraisal
Tract A, FBO Subdivision	04336001	Subject to Appraisal
[Lot 5A, Block 1, FBO Subdivision	04336049	Subject to Appraisal]
<u>Portion of E1/2 NE1/4 & SW1/4 NE1/4, Sec. 29, T6N, R11W</u>	<u>04101004</u>	<u>Subject to Appraisal</u>
<u>Portion of Tract B, FBO Subdivision No. 10</u>	<u>04318045</u>	<u>Subject to Appraisal</u>
<u>Lot 5B, FBO Subdivision No. 10</u>	<u>04318048</u>	<u>Subject to Appraisal</u>
<u>Tract A, Gusty Subdivision No. 3</u>	<u>04327021</u>	<u>Subject to Appraisal</u>
<u>Lot 1, Block 3, Gusty Subdivision No.4</u>	<u>04327030</u>	<u>Subject to Appraisal</u>
<u>Lot 2, Block 3, Gusty Subdivision No. 4</u>	<u>04327031</u>	<u>Subject to Appraisal</u>
<u>Lot 3, Block 3, Gusty Subdivision No. 4</u>	<u>04327032</u>	<u>Subject to Appraisal</u>
<u>Tract C-1, Gusty Subdivision No. 7</u>	<u>04327034</u>	
<u>Tract B, Gusty Subdivision No. 6 Amended</u>	<u>04327035</u>	<u>Subject to Appraisal</u>

Portion of T 5N R 11W Sec 5 & 6 Seward Meridian Kn Ptns of Sec 5 & 6 Lying NE of Kenai Spur Hwy & E of Birch Dr & NW of Main St Excl USS 4969 & Gusty Sub K1700 & Gusty Sub Addn #1 Amd 84-183 & Gusty Sub #3 84-237 & Gusty Sub #4 86-76 & Gusty Sub #5 87-15 & Gusty Sub #7 89-5 & Kenai Cemetery Expansion Sub	<u>04327036</u>	<u>Subject to Appraisal</u>
Lot 1, FBO Subdivision No. 7	<u>04336037</u>	<u>Subject to Appraisal</u>

Section 3. That Library Fees be amended as follows:

LIBRARY FEES

APX - Library Regulations and Policies

1. **Default fees for lost, stolen or damaged materials when no retail value is available.**
 - a. -Adult book (hardcover) \$33.00
 - b. -Adult large print \$40.00
 - c. -Adult audiobook \$50.00
 - d. -Youth board book \$10.00
 - e. -Youth book (hardcover) or picture book \$25.00
 - f. -Youth audiobook \$25.00
 - g. -Adult/youth trade paperbacks \$15.00
 - h. -Adult/youth mass market paperbacks \$10.00
 - i. -Magazines \$5.00
 - j. -Video/DVD/music CD \$30.00
 - k. -DVD set \$50.00
 - l. -Interlibrary loan item (fee or actual cost charged by lender) \$30.00
 - m. -Juvenile kits/Adult kits/Playaway launchpads \$150.00
 - n. -Microfilm reel or microfiche \$35.00
 - [O.] -PROJECTOR/SCREEN KIT \$1,000]
 - [P.] o -Chromebook kit \$370.00
 - [Q.] p -Laptop \$800.00
 - [R.] -FISHING RODS AND REELS \$59.00]
2. **Proctoring per test** \$25.00
3. **Replacement Costs**
 - a. -processing fee for all lost/damaged items \$5.00
 - [A.] b. -item barcode \$1.00
 - [B.] c. -RFID Tag \$1.00
 - [C.] d. -replacement library card \$1.00
 - [D.] e. -mylar book cover \$1.00
 - [E.] f. -music DC or single disc DVD case \$2.00
 - [F.] g. -multidisc DVD or audiobook case \$5.00
 - [G.] h. -power cord Chromebook/laptop \$20.00
 - i. -power cord Launchpads, Tonies, etc. \$10.00

Section 4. That Water and Sewer Fees be amended as follows:

WATER FEES

APX - Public Utility Regulations and Rates

Water & Sewer service deposit - refundable after two years of timely payments		\$100.00
1. Schedule A - General Domestic Service Rates (non-metered)		
-one or two family residence, per family unit	[\$40.85]	<u>\$42.48</u>
-single or double unit apartment, per family unit	[\$40.85]	<u>\$42.48</u>
-apartment, 3 or more units on a single parcel, per family unit		
-single bill assumed by owner	[\$30.75]	<u>\$31.98</u>
-separate bill	[\$40.85]	<u>\$42.48</u>
-trailers, one or two on single lot, each	[\$40.85]	<u>\$42.48</u>
-trailer, 3 or more on single lot		
-single billing	[\$30.75]	<u>\$31.98</u>
-separate billing	[\$40.85]	<u>\$42.48</u>
-boarding houses, per available room	[\$10.87]	<u>\$11.30</u>
2. Schedule B - Commercial service (non-metered)		
-demand		
-1.00 inch service	[\$41.42]	<u>\$43.08</u>
-1.25 inch service	[\$63.09]	<u>\$65.61</u>
-1.50 inch service	[\$104.49]	<u>\$108.67</u>
-2.00 inch service	[\$157.71]	<u>\$164.02</u>
-3.00 inch service	[\$236.59]	<u>\$246.05</u>
-larger than 3.00 inch service	[\$354.85]	<u>\$369.04</u>
-use charge		
-bakery	[\$120.25]	<u>\$125.06</u>
-bath house, tub or shower, each	[\$27.64]	<u>\$28.75</u>
- bottling works, per bottling machine	[\$950.22]	<u>\$988.23</u>
-bowling alleys, amusement parks, doctor	[\$114.32]	<u>\$118.89</u>
-car lot, with car wash facilities	[\$57.18]	<u>\$59.47</u>
-car wash, automatic, per facility	[\$512.54]	<u>\$533.04</u>
-car wash, self-service, per stall	[\$76.87]	<u>\$79.94</u>
-churches, lodges, clubs, banquet rooms, per seat	[\$0.44]	<u>\$0.46</u>
-cleaners and commercial laundries, per facility	[\$329.23]	<u>\$342.40</u>
-dairies, installation of water meter required		
-day care center/preschool, per child, maximum capacity	[\$1.64]	<u>\$1.71</u>
-doctor and dentist offices, per room or chair	[\$24.63]	<u>\$25.62</u>
-garage, service stations	[\$49.29]	<u>\$51.26</u>
-recreational vehicle dump facility (May - September)	[\$57.18]	<u>\$59.47</u>
-hangar, airplane repair	[\$49.29]	<u>\$51.26</u>
-with washing facilities	[\$57.16]	<u>\$59.45</u>
-hospital, per bed	[\$32.55]	<u>\$33.85</u>
-hotel, motel, resort, per room	[\$25.62]	<u>\$26.64</u>
-laundry, self service, per machine	[\$46.37]	<u>\$48.22</u>
-markets, meat	[\$63.09]	<u>\$65.61</u>
-office building single bill assumed by owner, per business	[\$55.17]	<u>\$57.38</u>
-office building, tenants are billed, per business	[\$63.09]	<u>\$65.61</u>
-restaurants, cafes, taverns, bars, per seat	[\$3.55]	<u>\$3.69</u>
-public office building, per restroom	[\$14.21]	<u>\$14.78</u>
-recreation facility, per restroom, sauna, shower	[\$27.64]	<u>\$28.75</u>
-rv/camper park, per space	[\$27.64]	<u>\$28.75</u>
-schools, per seating capacity	[\$1.64]	<u>\$1.71</u>
-shopping center	[\$28.62]	<u>\$29.76</u>
-shops, beauty, per station or chair	[\$28.62]	<u>\$29.76</u>
-shops, misc. (includes barber), per shop	[\$28.62]	<u>\$29.76</u>
-sleeping room, per room	[\$10.87]	<u>\$11.30</u>
-studio, photo or photo lab	[\$135.05]	<u>\$140.45</u>
-supermarket	[\$324.31]	<u>\$337.28</u>
-theater, indoor, per seat	[\$0.19]	<u>\$0.20</u>
-theater, outdoor, per seat	[\$0.19]	<u>\$0.20</u>
-taverns, lounges, bars (without kitchens), per seat	[\$3.38]	<u>\$3.52</u>
-xray or lab office	[\$80.84]	<u>\$84.07</u>

WATER FEES - continued

3. Schedule C - Industrial Service (non-metered)

-concrete mixing plant	[\$520.42]	<u>\$541.24</u>
-concrete products	[\$260.24]	<u>\$270.65</u>
-confectioner	[\$173.46]	<u>\$180.40</u>
-greenhouse, commercial	[\$173.46]	<u>\$180.40</u>
-ice cream plant	[\$260.24]	<u>\$270.65</u>
-cold storage plant or locker	[\$122.24]	<u>\$127.13</u>
-hydrant use (per day)	[\$105.83]	<u>\$110.06</u>

4. Schedule D - Fire Protection

5. Schedule E - Metered Service

-general usage, per thousand gallons	[\$3.94]	<u>\$4.10</u>
-hydrant use, per thousand gallons	[\$5.93]	<u>\$6.17</u>
-minimum monthly charge, general usage	[\$59.17]	<u>\$61.54</u>

6. Schedule F - Water Connection Permit Fee

Hydrant Permit deposit	[\$245.32]	<u>\$255.13</u>
Unauthorized shut-off or turn-on of water service		\$200.00
Service shut-off or turn-on - during normal business hours		\$250.00
Service shut-off or turn-on - outside normal business hours & holidays		\$50.00
New construction service turn-on and shut off for system testing		\$150.00
New construction service turn-on for occupancy		\$0.00
Service valve & key box installation by City		\$0.00
Key box location		Actual Cost
		Actual Cost

Note: All Water Fees are subject to a 2% discount for payment by means other than credit card.

SEWER FEES

APX - Public Utility Regulations and Rates

1. Schedule A - General Domestic Service Rates (non-metered)

-one or two family residence, per family unit	[\$58.40]	<u>\$60.74</u>
-single or double unit apartment, per family unit	[\$58.40]	<u>\$60.74</u>
-apartment, 3 or more units on a single parcel, per family unit		
-single bill assumed by owner	[\$43.91]	<u>\$45.67</u>
-separate bill	[\$58.40]	<u>\$60.74</u>
-trailers, one or two on single lot, each	[\$58.40]	<u>\$60.74</u>
-trailer, 3 or more on single lot		
-single billing	[\$43.91]	<u>\$45.67</u>
-separate billing	[\$58.40]	<u>\$60.74</u>
-boarding houses, per available room	[\$15.77]	<u>\$16.40</u>

2. Schedule B - Commercial service (non-metered)

-demand		
-1.00 inch service	[\$58.95]	<u>\$61.31</u>
-1.25 inch service	[\$87.41]	<u>\$90.91</u>
-1.50 inch service	[\$148.42]	<u>\$154.36</u>
-2.00 inch service	[\$221.59]	<u>\$230.45</u>
-3.00 inch service	[\$335.46]	<u>\$348.88</u>
-larger than 3.00 inch service	[\$504.20]	<u>\$524.37</u>
-use charge		
-bakery	[\$170.75]	<u>\$177.58</u>
-bath house, tub or shower, each	[\$38.61]	<u>\$40.15</u>
-bottling works, per bottling machine	[\$1353.99]	<u>\$1,408.15</u>
-bowling alleys, amusement parks, doctor	[\$163.67]	<u>\$170.22</u>
-car lot, with car wash facilities	[\$81.32]	<u>\$84.57</u>
-car wash, automatic, per facility	[\$727.82]	<u>\$756.93</u>
-car wash, self-service, per stall	[\$108.75]	<u>\$113.10</u>
-churches, lodges, clubs, banquet rooms, per seat	[\$0.61]	<u>\$0.63</u>
-cleaners and commercial laundries, per facility	[\$467.60]	<u>\$486.30</u>
-dairies, installation of water meter required		
-day care center/preschool, per child, maximum capacity	[\$2.35]	<u>\$2.44</u>
-doctor and dentist offices, per room or chair	[\$35.09]	<u>\$36.49</u>

SEWER FEES - Continued

-garage, service stations	[\$71.17]	<u>\$74.02</u>
-recreational vehicle dump facility May - September)	[\$81.32]	<u>\$84.57</u>
-hangar, airplane repair	[\$70.64]	<u>\$73.47</u>
-with washing facilities	[\$81.32]	<u>\$84.57</u>
-hospital, per bed	[\$46.77]	<u>\$48.64</u>
-hotel, motel, resort, per room	[\$36.08]	<u>\$37.52</u>
-laundry, self service, per machine	[\$65.58]	<u>\$68.20</u>
-markets, meat	[\$89.46]	<u>\$93.04</u>
-office building single bill assumed by owner, per business	[\$77.27]	<u>\$80.36</u>
-office building, tenants are billed, per business	[\$89.46]	<u>\$93.04</u>
-restaurants, cafes, taverns, bars, per seat	[\$5.19]	<u>\$5.40</u>
-public office building, per restroom	[\$20.33]	<u>\$21.14</u>
-recreation facility, per restroom, sauna, shower	[\$39.13]	<u>\$40.70</u>
-rv/camper park, per space	[\$39.13]	<u>\$40.70</u>
-schools, per seating capacity	[\$2.35]	<u>\$2.44</u>
-shopping center	[\$40.66]	<u>\$42.29</u>
-shops, beauty, per station or chair	[\$40.66]	<u>\$42.29</u>
-shops, misc. (includes barber), per shop	[\$40.66]	<u>\$42.29</u>
-sleeping room, per room	[\$15.77]	<u>\$16.40</u>
-studio, photo or photo lab	[\$193.14]	<u>\$200.87</u>
-supermarket	[\$461.49]	<u>\$479.95</u>
-theater, indoor, per seat	[\$0.28]	<u>\$0.29</u>
-theater, outdoor, per seat	[\$0.28]	<u>\$0.29</u>
-taverns, lounges, bars (without kitchens), per seat	[\$4.87]	<u>\$5.06</u>
-xray or lab office	[\$114.87]	<u>\$119.46</u>
3. Schedule C - Industrial Service (non-metered)		
-concrete mixing plant	[\$742.07]	<u>\$771.75</u>
-concrete products	[\$370.02]	<u>\$384.82</u>
-confectioner	[\$245.98]	<u>\$255.82</u>
-greenhouse, commercial	[\$245.98]	<u>\$255.82</u>
-ice cream plant	[\$370.02]	<u>\$384.82</u>
-cold storage plant or locker	[\$172.81]	<u>\$179.72</u>
4. Schedule D - Fire Protection		None
5. Schedule E - Metered Service		
-general usage, per thousand gallons	[\$5.79]	<u>\$6.02</u>
-hydrant use, per thousand gallons		
-minimum monthly charge, general usage	[\$86.86]	<u>\$90.33</u>
6. Schedule F - Permit fee	[\$233.76]	<u>\$243.11</u>

Note: All Sewer Fees are subject to a 2% discount for payment by means other than credit card.

Section 5. That Vintage Pointe Rents be amended as follows:

VINTAGE POINTE RENTS

FOR UNITS WITH RENTAL AGREEMENTS GRANDFATHERED PER THE CITY'S POLICY
BEFORE JUNE 30, 2023:

1-A apartment=586 sq. ft. Ocean Side (8)	[<u>\$1,017.46</u>]	<u>\$1,067.46</u>
1-A apartment=586 sq. ft. Street Side (5)	[<u>\$970.98</u>]	<u>\$1,020.98</u>
1-B apartment=637 sq. ft. Street Side (4)	[<u>\$989.77</u>]	<u>\$1,039.77</u>
1-B apartment=637 sq. ft. Ocean Side (6)	[<u>\$1,037.24</u>]	<u>\$1,087.24</u>
1-C apartment=682 sq. ft. Ocean Side (4)	[<u>\$1,054.06</u>]	<u>\$1,104.06</u>
1-C apartment=682 sq. ft. Street Side (4)	[<u>\$1,006.58</u>]	<u>\$1,056.58</u>
2-A apartment=826 sq. ft. Ocean Side (3)	[<u>\$1,175.20</u>]	<u>\$1,225.20</u>
2-A apartment=826 sq. ft. Street Side (1)	[<u>\$1,124.27</u>]	<u>\$1,174.27</u>
2-B apartment=876 sq. ft. Ocean Side (2)	[<u>\$1,185.17</u>]	<u>\$1,235.17</u>
2-B apartment=876 sq. ft. Street Side (2)	[<u>\$1,127.39</u>]	<u>\$1,177.39</u>
2-C apartment=789 sq. ft. Ocean Side (1)	[<u>\$1,165.81</u>]	<u>\$1,215.81</u>
Monthly Automatic ACH Payment Fee		

Note: All Vintage Pointe Rents are subject to a 2% discount for payment by means other than credit card.

FOR UNITS WITH MARKET RATE RENTAL AGREEMENTS:

1-A apartment=586 sq. ft. Ocean Side (8)	[<u>\$1,074.28</u>]	<u>\$1,090.83</u>
1-A apartment=586 sq. ft. Street Side (5)	[<u>\$1,021.59</u>]	<u>\$1,037.32</u>
1-B apartment=637 sq. ft. Street Side (4)	[<u>\$1,042.88</u>]	<u>\$1,058.94</u>
1-B apartment=637 sq. ft. Ocean Side (6)	[<u>\$1,098.71</u>]	<u>\$1,113.60</u>
1-C apartment=682 sq. ft. Ocean Side (4)	[<u>\$1,115.78</u>]	<u>\$1,132.96</u>
1-C apartment=682 sq. ft. Street Side (4)	[<u>\$1,061.95</u>]	<u>\$1,078.30</u>
2-A apartment=826 sq. ft. Ocean Side (3)	[<u>\$1,257.07</u>]	<u>\$1,276.43</u>
2-A apartment=826 sq. ft. Street Side (1)	[<u>\$1,195.39</u>]	<u>\$1,213.80</u>
2-B apartment=876 sq. ft. Ocean Side (2)	[<u>\$1,275.02</u>]	<u>\$1,294.66</u>
2-B apartment=876 sq. ft. Street Side (2)	[<u>\$1,213.34</u>]	<u>\$1,232.03</u>
2-C apartment=789 sq. ft. Ocean Side (1)	[<u>\$1,242.50</u>]	<u>\$1,261.63</u>
Monthly Automatic ACH Payment Fee		

Note: All Vintage Pointe Rents are subject to a 2% discount for payment by means other than credit card.

Section 6. That this Resolution takes effect July 1, 2024.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 5TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Gabriel and Council Members
THROUGH: Terry Eubank, City Manager
FROM: Derek Ables, Airport Manager
DATE: May 23, 2024
SUBJECT: Resolution 2024-20 Fee Schedule Changes

The Airport has reviewed the Airport Rates & Fees Schedule for fiscal year 2024 and respectfully requests the Kenai City Council's consideration of the Resolution amending the fee schedule.

The Airport is proposing the following changes:

In accordance with the Kenai Municipal Airport – Airline Operating Agreement, the following fees will increase by five-percent (5%):

Landing Fees

Signatory per one-thousand pounds	from \$1.97	to \$2.07
Non-signatory per one-thousand pounds	from \$2.56	to \$2.69

Terminal Building Rent – Exclusive Use Space

*Signatory – per square foot per year	from \$39.19	to \$41.15
*Signatory – arrival hallway, departure hallway, passenger hold room & baggage claim area (per square foot per year)	from \$39.19	to \$41.15

Terminal Building Rent – Joint Use Space

*Signatory – baggage make-up area (per square foot per year)	from \$23.75	to \$24.94
*Signatory – baggage breakdown area (per square foot per year)	from \$23.75	to \$24.94

*Non-signatory terminal rates are an additional 30%

Other Fees

Non-Signatory airline airport apron rental rate per square foot	from \$1.33	to \$1.40
Signatory, airline, terminal apron parking and GSE storage space rent per square foot	from \$0.61	to \$0.64

Subject to Kenai Municipal Code 21.10.090 – Principles and policy of lease rates, all land leases are adjusted by the annual Consumer Price Index (CPI) for Anchorage, Alaska. The annual year over year CPI increased by 1.54 % in 2023 for Anchorage, Alaska.





KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Katja Wolfe, Library Director

DATE: May 28, 2024

SUBJECT: RES 2024-20 Fee Schedule Changes

This memo is in reference to the Library Fees portion of the City of Kenai Schedule of Rates, Charges and Fees for FY2025. The following changes are proposed:

- Under *Section 1. Default fees for lost, stolen or damaged materials*, we removed replacement costs for two items (*o. Projector/screen kit* and *r. Fishing rods and reels*), as both fall under *m. Juvenile kits/adult kits/Playaway launchpads*. (The default fees in this schedule are used only when no retail value is available.)
- Under *Section 3, Replacement Costs*, we recommend the addition of a \$5 processing fee to account for the materials and staff time needed to process replacement copies of lost or damaged items, as well as a \$10 charge for lost or damaged power cords for electronic devices in our Library of Things collection.
- We recommend the removal of *Section 6. Equipment check-out*, which was previously used to charge patrons (a) a refundable security deposit and (b) a rental fee for costly electronic equipment. We no longer circulate this equipment, making the section unnecessary.
- We recommend the removal of *Section 7. Postage Fee*. The Kenai Community Library is the only library in the Alaska Library Catalog to assess a fee for hold items not picked up, and we would like to remove this fee to be in line with the rest of the consortium

Thank you for your consideration.



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Scott Curtin, Public Works Director

DATE: May 28, 2024

SUBJECT: Resolution 2024-20 Fee Schedule Changes

The purpose of this memo is to request Council's approval of modest cost increases within the City's Water & Sewer sections of the Fee Schedule. The increases constitute an across the board 4% increase over last years rates. This is in alignment with the Water & Sewer Rate Study which is planned to be provided to Council at the June 19th meeting.

The increases will allow the department to continue to effectively maintain the utility. While inflationary concerns continue to place pressure on the utility, our ability to successfully apply for and receive grants, continuation of reduced utility costs due to replacements of more efficient equipment, while finding new sources of revenue like the processing of leachate, are the primary reasons the increases proposed are not more significant.

The Administration believes these increases are in the best interest of the City. Council's approval is respectfully requested.



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Kathy Romain, Senior Center Director

DATE: May 23, 2024

SUBJECT: Resolution 2024-20 Fee Schedule Changes

This MEMO is in support of Resolution No. 2024-20, adjusting rental rates for Vintage Pointe Manor.

Vintage Pointe Manor was originally designed as an independent senior housing facility, with rents intended to align with the current market value. In 2013, the City implemented a plan to gradually increase rents to market levels, allowing for annual increments of up to \$35.00 per month until the market rate was achieved. Thereafter, rents would be adjusted annually based on changes in the Anchorage Consumer Price Index (CPI). New tenants would immediately be charged the market rate upon moving in.

Significant increases in the CPI have rendered the \$35.00 annual limit insufficient to keep pace with market rates. Last year, we informed the tenants of our intention to propose a \$50.00 rent increase for FY2025. Despite this adjustment, most tenants will still be paying below market rates.

Thank you for your consideration.



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members
FROM: Council Member Askin
DATE: May 28, 2024
SUBJECT: Fee changes at the Kenai Recreation Center

The purpose of this Memo is to propose fee changes at the Kenai Rec Center to help reduce the amount currently supplemented by the City. Currently, the City supplements 80.57% of all the costs at the Kenai Rec Center, while the facility's revenue covers the other 19.53%.

General Entry

The Kenai Rec Center currently offers different rates for entry into the weight and cardio room and gymnasium. The proposed change would eliminate this discrepancy and charge the weight and cardio room fees for the use of the gymnasium. The purpose would be one fee to utilize the whole facility, excluding the racquetball and volleyball courts.

Wallyball and Racquetball

The racquet and volleyball courts are available to rent by the hour; the price varies depending on the activity. This change would make the fee the same for all activities and raise the rate to match the cost seen at other facilities.

Gym Rentals

Currently, the fee schedule allows youth athletic non-profits to rent the facility for free. Most of the free gym space is rented by the school district and Boys and Girls Club, and the rest is used by various youth nonprofits such as Kenai Peninsula Soccer Club. In FY24, 403 hours of free gym time were used, equal to 20,150 dollars of gym time.

Supplement Change

The changes would account for an estimated increase in revenue of \$26,995.35 and a decrease in the city supplements to 66.97%. However, gym rentals could decrease since a fee would be established, so this estimate is based on whether the same amount of gym space is rented.

Current Fee Schedule

Appendix

City of Kenai
Schedule of Rates, Charges and Fees

<u>Fee Description</u>	<u>Fee Amount</u>
<u>PARKS AND RECREATION FEES</u>	

Multipurpose Facility

-hourly rate (reservation)	\$165.00
----------------------------	----------

Kenai Recreation Center

**-Weights/Cardio/Sauna - includes weight/cardio room, shower, sauna, and gym.
(must be 16 or older unless accompanied by a guardian)**

-Adults	\$5.00
-College Students	\$2.50
-High School Students and younger	FREE
-Veterans and Seniors (55 and older)	\$2.50
-Adult 10 visit punch card	\$40.00
-Adult Monthly Pass	\$50.00
-College Student, Veterans & Senior Monthly Pass	\$25.00

-Basketball/Pickleball – includes basketball gym and showers

-Adults	\$3.00
-College Students	\$3.00
-High School Students and younger	FREE
-Adult & College Student Monthly Pass (All Ages)	\$25.00
-Gym Punch Card 12 Visits (All ages)	\$25.00
-City League Basketball (per team)	\$325.00

-Racquetball & Wallyball Court Rentals - per hour and includes showers for participants.

-Adult Racquetball	\$12.00
-Racquetball Punch Card (10 hours all)	\$80.00
-Adult Wallyball	\$12.00
- Wallyball Punch Card (10 hours)	\$100.00

-Facility Rental - per hour

-Gym	\$50.00
-1/2 Gym	\$25.00
-Non profit Youth Athletic Programs	FREE

Parks/Gazebos/Gardens

-Picnic Shelter	
8:00am - 3:00pm	\$20.00
4:00am - 11:00pm	\$20.00
-Gazebo	
8:00am - 3:00pm	\$25.00
4:00am - 11:00pm	\$25.00



Appendix

Proposed changes
City of Kenai
Schedule of Rates, Charges and Fees

<u>Fee Description</u>	<u>Fee Amount</u>
<u>PARKS AND RECREATION FEES</u>	

Multipurpose Facility

-hourly rate (reservation)	\$165.00
----------------------------	----------

Kenai Recreation Center

-Weights/Cardio/Sauna/Gymnasium—including a weight/cardio room, shower, sauna, and gym.
(When using the weight room, must be 16 or older unless accompanied by a guardian)

-Day Pass	<u>\$5.00</u>
- Day pass: College Student, Veterans & Senior	<u>\$2.50</u>
-High School Students and younger	<u>FREE</u>
- 10 visit punch cards	<u>\$40.00</u>
-10 visit punch card: College Students, Veterans & Senior	<u>\$20.00</u>
- Monthly Pass	<u>\$50.00</u>
- Monthly Pass: College Student, Veterans & Senior	<u>\$25.00</u>

-High School Students and younger	FREE
-----------------------------------	------

City League Basketball (per team)	\$325.00
-----------------------------------	----------

-Racquetball & Wallyball Court Rentals - per hour and includes showers for participants.

-Adult Racquetball/Adult Wallyball	<u>\$15.00</u>
- Wallyball Punch/Racquetball Card (10 hours)	<u>\$120.00</u>
-Facility Rental - per hour	
-Gym	\$50.00
-1/2 Gym	\$25.00

Parks/Gazebos/Gardens

-Picnic Shelter	
8:00am - 3:00pm	\$20.00
4:00am - 11:00pm	\$20.00
-Gazebo	
8:00am - 3:00pm	\$25.00
4:00am - 11:00pm	\$25.00





Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2024-21**

A RESOLUTION AUTHORIZING A BUDGET TRANSFER IN THE AIRFIELD FUND, AIRPORT DEPARTMENT FOR AMOUNTS IN EXCESS OF BUDGET.

WHEREAS, the FY2024 Annual Budget for the City requires more funding for leave in the Airfield Fund due to retirement; and,

WHEREAS, the Airport Operations Supervisor retired on May 30, 2024; and,

WHEREAS, the Airport has adequate funding for airfield operating supplies through the end of June; and,

WHEREAS, the additional funds of \$28,000 are needed to pay for accumulated leave.

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

Section 1. That the City Manager is authorized to reallocate the existing airport funds as detailed below.

Airport Fund:

Decrease Expenditures:

Airfield Operating Supplies	<u>\$28,000</u>
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Increase Expenditures:

Airfield Leave	<u>\$28,000</u>
----------------	-----------------

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 5TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: _____



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: Terry Eubank, City Manager

FROM: Derek Ables, Airport Manager

DATE: May 26, 2024

SUBJECT: **Resolution No. 2024-21 – Authorizing a Budget Transfer in the Airfield Fund, Airport Department.**

The Airport is requesting to transfer \$28,000 from the Airfield Operating Supplies fund to the Airfield Leave fund. Over the last year there have been personnel changes that left some uncertainty on the retirement date of the Airport Operations Supervisor. All of the positions have been filled and the Airport Operations Supervisor decided on a date that would leave the Airport in a good place moving forward. This date was 5/30/24. This meant that accumulated leave falls in FY24. The Airport has worked diligently to adequately budget the Airfield Fund overall. This transfer will allow the Airport to have funding in the Airfield leave and Airfield Operating Supplies funds through the end of FY24.

Your support for a budget transfer is respectfully requested. Thank you for your consideration.



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2024-22**

A RESOLUTION AUTHORIZING A BUDGET TRANSFER IN THE AIRPORT TERMINAL IMPROVEMENTS CAPITAL FUND, AND AWARDING A CONSTRUCTION CONTRACT AND CORRESPONDING PURCHASE ORDER FOR THE AIRPORT LANDSCAPING PROJECT.

WHEREAS, the City formally released the Kenai Municipal Airport Landscape project on April 30th, 2024 with bids due on May 21st, 2024; and,

WHEREAS, one bid was received by Moore's Landscaping, LLC in the total amount of \$94,733; and,

WHEREAS, additional funding in the amount of \$25,000 will be required to fully fund the project, provide a small contingency and provide admin service in support of the project; and,

WHEREAS, this Resolution transfers \$25,000 from the Surveillance Camera and Access Controls Project as currently funded within the Terminal Improvements Capital Fund to the Airport Landscaping Project; and,

WHEREAS, the Airport Landscaping Project will include installation of trees, shrubs, perennials, boulders, etc. in accordance with the Landscape Design completed by Earthscape this past year; and,

WHEREAS, authorization of this transfer and contract award will allow this work to be completed this summer and is 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 reallocate the existing capital project funds as detailed below:

Airport Terminal Improvements Capital Fund:

Decrease Expenditures:

Surveillance Camera & Access Controls Project	<u>\$25,000</u>
---	-----------------

Increase Expenditures:

Airport Terminal Landscaping Project	<u>\$25,000</u>
--------------------------------------	-----------------

Section 2. That the City Manager is authorized to execute a contract with Moore's Landscaping in the amount of \$94,733 for the Airport Landscaping Project and to issue a corresponding purchase order in that same amount, with the remaining funds available for contingency and administrative support.

Section 3. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 5TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: _____





KENAI

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

MEMORANDUM

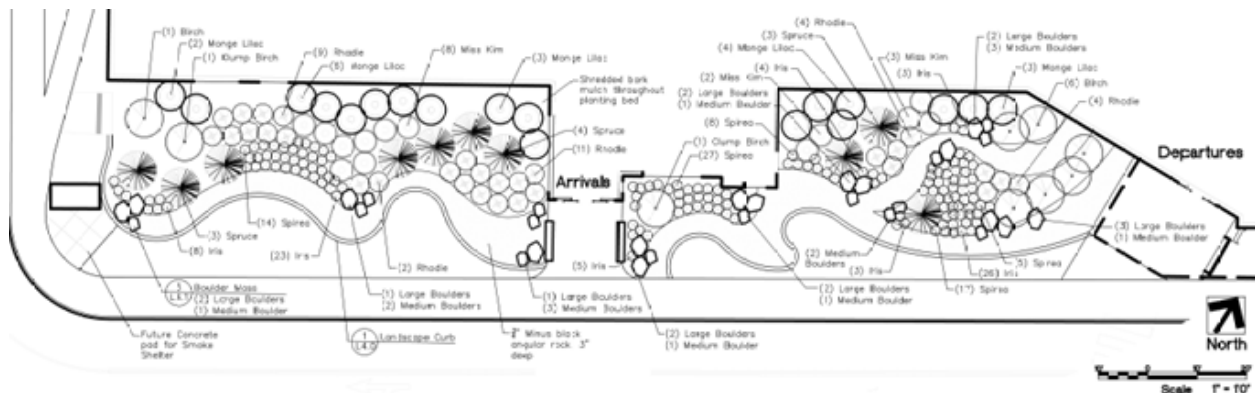
TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Scott Curtin, Public Works Director

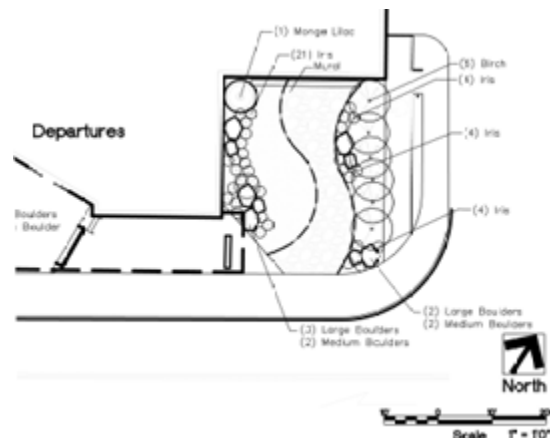
DATE: May 28, 2024

SUBJECT: Resolution 2024-22



The Airport Terminal Landscaping project has been moving forward within the City's Capital Improvement Plan. Earthscape completed the design this past year in coordination with Airport and Public Works staff with support from the Airport Commission. With the summer season upon us now is the time to complete this work.

Bids came in higher than anticipated, however with the limited number of available contractors in the area coupled with the size of some of the elements within the design, the costs are reasonable.



Funding for the project will require a budget transfer from the Surveillance Camera and Access Controls project. That project will move forward at a later date as staff time allows for further development of the projects overall scope of work. Completion of this work now will conclude overall terminal improvements dating back to 2018 totaling over \$14,000,000 in value. Council's support is respectfully requested.



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2024-23**

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE OF AIRPORT RESERVE LANDS BETWEEN THE CITY OF KENAI AND D & M LAND COMPANY, LIMITED LIABILITY CORPORATION FOR LOT 9A, BLOCK 5, GENERAL AVIATION APRON SUBDIVISION NO. 5.

WHEREAS, on April 5, 2024, D & M Land Company, LLC (“D & M Land”) submitted an application to lease a City-owned property within the Airport Reserve, described as Lot 9A, Block 5, of General Aviation Apron Subdivision No. 5; and,

WHEREAS, D & M Land intends to use the premises for an airplane hangar to support a local airline, such as Kenai Aviation, with an estimated investment value of \$1,000,000 that allows for the maximum lease term of 45 years in accordance with the Kenai Municipal Code (KMC) 21.10.050(b) *[Lease] Term Table*; and,

WHEREAS, the proposed development would be mutually beneficial and would conform with the Kenai Municipal Code for Titles 14 and 21, Kenai Comprehensive Plan, Airport Land Use Plan, Airport Master Plan, Federal Aviation Administration (FAA) regulations applicable to the airport, airport improvement projects, airport sponsor grant assurances to the FAA, and airport regulations and operations; and,

WHEREAS, the City did not receive any competing lease applications within 30 days of publishing noticing as required in KMC 21.10.060(c) *Lease Application Review*; and,

WHEREAS, pursuant to KMC 21.10.070(a) the applicant has provided evidence of financial resources to complete the proposed project; and,

WHEREAS, at their regular meeting on May 8, 2024, the Planning and Zoning Commission recommended approval to the City Council on the consent agenda; and,

WHEREAS, at their regular meeting on May 9, 2024, the Airport Commission reviewed the lease application and recommended approval to City Council; and,

WHEREAS, it is in the best interest of the City to enter into a lease agreement with D & M Land for the development of the subject property to promote the growth and development of the Kenai Municipal Airport.

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

Section 1. That a Lease of Airport Reserve Lands is approved and the City Manager is authorized to execute a lease between the City of Kenai and D & M Land Company, LLC for the property described as Lot 9A, Block 5, of General Aviation Apron Subdivision No. 5, as follows:

1. The construction of an airplane hangar with an estimated value of improvement of \$1,000,000 will be completed within three (3) years of lease execution, unless City Council has approved a time extension.
2. The written documentation must be submitted to the City within 30 days of the completion of the permanent improvements.

3. The lease term will be 45 years.
4. Prevent unauthorized access to the airfield during and after site improvements.
5. Structures are prohibited to encroach into the 100-foot building restriction line.
6. Lessee is responsible for all snow removal, and snow may not touch the perimeter security fence or be piled to a height that would allow access to the airport.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 5TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, 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: Terry Eubank, City Manager

THROUGH: Linda Mitchell, Planning Director

FROM: Brandon McElrea, Planning Technician

DATE: May 30, 2024

SUBJECT: **Resolution No. 2024-23** – Approving the Execution of a Lease of Airport Reserve Lands for the Property Described as Lot 9A, Block 5, General Aviation Apron Subdivision No. 5

D & M Land Company, LLC (“D & M Land”) submitted a land lease application of an Airport Reserve Land for the property described as Lot 9A, Block 5, General Aviation Apron Subdivision No. 5, located at 155 N. Willow Street (KPB Parcel No. 04324026). The applicant is requesting a term of 45 years and proposing an investment amount of approximately \$1,000,000 to erect an airplane hangar. Pursuant to Kenai Municipal Code (KMC) 21.10.080(b) *[Lease] Term Table*, the maximum term for the proposed investment value is 45 years. The 30-day notice of competitive land lease application expired on May 10, 2024. The City did not receive any competing lease applications for the subject property. Pursuant to KMC 21.10.070(a) the applicant has provided evidence of the financial resources to complete the proposed project.

In the FY2024 Fee Schedule, the annual lease rate for the subject property is \$15,536.08. Please note that the fee schedule referenced the subdivision plat as no. 6, when it should be no. 5; however, the parcel identification number and general legal description are correct. In the Land Management Plan, the subject property has a retention status of lease only. It is one of the few remaining vacant lots within the Airport Reserve with frontage on North Willow Street and taxiway access.

The applicant intends to use the premises for an airplane hangar to support a local airline, such as Kenai Aviation. D & M Land does not currently hold any leases with the City. However, Mike Schilling, a member of the D & M Land is also the single-member of Schilling Rentals, LLC (“Schilling”), which Schilling is in compliance with the terms and conditions of their leases.

The subject property is approximately 1.07 acres and located within the Airport Light Industrial (ALI) Zone. The intent of the ALI Zone is to protect the viability of the Kenai Municipal Airport as a significant resource to the community by encouraging compatible land uses and reducing

hazards that may endanger the lives and property of the public and aviation users. The proposed use of an aircraft hangar is a permitted use in the ALI Zone and is an airport compatible use. A new hangar with the intent to support a local airline will further promote the viability of the Kenai Municipal Airport. Furthermore, the proposed use is consistent with the 2016 Imagine Kenai 2030 Comprehensive Plan. It supports Goal 5- Transportation, which has a vision for Kenai Municipal Airport as a gateway to the Kenai Peninsula.

The Airport Land Use Plan was developed to identify the highest and best uses of Kenai Municipal Airport land. The Airport Land Use Plan discusses leasing land and enhancing opportunities for local economic development. The proposed use by D & M Land complies with the Airport Land Use Plan.

The Planning and Zoning Commission recommended approval of the lease application at their May 8, 2024 regular meeting. The Airport Commission recommended approval of the lease at their May 9, 2024 regular meeting.

Resolution No. 2024-23 would authorize the City Manager to execute a lease of city-owned property within the Airport Reserve between the City of Kenai and D & M Land Company, LLC for the property described as Lot 9A, Block 5, General Aviation Apron Subdivision No. 5.

Thank you for your consideration.

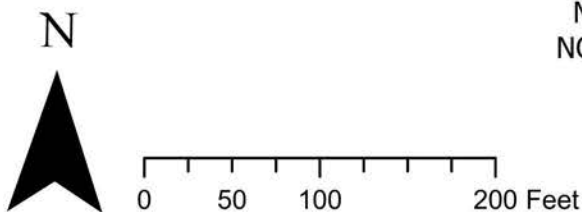
Attachments

Aerial Map
Application





**Lease of Airport Reserve Land
155 N. Willow Street
KPB Parcel ID: 04324026
Approximately 1.071 acres**



Map for Reference Only
NOT A LEGAL DOCUMENT

Date Printed: 5/2/2024



City of Kenai Land Lease Application

Application for: ☒ New Lease
☐ Amendment ☐ Extension
☐ Assignment ☐ Renewal

Application Date: 4/5/2024

Applicant Information

Name of Applicant:	D & M Land Company, LLC						
Mailing Address:	47 Spur View Dr	City:	Kenai	State:	AK	Zip Code:	99611
Phone Number(s):	Home Phone:	907-283-7556		Work/ Message Phone:			
E-mail: (Optional)	dlunt@glmenergyllc.com						
Name to Appear on Lease:	D & M Land Company, LLC						
Mailing Address:	47 Spur View Dr	City:	Kenai	State:	AK	Zip Code:	99611
Phone Number(s):	Home Phone:			Work/ Message Phone:			
E-mail: (Optional)							
Type of Applicant:	<input type="checkbox"/> Individual (at least 18 years of age) <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Government <input checked="" type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Other _____						

Property Information and Term Requested

Legal description of property (or, if subdivision is required, a brief description of property):	
155 N Willow Street Kenai, AK 99611 T 6N R 11W SEC 32 SEWARD MERIDIAN KN 2006062 GENERAL AVIATION APRON SUB NO 5 LOT 9A BLK 5	
Does the property require subdivision? (if Yes, answer next questions)	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Subdivision costs are the responsibility of the applicant unless the City Council determines a subdivision serves other City purposes:	
1. Do you believe the proposed subdivision would serve other City purposes?	<input type="checkbox"/> YES <input type="checkbox"/> NO
2. If determined it does not, applicant is responsible for all subdivision costs.	Initials <u>MS</u>
If an appraisal is required to determine the minimum price on the land, applicant is responsible for the deposit to cover costs associated with appraisal. If a sale is approved, the cost of the appraisal will be either refunded or credited to the applicant.	Initials <u>MS</u>
It is the responsibility of the applicant to cover recording costs associated with lease.	Initials <u>MS</u>
Do you have or have you ever had a Lease with the City? (if Yes, answer next question)	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
1. Legal or brief description of property leased:	
Multiple parcels on the airport	
Request a Lease with an Option to Purchase once development requirements are met?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Requested term for Initial Lease or Renewal (based on Term Table, not to exceed 45 years): 45	
Requested term for Lease Extension (based on Term Table, not to exceed a total of 45 Years):	
Requested Starting Date: 5/1/2024	

Proposed Use and Improvements

Proposed Use (check one): ☒ Aeronautical ☐ Non-AeronauticalDo you plan to construct new or additional improvements? (if Yes, answer next five questions) ☒ YES ☐ NO1. Will the improvement change or alter the use under an existing lease? ☐ YES ☒ NO

2. What is the proposed use of the improvement? Airplane Hangar

3. What is the estimated value of the improvement? 1,000,000

4. What is the nature and type of improvement?

Erect an airplane hangar

5. What are the dates construction is estimated to commence and be completed?

(generally, construction must be completed within two years)

Estimated Start Date: 5/20/2024

Estimated Completion Date: 10/1/2024

Describe the proposed business or activity intended:

Aircraft support

How does the proposed lease support a thriving business, residential, recreational, or cultural community?

Support of local airline

Lease Assignment Only: What is the name of the individual or legal entity the lease is to be assigned?

Lease Renewal Only

☐ Renewal of an Existing Lease (at least one year of term remaining): Requires new development.Lease Term based on: Estimated cost of new improvements and ☐ Purchase Price (optional)☐ Renewal of an Expiring Lease (less than one year of term remaining): Does not require new development.Lease Term based on: ☐ Purchase Price ☐ Professional Estimate of Remaining Useful Life☐ Fair Market Value appraisal and/or ☐ Estimated cost of new improvements (optional)

Requested Term for Renewal Based on Term Table, not to exceed 45 Years:

Submitting an application for a lease does not give the applicant a right to lease or use the land requested in the application. The application shall expire twelve (12) months after the date the application has been made if the City and the applicant have not, by that time, entered into a lease, unless the City Council for good cause grants an extension for a period not to exceed six (6) months. The City has no obligation to amend, renew or extend a lease and may decline to do so upon making specific findings as to why a lease renewal, extension, or amendment is not in the best interest of the City

Signature:



Date:

4/5/2024

Print Name:

Mike Schilling

Title:

Member

For City Use Only:

☐ General Fund☐ Airport Reserve Land☐ Airport Fund☐ Outside Airport Reserve

Account Number:

Date Application Fee Received:

4/5/24

Date Application Determined Complete:

30-Day Notice Publication Date:

City Council Action/Resolution:

PAID APR 5 2024



Sponsored by: Administration

**CITY OF KENAI
RESOLUTION NO. 2024-24**

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE OF AIRPORT RESERVE LANDS BETWEEN THE CITY OF KENAI AND SCHILLING RENTALS, LIMITED LIABILITY CORPORATION FOR LOT 5A, BLOCK 1, FBO SUBDIVISION 2018 REPLAT.

WHEREAS, on May 1, 2024, Schilling Rentals, LLC ("Schilling") submitted an application to lease a City-owned property within the Airport Reserve, described as Lot 5A, Block 1, FBO Subdivision 2018 Replat; and,

WHEREAS, Schilling intends to use the premises for an airplane hangar to support a local airline, such as Kenai Aviation, with an estimated investment value of \$1,000,000 that allows for the maximum lease term of 45 years in accordance with the Kenai Municipal Code (KMC) 21.10.050(b) *[Lease] Term Table*; and,

WHEREAS, the proposed development would be mutually beneficial and would conform with the Kenai Municipal Code for Titles 14 and 21, Kenai Comprehensive Plan, Airport Land Use Plan, Airport Master Plan, Federal Aviation Administration (FAA) regulations applicable to the airport, airport improvement projects, airport sponsor grant assurances to the FAA, and airport regulations and operations; and,

WHEREAS, the City did not receive any competing lease applications within 30 days of publishing noticing as required in KMC 21.10.060(c) *Lease Application Review*; and,

WHEREAS, pursuant to KMC 21.10.070(a) the applicant has provided evidence of financial resources to complete the proposed project; and,

WHEREAS, at their regular meeting on May 8, 2024, the Planning and Zoning Commission recommended approval to the City Council on the consent agenda; and,

WHEREAS, at their regular meeting on May 9, 2024, the Airport Commission reviewed the lease application and recommended approval to City Council; and,

WHEREAS, it is in the best interest of the City to enter into a lease agreement with Schilling for the development of the subject property to promote the growth and development of the Kenai Municipal Airport.

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

Section 1. That a Lease of Airport Reserve Lands is approved and the City Manager is authorized to execute a lease between the City of Kenai and Schilling Rentals, LLC for the property described as Lot 5A, Block 1, FBO Subdivision 2018 Replat, as follows:

1. The construction of an airplane hangar with an estimated value of improvement of \$1,000,000 will be completed within three (3) years of lease execution, unless City Council has approved a time extension.
2. The written documentation must be submitted to the City within 30 days of the completion of the permanent improvements.

3. The lease term will be 45 years.
4. Prevent unauthorized access to the airfield during and after site improvements.
5. Structures are prohibited to encroach into the 100-foot building restriction line.
6. Lessee is responsible for all snow removal, and snow may not touch the perimeter security fence or be piled to a height that would allow access to the airport.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 5TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk



MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Linda Mitchell, Planning Director

DATE: May 31, 2024

SUBJECT: **Resolution No. 2024-24** – Approving the Execution of a Lease of Airport Reserve Lands for the Property Described as Lot 5A, Block 1, FBO Subdivision 2018 Replat

Schilling Rentals, LLC (“Schilling”) submitted a land lease application of Airport Reserve Land for the property described as Lot 5A, Block 1, FBO Subdivision 2018 Replat, located at 413 N. Willow Street (KPB Parcel No. 04336049). The applicant is requesting a term of 45 years and proposing an investment amount of approximately \$1,000,000 to erect an airplane hangar. Pursuant to Kenai Municipal Code (KMC) 21.10.080(b) *[Lease] Term Table*, the maximum term for the proposed investment value is 45 years. The 30-day notice of competitive land lease application expired on June 3, 2024. The City did not receive any competing lease applications for the subject property. Pursuant to KMC 21.10.070(a) the applicant has provided evidence of the financial resources to complete the proposed project.

The subject property was under a lease; therefore, it was not listed in the FY2024 Fee Schedule. Pursuant to KMC 21.10.090 *Principles and Policy of Lease Rates*, the annual rent is computed by multiplying the fair market value of the land based on the latest appraisal by the lease rate percentage and adjusted annually by the Consumer Price Index (CPI). The last appraisal was conducted in 2020 with a fair market value of \$185,000 and the lease rate percentage is eight percent (8%). The annual lease rate in 2020 (i.e., FY 2021) would be \$14,800 and adjusted annually by CPI to FY2025 would result in an annual lease rate of \$16,852.09. In the Land Management Plan, the subject property has a retention status of lease only. It is a cleared and level lot with frontage on North Willow Street and the airport runway.

The applicant intends to use the premises for an airplane hangar to support a local airline, such as Kenai Aviation. Schilling is in compliance with the terms and conditions of their leases.

The subject property is approximately 1.80 acres and located within the Airport Light Industrial (ALI) Zone. The intent of the ALI Zone is to protect the viability of the Kenai Municipal Airport as a significant resource to the community by encouraging compatible land uses and reducing hazards that may endanger the lives and property of the public and aviation users. The proposed use of an aircraft hangar is a permitted use in the ALI Zone and is an airport compatible use. A new hangar with the intent to support a local airline will further promote the viability of the Kenai

Municipal Airport. Furthermore, the proposed use is consistent with the 2016 Imagine Kenai 2030 Comprehensive Plan. It supports Goal 5- Transportation, which has a vision for Kenai Municipal Airport as a gateway to the Kenai Peninsula.

The Airport Land Use Plan was developed to identify the highest and best uses of Kenai Municipal Airport land. The Airport Land Use Plan discusses leasing land and enhancing opportunities for local economic development. The proposed use by Schilling complies with the Airport Land Use Plan.

The Planning and Zoning Commission recommended approval of the lease application at their May 8, 2024 regular meeting. The Airport Commission recommended approval of the lease at their May 9, 2024 regular meeting.

Resolution No. 2024-24 would authorize the City Manager to execute a lease of city-owned property within Airport Reserve between the City of Kenai and Schilling Rentals, LLC for the property described as Lot 5A, Block 1, FBO Subdivision 2018 Replat.

Thank you for your consideration.

Attachments

Aerial Map

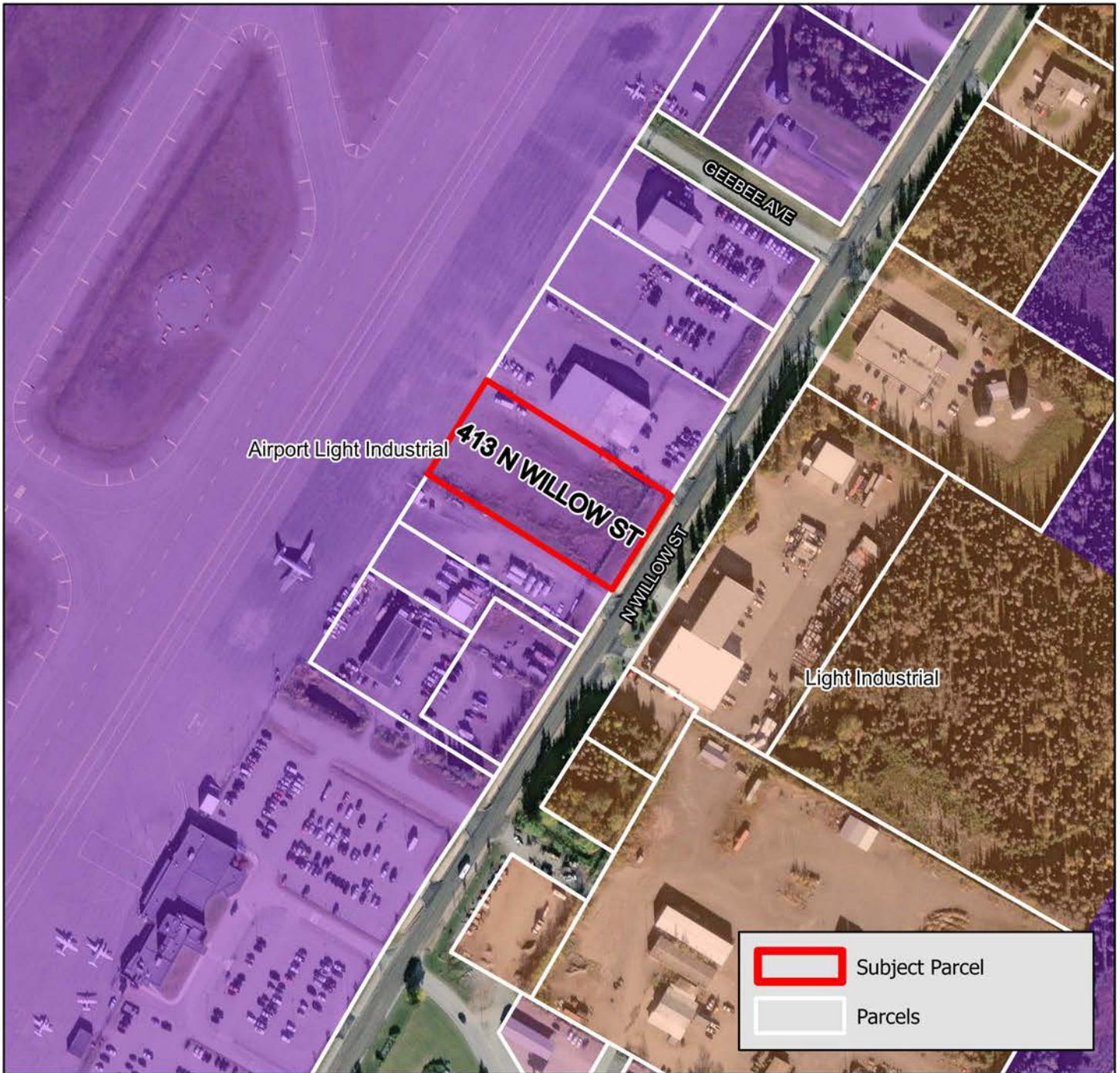
Application





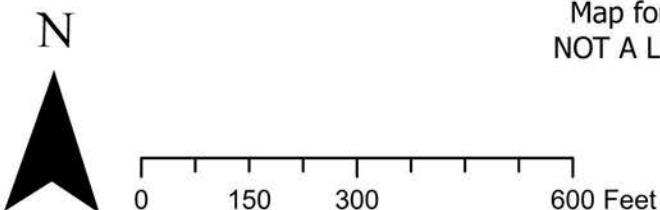
Lease of Airport Reserve Land
413 N. Willow Street
KPB Parcel ID: 04336049
Approximately 1.80 acres


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Date Printed: 5/2/2024

Map for Reference Only
NOT A LEGAL DOCUMENT




 KENAI	MAY 01 2024 Planning & Zoning	City of Kenai Land Lease Application	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Application for:</td> <td><input checked="" type="checkbox"/> New Lease</td> </tr> <tr> <td><input type="checkbox"/> Amendment</td> <td><input type="checkbox"/> Extension</td> </tr> <tr> <td><input type="checkbox"/> Assignment</td> <td><input type="checkbox"/> Renewal</td> </tr> <tr> <td>Application Date:</td> <td></td> </tr> </table>	Application for:	<input checked="" type="checkbox"/> New Lease	<input type="checkbox"/> Amendment	<input type="checkbox"/> Extension	<input type="checkbox"/> Assignment	<input type="checkbox"/> Renewal	Application Date:	
Application for:	<input checked="" type="checkbox"/> New Lease										
<input type="checkbox"/> Amendment	<input type="checkbox"/> Extension										
<input type="checkbox"/> Assignment	<input type="checkbox"/> Renewal										
Application Date:											
Applicant Information											
Name of Applicant:		Schilling Rentals LLC									
Mailing Address:	PO Box 3426	City:	Kenai								
		State:	AK								
		Zip Code:	99611								
Phone Number(s):	Home Phone: 907-283-7556	Work/ Message Phone:									
E-mail: (Optional)	dlunt@glmenergyllc.com										
Name to Appear on Lease:		Schilling Rentals LLC									
Mailing Address:	PO Box 3426	City:	Kenai								
		State:	AK								
		Zip Code:	99611								
Phone Number(s):	Home Phone: 907-283-7556	Work/ Message Phone:									
E-mail: (Optional)											
Type of Applicant:	<input type="checkbox"/> Individual (at least 18 years of age) <input type="checkbox"/> Partnership Corporation Government <input checked="" type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Other _____										
Property Information and Term Requested											
Legal description of property (or, if subdivision is required, a brief description of property):											
T 06N R 11W SEC 32 SEWARD MERIDIAN KN 2019002 FBO SUB 2018 REPLAT LOT 5A BLK 1 413 N Willow Street Kenai, AK 99611											
Does the property require subdivision? (if Yes, answer next questions)		<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO									
Subdivision costs are the responsibility of the applicant unless the City Council determines a subdivision serves other City purposes:											
1. Do you believe the proposed subdivision would serve other City purposes?		<input type="checkbox"/> YES <input type="checkbox"/> NO									
2. If determined it does not, applicant is responsible for all subdivision costs.		Initials <u>MC</u>									
If an appraisal is required to determine the minimum price on the land, applicant is responsible for the deposit to cover costs associated with appraisal. If a sale is approved, the cost of the appraisal will be either refunded or credited to the applicant.		Initials <u>MC</u>									
It is the responsibility of the applicant to cover recording costs associated with lease.		Initials <u>MC</u>									
Do you have or have you ever had a Lease with the City? (if Yes, answer next question)		<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO									
1. Legal or brief description of property leased:											
multiple parcels on airport											
Request a Lease with an Option to Purchase once development requirements are met?		<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO									
Requested term for Initial Lease or Renewal (based on Term Table, not to exceed 45 years):											
Requested term for Lease Extension (based on Term Table, not to exceed a total of 45 Years):											
Requested Starting Date: 6/6/2024											

Proposed Use and Improvements

Proposed Use (check one): <input checked="" type="checkbox"/> Aeronautical <input type="checkbox"/> Non-Aeronautical	
Do you plan to construct new or additional improvements? (if Yes, answer next five questions) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
1. Will the improvement change or alter the use under an existing lease? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
2. What is the proposed use of the improvement? Airplane hangar	
3. What is the estimated value of the improvement? 1,000,000	
4. What is the nature and type of improvement? Erect an airplane hangar for local carrier, such as Kenai Aviation	
5. What are the dates construction is estimated to commence and be completed? (generally, construction must be completed within two years) Estimated Start Date: 6/6/2024 Estimated Completion Date: 10/1/2024	
Describe the proposed business or activity intended: Aircraft support	
How does the proposed lease support a thriving business, residential, recreational, or cultural community? Provides airplane storage for aircrafts for a local airline, such as Kenai Aviation.	
Lease Assignment Only: What is the name of the individual or legal entity the lease is to be assigned?	

Lease Renewal Only

<input type="checkbox"/> Renewal of an Existing Lease (at least one year of term remaining): Requires new development. Lease Term based on: Estimated cost of new improvements and <input type="checkbox"/> Purchase Price (optional)	
<input type="checkbox"/> Renewal of an Expiring Lease (less than one year of term remaining): Does not require new development. Lease Term based on: <input type="checkbox"/> Purchase Price <input type="checkbox"/> Professional Estimate of Remaining Useful Life <input type="checkbox"/> Fair Market Value appraisal and/or <input type="checkbox"/> Estimated cost of new improvements (optional)	
Requested Term for Renewal Based on Term Table, not to exceed 45 Years:	
Submitting an application for a lease does not give the applicant a right to lease or use the land requested in the application. The application shall expire twelve (12) months after the date the application has been made if the City and the applicant have not, by that time, entered into a lease, unless the City Council for good cause grants an extension for a period not to exceed six (6) months. The City has no obligation to amend, renew or extend a lease and may decline to do so upon making specific findings as to why a lease renewal, extension, or amendment is not in the best interest of the City	
Signature:	
Date:	4/30/2024
Print Name:	Mike Schilling
Title:	Member

For City Use Only:

☐ General Fund ☐ Airport Reserve Land
☐ Airport Fund ☐ Outside Airport Reserve
 Account Number:

Date Application Fee Received:

Date Application Determined Complete: _____
 30-Day Notice Publication Date: _____
 City Council Action/Resolution: _____

**KENAI CITY COUNCIL – REGULAR MEETING
MAY 15, 2024 – 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 May 15, 2024, 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
Phil Daniel
Alex Douthit

Henry Knackstedt, Vice Mayor
Deborah Sounart
Victoria Askin

A quorum was present.

Absent:

James Baisden

Also in attendance were:

**Xinlan Tanner, Student Representative
Terry Eubank, City Manager
Scott Bloom, City Attorney
David Swarner, Finance Director
Linda Mitchell, Planning Director
Stephanie Randall, Human Resource Director
Tyler Best, Parks and Recreation Director
Scott Curtin, Public Works Director
Derek Ables, Airport Manager
Dave Ross, Police Chief
Shellie Saner, City Clerk

3. Agenda Approval

Mayor Gabriel noted the following additions to the Packet:

Add to item E. 5.

Public Hearing – Ordinance No. 3416-2024

- Beautification Committee Recommendation Amendment
- Council on Aging Requested Amendment

Add to item E. 7.

Public Hearing – Ordinance No. 3417-2024

- Public Comment

Add item P. 1.

Informational Items

- Peninsula Oilers funding Request Letter
- KPB Comprehensive Safety Action Plan Virtual Public Workshop

MOTION:

Vice Mayor Knackstedt **MOVED** to approve the agenda and consent agenda with the requested revisions. Council Member Sounart **SECONDED** the motion.

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

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

UNANIMOUS CONSENT was requested.

VOTE: Motion **APPROVED**, without objection.

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 ADMINISTRATIVE REPORTS - None.

C. SCHEDULED PUBLIC COMMENTS - None.

D. UNSCHEDULED PUBLIC COMMENTS - None.

E. PUBLIC HEARINGS

1. **Ordinance No. 3412-2024** - Accepting and Appropriating Grant Funds from the Alaska High Intensity Drug Trafficking Area for Drug Investigation Overtime Expenditures. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3412-2024. Council Member Askin **SECONDED** the motion.

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

VOTE:

YEA: Askin, Douthit, Sounart, Knackstedt, Daniel, Gabriel

NAY: None

ABSENT: Baisden

**Student Representative Tanner: Yea

MOTION PASSED.

2. **Ordinance No. 3413-2024** - 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. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3413-2024. Council Member Sounart **SECONDED** the motion.

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

Clarification was provided on the grant application process and ongoing funding requests.

VOTE:

YEA: Douthit, Sounart, Knackstedt, Daniel, Gabriel, Askin

NAY: None

ABSENT: Baisden

**Student Representative Tanner: Yea

MOTION PASSED.

- 3. Ordinance No. 3414-2024** - Repealing Kenai Municipal Code Sections 13.10.010(a)(2) - Miscellaneous Offenses, 13.10.020 - Loitering and Sleeping on the Streets, Schools, and 13.10.030 - Curfew, to Remove Certain City Prohibitions Regarding Begging, Loitering and Sleeping, and Curfews in the City that are Not Enforceable as Specifically Written in Code. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3414-2024. Council Member Askin **SECONDED** the motion.

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

It was reported that the provisions in code are broad and as currently written not enforceable; begging or asking for help is no longer speech that can be prohibited on its own; sleeping in public is different than camping other provisions of code addressed camping in undesignated areas; enactment of this ordinance would not limit the Police Departments ability to enforce State Laws and address illegal conduct.

There was discussion regarding putting something in place regarding curfews.

VOTE:

YEA: Sounart, Knackstedt, Daniel, Gabriel, Askin, Douthit

NAY: None

ABSENT: Baisden

**Student Representative Tanner: Yea

MOTION PASSED.

- 4. Ordinance No. 3415-2024** - Authorizing a Donation of Surplus Sand from the Kenai Municipal Airport to the Triumvirate Theatre for the Construction of a New Theatre. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3415-2024. Council Member Sounart **SECONDED** the motion.

Mayor Gabriel opened the floor for public comment.

Joe Rizzo, Triumvirate Theatre President addressed the Council, thanking them for supporting the rebuild; the land donation; and noted that the sand donation value was roughly the same amount as lobby furniture.

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

MOTION TO AMEND:

Vice Mayor Knackstedt **MOVED** to amend Ordinance 3415-2024 as follows:

Tenth whereas clause to read, "At its meeting on May 9, 2024 the City of Kenai Airport Commission recommended enactment of this Ordinance; and,"

Council Member Sounart **SECONDED** the motion to amend.

UNANIMOUS CONSENT was requested on the motion to amend.

VOTE: Motion **APPROVED**, without objection.

VOTE ON MAIN MOTION AS AMENDED:

YEA: Sounart, Knackstedt, Daniel, Gabriel, Askin, Douthit

NAY: None

ABSENT: Baisden

**Student Representative Tanner: Yea

MAIN MOTION AS AMENDED PASSED.

5. Ordinance No. 3416-2024 - Repealing, Reenacting and Renaming Kenai Municipal Code Chapter 1.90 - Standard Procedures for Boards, Commissions and Committees, Enacting Chapter 1.95 - Standing Advisory Commissions, Repealing Chapters 11.10 - Harbor Commission, Chapter 19.05 Parks and Recreation Commission, Chapter 21.20 Airport Commission, Enacting Section 14.05.050 - Planning And Zoning Commission - Qualifications and Membership, and Approving Amendments to The Council on Aging Commission's By-Laws to Organize Streamline, and Improve the Efficiency of the City's Standing Commissions. (City Clerk)

- **Ordinance No. 3416-2024 Substitute** - Repealing, Reenacting and Renaming Kenai Municipal Code Chapter 1.90 - Standard Procedures for Boards, Commissions and Committees, Enacting Chapter 1.95 - Standing Advisory Commissions, Repealing Chapters 11.10 - Harbor Commission, Chapter 19.05 Parks and Recreation Commission, Chapter 21.20 Airport Commission, Enacting Section 14.05.050 - Planning and Zoning Commission - Qualifications and Membership, and Approving Amendments to the Council on Aging Commission's By-Laws to Organize Streamline, and Improve the Efficiency of the City's Standing Commissions. (City Clerk)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3416-2024. Council Member Askin **SECONDED** the motion.

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

MOTION TO AMEND BY SUBSTITUTE:

Vice Mayor Knackstedt **MOVED** to amend Ordinance No. 3416-2024 by Substitute Ordinance No. 3416-2024. Council Member Askin **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to amend by substitute.

VOTE: Motion **APPROVED**, without objection.

MOTION TO AMEND:

Vice Mayor Knackstedt **MOVED** to amend Substitute Ordinance 3416-2024 as follows:

Eleventh whereas clause to read, "the Beautification Committee at their May 14, 2024, regular meeting recommended that the City Council enact this Ordinance; and",

Council Member Askin **SECONDED** the motion to amend.

UNANIMOUS CONSENT was requested on the motion to amend.

VOTE: Motion **APPROVED**, without objection.

MOTION TO AMEND:

Vice Mayor Knackstedt **MOVED** to amend Substitute Ordinance 3416-2024 as follows:

Section 2, Chapter 1.95 - Standing Advisory Commissions, Section 1.95.030 - Council on Aging Commission, paragraph (b)(1)(ii) to read, "Development and use of Senior Center or other facilities owned or managed by the City for the provision of services for senior citizens, [EXCLUDING VINTAGE POINTE-INDEPENDENT SENIOR HOUSING]."

Council Member Askin **SECONDED** the motion to amend.

UNANIMOUS CONSENT was requested on the motion to amend.

VOTE: Motion **APPROVED**, without objection.

A summary timeline of the Board, Commission and Committee review process authorized by Council was provided.

VOTE ON MAIN MOTION AS AMENDED:

YEA: Daniel, Gabriel, Askin, Douthit, Sounart, Knackstedt

NAY: None

ABSENT: Baisden

**Student Representative Tanner: Yea

MAIN MOTION AS AMENDED PASSED.

- 6. Ordinance No. 3417-2024** - Increasing Estimated Revenues and Appropriations by \$12,600 in the General Fund for the Purchase of Approximately 7.8 Acres of Real Property Described as Tract B, Kenai Bluff Stabilization Subdivision from David W. Salter to be Retained by the City for a Public Purpose and Determining that the Public Interest will not be Served by an Appraisal. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to enact Ordinance No. 3417-2024. Council Member Sounart **SECONDED** the motion.

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

It was reported that the parcel could be utilized for expansion of the Wastewater Treatment Plant in the future; would provide protection of drainages and wetlands; a provision of this would establish easement access for property owners to access areas where they were providing bluff stabilization for their own properties; and that the City would not be served by having an appraisal done.

MOTION TO AMEND:

Vice Mayor Knackstedt **MOVED** to amend Ordinance 3417-2024 as follows:

Eight whereas clause to read, "at its meeting on May 6, 2024 the Harbor Commission recommended enactment of this Ordinance; and"

Council Member Sounart **SECONDED** the motion to amend.

UNANIMOUS CONSENT was requested on the motion to amend.

VOTE: Motion **APPROVED**, without objection.

VOTE ON MAIN MOTION AS AMENDED:

YEA: Gabriel, Askin, Douthit, Sounart, Knackstedt, Daniel

NAY: None

ABSENT: Baisden

**Student Representative Tanner: Yea

MAIN MOTION AS AMENDED PASSED.

- 7. Resolution No. 2024-16** - Authorizing a Budget Transfer within the Water and Sewer Capital Project Fund for Lift Station Renovation Projects. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2024-16. Council Member Askin **SECONDED** the motion.

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

It was reported that the City has nineteen lift stations, many over 50-years old; this project will update the lift stations with more efficient and reliable equipment; and the City would retain the old equipment to use as spare parts for the older stations until they can be upgraded.

UNANIMOUS CONSENT was requested.

VOTE: Motion **APPROVED**, without objection.

8. Resolution No. 2024-17 - Renaming Cook Inlet View Drive to Cook Inlet Drive. (Sounart)

MOTION:

Council Member Sounart **MOVED** to adopt Resolution No. 2024-17. Council Member Askin **SECONDED** the motion.

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

MOTION TO REFER AND POSTPONE:

Council Member Sounart **MOVED** to refer Resolution No. 2024-17 to the Planning and Zoning Commission's May 29, 2024 regular meeting for recommendation to Council and to postpone Resolution No. 2024-17 to the June 5, 2024 regular City Council meeting. Council Member Askin **SECONDED** the motion to refer and postpone.

UNANIMOUS CONSENT was requested on the motion to refer and postpone.

VOTE: Motion **APPROVED**, without objection.

9. Resolution No. 2024-18 - Accepting an Airport Improvement Program Grant from the Federal Aviation Administration for an Eco-Cart. (Administration)

MOTION:

Vice Mayor Knackstedt **MOVED** to adopt Resolution No. 2024-18. Council Member Askin **SECONDED** the motion.

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

It was reported that an Eco-Cart allows for accurate testing of the AFFF used in the ARFF trucks; ensures that the ARFF trucks are operational and ready to respond to emergencies; and minimizes waste during testing.

UNANIMOUS CONSENT was requested.

VOTE: Motion **APPROVED**; without objection.

F. MINUTES

1. *Regular Meeting of May 1, 2024. (City Clerk)

G. UNFINISHED BUSINESS - None.

H. NEW BUSINESS

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

Approved by the consent agenda.

2. ***Action/Approval** - Purchase Orders and Purchase Order Amendments Requiring Council Approval in Accordance with KMC 7.15.020. (Administration)

Approved by the consent agenda.

3. ***Action/Approval** - Second Extension to the Agreement with Redline Sports for Management Services at the Kenai Multi-Purpose Facility. (Administration)

Approved by the consent agenda.

4. ***Ordinance No. 3418-2023** - Adopting the Annual Budget, Salary Schedule and Employee Classification Plan for the Fiscal Year Commencing July 1, 2024 and Ending June 30, 2025 and Committing \$4,499,039 of General Fund, Fund Balance for Future Capital Improvements. (Administration)

Introduced by the consent agenda and Public Hearing set for June 5, 2024.

5. ***Ordinance No. 3419-2023** - Amending Sections of Kenai Municipal Code Title 23 - Personnel Regulations, Sections 23.05.070 - Definitions, 23.25.070 - Acting Positions, 23.30.030 - Probationary Period for Employees in the Classified Service, 23.30.110 - Travel Expense, 23.40.040 - Terminal Leave, 23.55.020 - Compensation Structure by Grade for Employees in the Classified Service, 23.55.030 - Qualification Pay, and 23.55.080 - Longevity Pay for Employees in the Classified Service, to Ensure Appropriate Compensation and Benefits to City Employees Comparable to Other Places of Public Employment Improving Recruitment and Retention of Qualified Employees. (Administration)

Introduced by the consent agenda and Public Hearing set for June 5, 2024.

6. ***Ordinance No. 3420-2023** - Increasing Estimated Revenues and Appropriations in the General Fund and Municipal Roadway Improvements Capital Fund and Awarding a Construction Agreement and Corresponding Purchase Order for the 2024 Lilac Lane Roadway Improvement Project. (Administration)

Introduced by the consent agenda and Public Hearing set for June 5, 2024.

7. **Action/Approval** - Council on Aging 2024 Work Plan. (City Clerk)

MOTION:

Vice Mayor Knackstedt **MOVED** approve the Council on Aging 2024 Work Plan. Council Member Askin **SECONDED** the motion.

Council on Aging, Vice Chair Craig provided a summary and overview of the Council on Aging, 2024 Work Plan Objectives.

UNANIMOUS CONSENT was requested on the motion.

VOTE: Motion **APPROVED**, without objection.

8. **Action/Approval** - Parks and Recreation Commission 2024 Work Plan. (City Clerk)

MOTION:

Vice Mayor Knackstedt **MOVED** to approve the Parks and Recreation Commission 2024 Work Plan. Council Member Askin **SECONDED** the motion.

Council discussion noted concerns with Objective No. 2 directing staff.

MOTION TO DIVIDE THE QUESTION:

Vice Mayor Knackstedt **MOVED** to Divide the Question to vote and discuss Parks & Recreation Commission Work Plan, Objective No. 2 separate from Objectives 1, 3 & 4. Council Member Askin **SECONDED** the motion to Divide the Question.

UNANIMOUS CONSENT was requested on the motion to divide the question.

VOTE: Motion **APPROVED**, without objection.

It was reported that Objective No. 2 would require staff to keep a log of comments and report the information gathered to the Commission.

There was discussion that Advisory Commissions roles did not include administrative direction to Staff.

VOTE ON PARKS AND RECREATION COMMISSION 2024 WORK PLAN, OBJECTIVE NO. 2:

YEA: None

NAY: Askin, Douthit, Sounart, Knackstedt, Daniel, Gabriel

ABSENT: Baisden

**Student Representative Tanner: Nay

MOTION FAILED TO APPROVE.

UNANIMOUS CONSENT was requested on Parks and Recreation Commission Work Plan Objective No's 1, 3 & 4.

VOTE: Motion **APPROVED**, without objection.

I. COMMISSION / COMMITTEE REPORTS

1. Council on Aging

No report, next meeting June 13, 2024.

2. Airport Commission

Council Member Sounart reported on the May 9, 2024 meeting, next meeting June 13, 2024.

3. Harbor Commission

Council Member Askin reported on the May 6, 2024 meeting, next meeting June 10, 2024.

4. Parks and Recreation Commission

Council Member Douthit reported on the May 2, 2024 meeting, next meeting June 6, 2024.

5. Planning and Zoning Commission

Council Member Douthit reported on the May 8, 2024 meeting, next meeting May 29, 2024.

6. Beautification Committee

Council Member Daniel reported on the May 14, 2024 meeting, next meeting September 10, 2024.

J. REPORT OF THE MAYOR

Mayor Gabriel reminded everyone about the upcoming Memorial Day Ceremonies.

K. ADMINISTRATION REPORTS

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

- Slash Site opening on May 16, 2024.
- Conducting interviews for Fire Chief.
- Upcoming retirement party for Airport Operations Supervisor Jim Lackey.
- Recruitment for summer positions still ongoing.
- Storefront & Streetscape Improvement applications period closes on May 17, 2024.
- Meeting with the City's Health Insurance Broker.
- Meeting with the City's Marketing Firm.

- KPB comprehensive Safety Action Plan meetings and public comment opportunities.
- Working with KPB regarding Federal Funding for Beetle Kill mitigation.
- Invitation from Kenaitze for the Cultural Heritage Interpreter Site in Cooper Landing Re-Grand Opening on June 7, which possibly conflicts with the ribbon cutting ceremony for the Bluff Stabilization Project.
- Airline Leakage Study tentatively scheduled for presentation at the June 19, 2024 City Council Meeting.
- An overtime rate calculation error was identified, working with the City Finance Director and Attorney.
- Please work with the Finance Director on proposed amendments to the budget, to ensure things go smoothly during the budget hearing.
- On May 9, 2024 the Senate Finance Committee added to HB 347 a provision that would increase the mandatory Senior Citizen, Disabled Veteran tax exemption on real property to \$450,000; currently it is \$150,000.

2. City Attorney - No report.

3. City Clerk - No report.

L. ADDITIONAL PUBLIC COMMENTS

1. Citizen Comments (*Public comments limited to (5) minutes per speaker*)

2. Council Comments

Council Member Douthit noted that at the recent KPB land sale auction, some properties auctioned at double their assessed amount, indication current land values; and that while cleaning out the Moose Meat John Cabin a letter written by Mayor Gabriel when he was younger was found.

Student Representative Tanner reported that May 16, 2024 would be the last day of school this year for Kenai Alternative High School and Kenai Central High School; and provided an update on sports activities.

Council Member Sounart noted she was looking forward to the Bluff Stabilization Project, ribbon cutting ceremony.

Vice Mayor Knackstedt thanked Council Member Sounart for covering the Airport Commission meeting for him; and encouraged Council Members to work with the Administration and pre-plan proposed budget amendments.

M. EXECUTIVE SESSION - None.

N. PENDING ITEMS

O. ADJOURNMENT

P. INFORMATIONAL ITEMS

1. Bishops Attic Donation Letter

There being no further business before the Council, the meeting was adjourned at 7:43 p.m.

I certify the above represents accurate minutes of the Kenai City Council meeting of May 15, 2024.

Michelle M. Saner, MMC
City Clerk

*** The student representative may cast advisory votes on all matters except those subject to executive session discussion. Advisory votes shall be cast in the rotation of the official council vote and shall not affect the outcome of the official council vote. Advisory votes shall be recorded in the minutes. A student representative may not move or second items during a council meeting.*

DRAFT



Sponsored by: Sounart

**CITY OF KENAI
RESOLUTION NO. 2024-17**

A RESOLUTION RENAMING COOK INLET VIEW DRIVE TO COOK INLET DRIVE.

WHEREAS, Kenai Municipal Code Section 14.15.140 authorizes City Council to name and rename an existing street or newly established street within City limits upon recommendation from the Planning and Zoning Commission and after consultation with the Kenai Peninsula Borough (KPB) or any other affected municipality; and,

WHEREAS, there has been an increase in complaints over the years that the existing street name, Cook Inlet View Drive, suggests the road has a scenic view, which has resulted in visitors, tourists, motorhomes, and tour buses/vans driving through the residential neighborhood and on the unimproved dead-end street that leads to the edge of the bluff; and,

WHEREAS, the removal of “view” from Cook Inlet View Drive would deter visitors, tourists, motorhomes, and tour buses/vans from driving through the residential neighborhood and lingering at the edge of the bluff; and,

WHEREAS, the KPB Planning Department has no objection to renaming Cook Inlet View Drive to Cook Inlet Drive; and,

WHEREAS, adjacent property owners have _____ to changing the street name to Cook Inlet Drive; and,

WHEREAS, the street name assignment would not adversely impact 911 navigation; and,

WHEREAS, the Planning and Zoning Commission during their May 22, 2024 regular meeting recommended Council _____ this resolution renaming Cook Inlet View Drive to Cook Inlet Drive; and,

WHEREAS, it is in the best interest of the City of Kenai to rename the street to protect the residential neighborhood from increased tourist traffic and activities.

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

Section 1. That Cook Inlet View Drive in the City of Kenai is renamed as Cook Inlet Drive.

Section 2. That this Resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, THIS 5TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, 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: Terry Eubank, City Manager

FROM: Deborah Sounart, Council Member

DATE: May 9, 2024

SUBJECT: **Resolution No. 2024-17 – Street Renaming of Cook Inlet View Drive to Cook Inlet Drive**

This resolution seeks to change the street name of Cook Inlet View Drive to Cook Inlet Drive. There has been an increase in complaints over the years that the existing street name, Cook Inlet View Drive, suggests the road has a scenic view, which has resulted in visitors, tourists, motorhomes, and tour buses/vans driving through the residential neighborhood and on the unimproved dead-end street, known as 1st NW that leads to the edge of the bluff. The removal of “view” from Cook Inlet View Drive would these deter visitors and tourists from driving down through the residential neighborhood on an already busy street and lingering at the edge of the dangerously eroding bluff.

Pursuant to Kenai Municipal Code Section 14.15.140, City Council may change, rename, or name an existing street or newly established street within City limits upon recommendation from the Planning and Zoning Commission and after consultation with the Kenai Peninsula Borough (KPB) or any other affected municipality.

This resolution will be referred to Planning and Zoning Commission for their recommendation at their regularly scheduled meeting on May 22, 2024.

With staff’s recommendations, all property owners along Cook Inlet View Drive will be notified of the proposed street renaming and the scheduled public meetings to provide several opportunities for submissions of comments. In addition, staff will request for comments from the Public Works Department, Police Department, Fire Department, and local United States Post Office.

Thank you for your consideration.

Attachment

Aerial Map



Resolution No. 2024-17
Street Renaming
Cook Inlet View Drive to Cook Inlet Drive



Kenai Peninsula Borough, State of Alaska, © OpenStreetMap contributors, Imagery © Mapbox

N



Map for Reference Only
NOT A LEGAL DOCUMENT

0 100 200 400 Feet

Date Printed: 5/9/2024



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: Terry Eubank, City Manager

FROM: Linda Mitchell, Planning Director

DATE: May 30, 2024

SUBJECT: **Resolution 2024-17 Requested Amendment**

This memo requests an amendment to fill in the blanks and amend the date of the Planning and Zoning Commission meeting date within the Resolution.

The regularly scheduled Planning and Zoning Commission meeting of May 22, 2024 was postponed to May 29, 2024. At the regularly scheduled Planning and Zoning Commission meeting of May 29, 2024, the Commission voted to recommend that City Council approve Resolution 2024-17 for the street renaming of Cook Inlet View Drive to Cook Inlet Drive.

The following amendments are respectfully requested.

Motion

Amend the fifth (5th) whereas clause by inserting the adjacent property owners' comments on the Resolution, to read:

- "WHEREAS, adjacent property owners have provided written support to changing the street name to Cook Inlet Drive; and,"

Amend the seventh (7th) whereas clause by inserting the recommendation of the Planning and Zoning Commission, to read:

- "WHEREAS, the Planning and Zoning Commission during their May [22]29, 2024 regular meeting recommended Council approve this resolution renaming Cook Inlet View Drive to Cook Inlet Drive; and,"

Thank you for your consideration.

Linda Mitchell

From: Valerie Williams <vaheath@hotmail.com>
Sent: Thursday, May 23, 2024 2:30 PM
To: Planning Department
Subject: Cook Inlet view drive to Cook Inlet drive comment

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

I live on wells way, at the end of Cook Inlet view drive. I have so appreciated the concrete barriers and signs placed at the end of Cook Inlet view drive. It has made a big difference! We still have people going down the bluff with ropes, but it has cut it down dramatically. It has also seemed to stop the parties that used to be common place.

I believe that changing the name of the road will also help keep people from thinking this is a viewpoint. Changing the big green road signs on the spur leaving out the word "view" would make a big difference.

Another thing that would help is having a sign beyond the concrete barriers that just says "keep off the bluff", or maybe something about no trespassing, erosion control in process. Many people climb down the bluff on ropes not only causing erosion to city property and my property but it is dangerous and a safety hazard that could cause a serious injury.

Thank you so much for everything you have done about this issue. It has been appreciated.

Valerie and Wister Williams
1105 Wells Way

From: Timothy Cole <timberprints@gmail.com>
Sent: Monday, May 27, 2024 3:08 PM
To: Planning Department
Subject: Resolution 2024-17 Testimony, Timothy Cole

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

Dear Kenai Planning and Zoning Commission,

I'm writing to you to offer testimony concerning Resolution 2024-17 concerning the change of the street name from Cook Inlet View Drive to Cook Inlet Drive; omitting the word view.

I am in favor of this resolution. I live and own property on this street and I feel that the word "view" when left in the street name invites unnecessary traffic into our neighborhood. I feel this is most evident in the summertime when many large RVs enter the neighborhood and drive to the end of the road expecting a traditional viewpoint with an established parking area, etc. Instead they find themselves at the end of a road intersecting with the dead-end street Wells Way and with limited room to turn their often rented RV around. They rarely park the RVs and get out to enjoy the view but rather they too must feel this is not a viewpoint and that they are congesting a neighborhood.

This neighborhood does have children at play present in all seasons and I feel that changing the name and signage of the street to Cook Inlet Drive will decrease the amount of traffic experienced in the neighborhood and will improve safety for our residents, especially the children. Additionally, it's one less word to fit on all the paperwork where we list our address.

I kindly thank you for considering my comments on this resolution.

Sincerely,

Timothy Cole

Kenai Resident

2907 Cook Inlet View Drive

Linda Mitchell

From: Roxanne Colyer <roxanne@colyerart.com>
Sent: Tuesday, May 28, 2024 5:48 PM
To: Planning Department
Subject: RE: Proposed Resolution 2024-17

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

I fully support and encourage the proposed name change of Cook Inlet [View] Drive to Cook Inlet Drive.

Why?

- 1) The name change will not interfere to any extent with existing mail addresses.
- 2) Removing the word "View" from the street name will hopefully discourage a percentage of speeding tourists/dip netters who assume beach access and have little to no respect for the children who feel safe enough to play in their neighborhood or respect the surrounding personal properties.
- 3) The word "view" implies a point of access where no safe or legal access exists. The Jersey barriers are already breached by four wheelers. The bluff continues to erode as the site is used by persons seeking beach access (DOT??? employees staying at the B&B were the latest.)
- 4) The local Police force and Fish and Game capacities are stretched in June and July. Posting a large, visible "No Beach Access" sign on the Spur and removing "view" from the street signs may reduce the number of incidents and take some of the pressure off local authorities.

If you have questions please contact me. roxanne@colyerart.com

PAYMENTS OVER \$35,000.00 WHICH NEED COUNCIL RATIFICATION
COUNCIL MEETING OF: JUNE 5, 2024

VENDOR	DESCRIPTION	DEPARTMENT	ACCOUNT	AMOUNT
PERS	PERS	VARIOUS	LIABILITY	98,463.84
HOMER ELECTRIC	ELECTRIC USAGE	VARIOUS	UTILITIES	105,353.27

INVESTMENTS

VENDOR	DESCRIPTION	MATURITY DATE	AMOUNT	Effect. Int.
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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: Terry Eubank, City Manager

FROM: Derek Ables, Airport Manager

DATE: May 10, 2024

SUBJECT: **Action/Approval – Special Use Permit to Crowley Fuels, LLC for use of 35,000 square feet of apron space at the Kenai Municipal Airport**

Crowley Fuels LLC is requesting a Special Use Permit for approximately 35,000 square feet for aviation fueling on the apron fueling area. The Special Use Permit will be effective for one year from July 1, 2024 to June 30, 2025.

Crowley Fuels LLC has submitted the Special Use Permit application and paid the fee. Crowley Fuels LLC is current in all fees owed to the City and a current Certificate of Insurance is on file.

Airport Commission reviewed the request at the May 9, 2024 Commission meeting and recommends Council approval.

Your support for a Special Use Permit to Crowley Fuels, LLC is respectfully requested.

SPECIAL USE PERMIT

The **CITY OF KENAI** (City) grants to **CROWLEY FUELS LLC** (Permittee), whose address is 201 Arctic Slope Ave., Anchorage, AK 99518, a Special Use Permit for the fueling area on the apron 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 35,000 square feet as described in the attached Exhibit A for the uses identified in this Permit.
- 2. Term.** The term of this Permit shall be for 1 year commencing on July 1, 2024 and ending on June 30, 2025. Regardless of the date of signature, this Permit shall be effective as of July 1, 2024.
- 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 of \$1,866.67 (\$0.64/SF/Year) plus applicable sales tax.
 - 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):

Aviation Fueling on Apron Fueling Area. **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 abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee germane to a commercial entity.

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 thirty (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 July 1, 2024. The effective date of the insurance shall be no later than July 1, 2024.

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 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 Crowley Fuels LLC., and where the context reasonably indicates, its officers, agents, and employees. "Airport" means the Kenai Municipal Airport.

CITY OF KENAI

CROWLEY FUELS LLC

By: _____ Date _____
Terry Eubank
City Manager

By: _____ Date _____
Katharine J. Fontaine
Vice President of Operations

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by Terry Eubank, City Manager, of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

Notary Public for Alaska
My Commission Expires: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

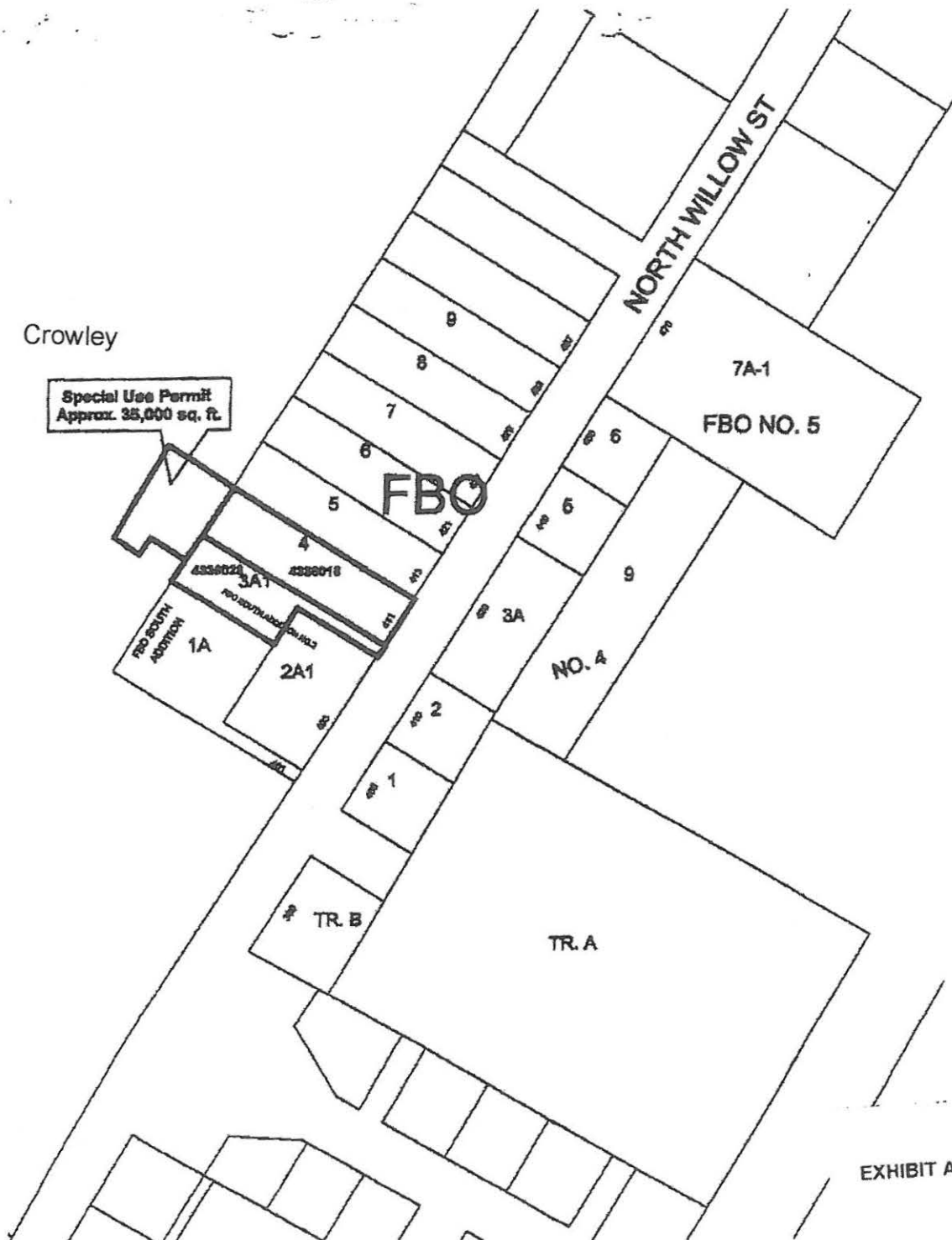
THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by Katharine J. Fontaine, Vice President of Operations, Crowley Fuels LLC, on behalf of the State of Alaska.

Notary Public for Alaska
My Commission Expires: _____

APPROVED AS TO FORM:

Scott M. Bloom, City Attorney

EXHIBIT A





City of Kenai Special Use Permit Application

Application Date: 4/25/24

Applicant Information

Name of Applicant:	Crowley Fuels LLC					
Mailing Address:	201 Arctic Slope Ave	City:	Anchorage	State:	AK	Zip Code: 99518
Phone Number(s):	Home Phone: () 907.244.2604		Work/ Message Phone: () 907.777.5510			
E-mail: (Optional)	jenny.silva@crowley.com					
Name to Appear on Permit:	Crowley Fuels LLC					
Mailing Address:	same as above	City:		State:		Zip Code:
Phone Number(s):	Home Phone: ()		Work/ Message Phone: ()			
E-mail: (Optional)						
Type of Applicant:	<input type="checkbox"/> Individual (at least 18 years of age) <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Government <input type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Other _____					

Property Information

Legal or physical description of the property:	
35,000 sf on airport apron adjacent to 2 lots currently leased by Crowley - Lot 4 Block 1 and Lot 3A1 FBO Subdivision	
Description of the proposed business or activity intended: Aircraft Fueling Services	
Is the area to be used in front of or immediately adjacent to any established business offering the same or similar products or services upon a fixed location? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
Would the use under this permit interfere with other businesses through excessive noise, odor, or other nuisances? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
If you answered yes to any of the above questions, please explain:	
What is the term requested (not to exceed one year)? One year	
Requested Starting Date: July 1, 2024	
Signature:	 Date: 4/25/24
Print Name:	Jenny Silva
Title:	Director, Contract Compliance & Pricing

For City Use Only:

- ☐ General Fund ☐ Airport Reserve Land
☐ Airport Fund ☐ Outside Airport Reserve

Date Application Fee Received: _____

City Council Action/Resolution: _____

Account Number: _____



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: Terry Eubank, City Manager

FROM: Derek Ables, Airport Manager

DATE: May 10, 2024

SUBJECT: **Action/Approval – Special Use Permit to Empire Airlines, Inc. for use of 11,250 square feet of apron space at the Kenai Municipal Airport.**

Empire Airlines, Inc. is requesting a Special Use Permit for aircraft parking on approximately 11,250 square feet of apron space. The Special Use Permit will be effective for one year from July 1, 2024 to June 30, 2025.

Empire Airlines has submitted the Special Use Permit Application and paid the fee. Empire Airlines is current in all fees owed to the City and a current Certificate of Insurance is on file.

The Airport Commission reviewed the request at the May 9, 2024 Commission meeting and recommends Council approval.

Your support for a Special Use Permit to Empire Airlines, Inc. is respectfully requested.

Attachments- Exhibit A, Application, Special Use Permit

SPECIAL USE PERMIT

The **CITY OF KENAI** (City) grants to **EMPIRE AIRLINES, INC.** (Permittee), whose address is 11559 N. Atlas Road, Hayden, ID 83835, a Special Use Permit for the purpose of aircraft parking 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 approximately 11,250 square feet as described in the attached Exhibit A for the uses identified in this Permit.
2. **Term.** The term of this Permit shall be for 1 year commencing on July 1, 2024 and ending on June 30, 2025. Regardless of the date of signature, this Permit shall be effective as of July 1, 2024.
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 of \$1,312.50 (\$1.40/SF/Year) plus applicable sales tax.
 - 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 ten percent (10%) per annum, and penalty of ten percent (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 abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee germane to a commercial entity.

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 thirty (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 July 1, 2024. The effective date of the insurance shall be no later than July 1, 2024.

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. 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.

13. 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.

14. 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.

15. 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.

16. 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.

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

18. 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.

19. 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.

20. Personality. 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 personality of Permittee or of its customers.

21. Termination; Default. This Permit may be terminated by either party hereto by giving thirty (30) days advance written notice to the other party. City may terminate the Permit immediately, or upon notice shorter than thirty (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.

22. 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 thirty (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 (10) 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.

23. 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 ninety (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 (3) consecutive weeks not more than thirty (30) days nor less than seven (7) days before the time of the auction.

24. Definitions. As used in this Permit, “Permittee” means Empire Airlines, Inc. and where the context reasonably indicates, its officers, agents, and employees. “Airport” means the Kenai Municipal Airport.

DRAFT

CITY OF KENAI

EMPIRE AIRLINES, INC.

By: _____ Date _____
Terry Eubank
City Manager

By: _____ Date _____
Randy Lanfell
Director of Flight Operations

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by Terry Eubank, City Manager, of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

Notary Public for Alaska
My Commission Expires: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by Randy Lanfell, Director of Flight Operations, Empire Airlines, Inc., on behalf of the State of Alaska.

Notary Public for Alaska
My Commission Expires: _____

Approved as to Form:

Scott Bloom
City Attorney

Exhibit A

ENA SUP - Empire Airlines
(11,250 SF)





City of Kenai Special Use Permit Application

Application Date: 4/25/2024

Applicant Information

Name of Applicant:	Empire Airlines						
Mailing Address:	11559 N Atlas Rd	City:	Hayden	State:	ID	Zip Code:	83835
Phone Number(s):	Home Phone: ()		Work/ Message Phone: () 2082923848				
E-mail: (Optional)	randyl@empireairlines.com						
Name to Appear on Permit:	Empire Airlines						
Mailing Address:	11559 N Atlas Rd	City:	Hayden	State:	ID	Zip Code:	83835
Phone Number(s):	Home Phone: ()		Work/ Message Phone: () 2082923848				
E-mail: (Optional)	randyl@empireairlines.com						
Type of Applicant:	<input type="checkbox"/> Individual (at least 18 years of age) <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Government <input type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Other _____						

Property Information

Legal or physical description of the property:	FedEx Lot 7 & 8
Description of the proposed business or activity intended:	Express Cargo
Is the area to be used in front of or immediately adjacent to any established business offering the same or similar products or services upon a fixed location?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Would the use under this permit interfere with other businesses through excessive noise, odor, or other nuisances?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
If you answered yes to any of the above questions, please explain:	Next to FedEx sort facility for ground delivery.

What is the term requested (not to exceed one year)? One Year

Requested Starting Date: July 1, 2024

Signature:		Date:	4/25/2024
Print Name:	Randell Lanfell	Title:	VP Operations

For City Use Only:

- ☐ General Fund ☐ Airport Reserve Land
☐ Airport Fund ☐ Outside Airport Reserve

Date Application Fee Received:

City Council Action/Resolution:

Account Number:



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: Terry Eubank, City Manager

FROM: Derek Ables, Airport Manager

DATE: May 10, 2024

SUBJECT: **Action/Approval – Special Use Permit to Everts Air Fuel, Inc. for use of 30,000 square feet of apron space at the Kenai Municipal Airport.**

Everts Air Fuel, Inc. is requesting a Special Use Permit for aircraft parking on approximately 30,000 square feet of apron space. The Special Use Permit will be effective for one year from July 1, 2024 to June 30, 2025.

Empire Airlines has submitted the Special Use Permit Application and paid the fee. Empire Airlines is current in all fees owed to the City and a current Certificate of Insurance is on file.

The Airport Commission reviewed the request at the May 9, 2024 Commission meeting and recommends Council approval.

Your support for a Special Use Permit to Everts Air Fuel, Inc. is respectfully requested.

Attachments- Exhibit A, Application, Special Use Permit

SPECIAL USE PERMIT

The **CITY OF KENAI** (City) grants to **EVERTS AIR FUEL, INC.** (Permittee), whose address is P.O. Box 60908, Fairbanks, AK 99706, 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 Exhibit A for the uses identified in this Permit.
- 2. Term.** The term of this Permit shall be for 1 year commencing on July 1, 2024 and ending on June 30, 2025. Regardless of the date of signature, this Permit shall be effective as of July 1, 2024.
- 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 of \$3,500.00 (\$1.40/SF/Year) plus applicable sales tax.
 - 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 abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee germane to a commercial entity.

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 July 1, 2024. The effective date of the insurance shall be no later than July 1, 2024.

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 per day. The City of Kenai is not responsible for any damage to or theft of any personal property 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 Everts Air Fuel, Inc. and where the context reasonably indicates, its officers, agents, and employees. "Airport" means the Kenai Municipal Airport.

CITY OF KENAI**EVERTS AIR FUEL, INC.**

By: _____
 Terry Eubank
 City Manager

 Date

By: _____
 Robert W. Everts
 Consultant

 Date

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by Terry Eubank, City Manager, of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

 Notary Public for Alaska
 My Commission Expires: _____

STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by Robert W. Everts, Consultant, Everts Air Fuel, Inc., on behalf of the State of Alaska.

 Notary Public for Alaska
 My Commission Expires: _____

APPROVED AS TO FORM:

 Scott M. Bloom, City Attorney

Exhibit A





City of Kenai Special Use Permit Application

Application Date: 5/2/2024

Applicant Information

Name of Applicant:	Everts Air Fuel, Inc.						
Mailing Address:	PO Box 60908	City:	Fairbanks	State:	AK	Zip Code:	99706
Phone Number(s):	Home Phone: ()		Work/ Message Phone: (907) 450-2375				
E-mail: (Optional)	corris@evertsair.com						
Name to Appear on Permit:	Everts Air Fuel, Inc.						
Mailing Address:	PO Box 60908	City:	Fairbanks	State:	AK	Zip Code:	99706
Phone Number(s):	Home Phone: ()		Work/ Message Phone: (907) 450-2375				
E-mail: (Optional)	corris@evertsair.com						
Type of Applicant:	<input type="checkbox"/> Individual (at least 18 years of age) <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Government <input type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Other _____						

Property Information

Legal or physical description of the property: 30,000 square foot aircraft parking on apron	
Description of the proposed business or activity intended: Bulk fuel deliveries by aircraft	
Is the area to be used in front of or immediately adjacent to any established business offering the same or similar products or services upon a fixed location? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
Would the use under this permit interfere with other businesses through excessive noise, odor, or other nuisances? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
If you answered yes to any of the above questions, please explain:	
What is the term requested (not to exceed one year)?	
Requested Starting Date:	
Signature:	Date: 5/02/24
Print Name: Robert W. Everts	Title: Consultant

For City Use Only:

- ☐ General Fund ☐ Airport Reserve Land
☐ Airport Fund ☐ Outside Airport Reserve

Date Application Fee Received:

City Council Action/Resolution:

Account Number:



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: Terry Eubank, City Manager

FROM: Derek Ables, Airport Manager

DATE: May 10, 2024

SUBJECT: **Action/Approval – Fourth Amendment to Agreement for Janitorial Services with Reborn Again Janitorial Service at Kenai Municipal Airport Terminal**

On July 1, 2020, the City of Kenai entered into an Agreement for Janitorial Services with Reborn Again Janitorial Service for a period of one year with the option to extend for four successive one-year terms by mutual consent of Owner and Contractor.

The Contractor requests to renew under the same terms and conditions. The Airport has a current Certificate of Insurance on file.

Airport Commission reviewed the request at the May 9, 2024 Commission meeting and recommends Council approval.

Does Council recommend the City Manager approve the Fourth Amendment to Agreement for Janitorial Services with Reborn Again Janitorial Services?

Thank you for your consideration.

Attachments- 4th Amendment, Agreement

FOURTH AMENDMENT TO AGREEMENT FOR JANITORIAL SERVICES

The Agreement for Janitorial Services made the 1st day of July 2020, by and between the CITY OF KENAI, hereinafter called "Owner", whose address is 210 Fidalgo Avenue, Kenai, AK 99611-7794, and, Reborn Again Janitorial Services, whose mailing address is P.O.Box 927, Kenai, AK 99611, hereinafter called "Contractor," is hereby amended as follows:

1). Pursuant to Section 2 of the Agreement for Janitorial Services the term of the Agreement for Janitorial Service for the Kenai Municipal Airport is extended for one final year, beginning on July 1, 2024 and ending on June 30, 2025.

2). All other terms and conditions of the Agreement remain unchanged and in full force and effect.

DATED this _____ day of _____, 2024.

CITY OF KENAI

By: _____
Terry Eubank, City Manager

Reborn Again Janitorial Services

Reborn Again Janitorial Services

By: _____
Sylvia Trevino, Owner

By: _____
Erica Jackson, Owner

(If Lessee is a corporate-style entity)

ATTEST:

Name _____

Title

STATE OF ALASKA

)

)ss

THIRD JUDICIAL DISTRICT

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The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by Terry Eubank, City Manager for the City of Kenai.

Notary Public for Alaska

My Commission Expires: _____

STATE OF ALASKA

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)ss

THIRD JUDICIAL DISTRICT

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The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by Reborn Again Janitorial Services, an Alaskan corporation on behalf of the corporation.

Notary Public for Alaska

My Commission Expires: _____

Approved as for form: _____
Scott Bloom, City Attorney

Approved by Finance: _____
David Swarner, Finance Director

AGREEMENT FOR JANITORIAL SERVICES

THIS AGREEMENT is made this 1 day of July 2020, by and between the CITY OF KENAI (Owner or City); 210 Fidalgo Avenue, Kenai, AK 99611-7794, and Reborn Again Janitorial Service (Contractor), PO Box 927, Kenai, AK 99611.

WHEREAS, Owner desires to contract for janitorial and maintenance services for the Kenai Municipal Airport Terminal Building (Facility); and,

WHEREAS, Owner and Contractor agree to the terms and conditions under which Contractor shall provide such services and both Owner and Contractor desire to contract for the provision of such services by Contractor.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Term.** The term of this Agreement shall begin on July 1, 2020, and end on June 30, 2021.

2. **Extension.** This Agreement may be extended for four successive one-year terms by mutual written consent of Owner and Contractor.

3. **Facility and Services.**

A. Contractor shall provide the services described in Specifications attached hereto as Exhibit A and incorporated herein by reference.

B. Services are for a facility that is approximately 25,000 square feet. (These figures are for reference only and are not binding upon Owner.) In the event the Facility undergoes remodel or other partial or full closure during the contract period, square footage may be added or deleted from the contract on a permanent or temporary basis. The City

reserves the right to add or delete portions of the building as required by City operations, in which case an equitable adjustment will be made with the contractor, based on cost per square foot, prior to commencement or deletion of work.

4. **Payment.** In exchange for performance of janitorial services provided hereunder, Owner shall pay Contractor for services rendered at the rate of **\$4,231.25 per MONTH**. If portions of the building are added or deleted by Owner under the provisions of the Specifications, the payment will be adjusted in accordance with the change in square footage.

Invoices for services performed by Contractor must be received by Owner no later than five working days following the end of the month during which Contractor performed the services. Invoices must be sent to: Airport Administrative Office, 305 N. Willow St. Ste. 200, Kenai, AK 99611. Payment will be due from Owner to Contractor within thirty days after Contractor has submitted Contractor's invoice for services to Owner.

5. **Administrator; Designated Representative.** The Airport Manager will act as Contract Administrator (Administrator) to act on the City's behalf. Contractor is responsible for prompt attention to any defective work pointed out by the Administrator. At the request of the Administrator, Contractor shall meet with the Administrator at least twice each calendar month to conduct an inspection of the Facility and to discuss performance.

Contractor must supply Owner with the contact name and telephone number of Contractor's designated representative in writing on or before July 1, 2020. Contractor is responsible for the performance of the services required under this Agreement, and for the direct supervision of Contractor's personnel, through its designated representative. Such

representative shall, in turn, be available at all reasonable times to report and confer with the Owner with respect to the services. Contractor must provide Owner with a telephone and/or an answering service number through which Owner can contact the designated representative 24 hours per day. Should the designated representative be away from the City of Kenai or be otherwise unable to respond to Owner, Contractor shall designate a new or temporary representative who shall be empowered to act for Contractor and provide Owner with this contact information.

6. Independent Contractor; No Agency. Contractor's relationship with Owner is that of an independent contractor with the authority to control and direct the performance of details of the services that are the subject of this Agreement. Nothing contained in this Agreement may be construed to create an agency, partnership, joint venture, or employee-employer relationship between Owner and Contractor. Contractor is not the agent of Owner and Contractor is not authorized to make any representation, contract, or commitment on behalf of Owner.

7. Contractor's Personnel Payment and Supervision.

A. All personnel furnished by Contractor must be employees of Contractor. Contractor must pay all taxes, salaries, and expenses of each employee, including but not limited to payment of all federal social security taxes, federal and state unemployment taxes, and any payroll taxes relating to such employees.

B. The manner in which the services contracted for hereunder are to be performed are determined by the Contractor. Contractor agrees that the services provided under this Agreement must only be performed by qualified, careful, and efficient employees

in strict conformity with the best practices and highest applicable standards.

C. It is the Contractor's duty to train its employees in order to provide the services required. Contractor will furnish the Administrator a list of the names, addresses and telephone numbers of Contractor's employees working under this Agreement and shall provide Owner with updates of this list as information changes.

D. Owner may require removal from the Facility those employees of Contractor whose presence is deemed incompetent, insubordinate or otherwise objectionable, or whose continued employment and presence at the Facility is contrary to the public interest or inconsistent with the best interest of Owner.

8. Insurance.

A. Throughout the term of this Agreement Contractor shall, at its own expense, secure and keep in force insurance as stated below.

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 ONE MILLION DOLLARS (\$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.

iii. Comprehensive automobile liability insurance covering all owned, hired, and non-owned vehicles with coverage limits not less than \$250,000 combined single limit per occurrence.

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

B. All insurance required by this paragraph 8 shall meet the following requirements:

- i. for comprehensive general liability and automobile liability insurance, name the City of Kenai as an additional insured; and,
- ii. for worker's compensation insurance, general liability and automobile liability insurance 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; and,
- 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. Contractor must 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 effective date of this Agreement.

D. The indemnification and insurance coverage requirements stated in this paragraph 8 and in paragraph 9, below, do not relieve Contractor of any other obligation under this Agreement.

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

9. Indemnity, Defend, and Hold Harmless Agreement. Contractor shall indemnify, defend, and hold harmless Owner and its agents, employees, and/or insurers from

claim, loss, damage, liability or expense arising out of or related to any act or omission of Contractor or Contractor's employees, agents, or invitees arising out of Contractor's performance of services under this Agreement, except to the extent any negligence of Owner or its employees, agents, or invitees is a proximate cause of any injury or damage. If a third party asserts a claim against Contractor and Owner, Contractor 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.

10. **Complaints; Charges.** If the Administrator provides complaints regarding janitorial services to Contractor's designated representative, Contractor shall act on the complaint within twenty-four hours, or if urgent, on the same day the complaint is delivered to Contractor. If the deficiencies are not corrected in the Agreement for Services allotted time, Owner will arrange to have the work done and all charges will be deducted from Contractor's monthly payment.

11. **Termination.**

A. Termination For Cause. The obligation to provide further services under this Agreement may be terminated for cause by either party upon fifteen days' written notice in the event of substantial failure by the other party to perform in accordance with the term thereof through no fault of the terminating party. The nonperforming party shall be given a fifteen calendar day cure period to show progress (satisfactory to the terminating party) after the written notice of intent to terminate.

In the event of any termination, Contractor will be paid for all services properly

rendered up to the date of termination. Upon any termination, Contractor must promptly discontinue all services affected (unless a termination notice from Owner directs otherwise).

In the event of termination for cause by Owner, Owner has the right of set-off from any payment due Contractor, of all expenses, costs, and damages, including professional and legal expenses necessary to provide the services.

B. Termination Without Cause. Owner retains the exclusive right to cancel, stop, or re-schedule any or all services associated with this Agreement upon thirty (30) days' written notice to Contractor. Owner reserves the right to terminate this Agreement for reasons of convenience or if the services are no longer needed with the same termination conditions stated in subsection (A) immediately above except the fifteen (15) day cure period stated above.

Contractor may terminate this Agreement at any time upon thirty (30) days' written notice to Owner. Termination of this Agreement by Contractor without cause shall cause Contractor to be liable to Owner for any increased costs of procuring replacement services as well as for any other damages provided by law.

12. Costs on Default. In the event that either party defaults in the performance of any of its obligations under this Agreement and an action is brought for the enforcement thereof, the defaulting party must pay the other all the costs and expenses incurred therefore, including actual, reasonable attorney's fees. No right or remedy herein conferred upon or reserved to Owner is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

13. **Licensing.** Contractor must obtain and maintain all necessary licenses and permits, pay all taxes lawfully imposed on its business, and pay any other fee or charge assessed under any applicable public statute, regulation, or ordinance. Said licensing includes, but is not limited to, obtaining state and borough business licenses and tax certificates, and, where applicable to Contractor, paying all taxes and filing all documents necessary to maintain Contractor's status as a corporate entity in good standing in the State of Alaska.

14. **Visitors.** Contractor may not permit there to be children, friends, or other unauthorized persons at the Facility while the services are being performed by Contractor.

15. **Assignment and Subcontract.** Contractor may not assign or transfer this Agreement without the prior written approval of the Owner. Further, Contractor may not subcontract and/or transfer any part of the services or work to be performed without prior written approval of the Owner. Any such assignment or transfer or subcontracting of services without the consent of Owner constitutes default on the part of Contractor.

16. **No Discrimination.** Contractor shall ensure that Contractor and Contractor's agents and personnel, including any officer or employee, and anyone else acting by, on behalf of, or under the authority of Contract on the Airport and, on the Premises, does not discriminate on the grounds of race, creed, color, national origin, age, sex, handicap, marital status, change in marital status, pregnancy, or parenthood against any patron, employee, applicant for employment, or other person or group of persons in any manner prohibited by federal or state law. Contractor recognizes that the right of state to take any action necessary to enforce this provision, including actions required pursuant to any federal or state law. This agreement is

subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any contract agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23.

A. Affirmative Action: The Contractor will undertake any affirmative action program required by 14 CFR, Part 152 (Airport Aid Program), subpart E (Nondiscrimination in Airport Aid Program), and the American Disabilities Act of 1990 to ensure that no person shall, on the grounds of race, creed, color, national origin, age, sex, handicap, marital status, change in marital status, pregnancy, or parenthood be excluded from participating in any employment, contracting, or leasing activities covered by 14 CFR Part 152, subpart E or the American Disabilities Act of 1990. Contractor assures that no person shall be excluded on these grounds, from participating in or receiving the services or benefits of any program or activity covered by said subpart or act. Contractor assures that I will require its covered organizations provide assurances to state that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations as required by 14 CFR Part 152, subpart E or the American Disabilities Act of 1990, to the same effect.

Contract shall comply with any affirmative action plan or steps for equal employment opportunity required by 14 CFR Part 152, subpart E, the American Disabilities Act of 1990, a part of the affirmative action program, and by any federal, state, or local agency or court, including those resulting from a conciliation agreement, consent decree, court order, or similar mechanism. Contractor shall use state or local affirmative actions plans in lieu of any

affirmative action plan or steps required by 14 CFR 152.409. Contractor shall obtain a similar assurance from its covered organizations, and to cause them to require a similar assurance of their covered suborganizations, as required by 14 CFR Part 152, subpart E. Copies of CFR Part 152, subpart E, and the American Disabilities Act of 1990 are available from the City.

B. Compliance with Regulations: Concessionaire will comply with Title VI List of Pertinent Nondiscrimination Statutes and Authorities, attached as Attachment A, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract

17. **Assumption of Risk.** Contractor must provide all proper safeguards and assume all risks incurred in performing its services hereunder.

18. **No Waiver.** If Owner does not insist in any one or more instances on the strict performance by Contractor of any provision or article under this Agreement, it is not a waiver or relinquishment for the future, but the provision or article will continue in full force. An Owner waiver of any provision or article in this Agreement cannot be enforced nor relied on unless the waiver is in writing and signed on behalf of Owner.

19. **Integration and Modification.** This Agreement contains the entire agreement of the parties. All negotiations, statements, representations, warranties, and assurances, whether oral or written, which are in any way related to the subject matter of this Agreement or the performance of either party hereto, are merged and integrated into the terms of this Agreement. This Agreement may not be modified or amended except by a writing signed by both parties hereto.

20. **Applicable Law/Venue.** In any dispute between the parties, the laws of the State of Alaska will govern. If any such dispute results in a lawsuit, the parties may only bring the lawsuit before the courts of the State of Alaska in the Third Judicial District at Kenai.

21. **Rules of Interpretation.** Headings of paragraphs herein are solely for convenience of reference and shall not affect meaning, construction, or effect of this Agreement. Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa. Unless the context otherwise indicates, the use of the neuter, masculine, or feminine gender shall include the others as well.

22. **Notices.** Any and all notices required or permitted under this Agreement, unless specified otherwise, shall be in writing and hand-delivered or mailed by certified mail, return receipt requested, to the following addresses:

Owner: Kenai Municipal Airport
305 N. Willow St. Ste. 200
Kenai, AK 99611

Contractor: Reborn Again Janitorial
P.O. Box 927
Kenai, AK 99611

Either party may change its address for notice by giving notice as provided herein to the other party. Notice is effective upon hand delivery or deposit, postage prepaid, in the United States mail.

23. **Authority.** By signing this Agreement Contractor represents that it has read this Agreement and it agrees to be bound by the terms and conditions herein and that the


person signing this Agreement is duly authorized by the organization to bind the organization hereunder.

24. **Effective Date.** This Agreement is not effective until signed by the City Manager of City of Kenai and the Contractor.

IN WITNESS WHEREOF, the parties hereto have executed this agreement for Services the day and year set forth below.


CITY OF KENAI

By:

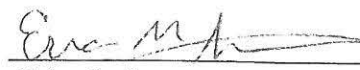

Paul Ostrander
City Manager

REBORN AGAIN JANITORIAL SERVICE

By:


Sylvia Trevino
Owner

By:


Erica Jackson
Owner

STATE OF ALASKA)

)ss

THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 1 day of July, 2020, by Paul Ostrander, City Manager of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

Notary Public
CYNTHIA L. HERR
State of Alaska
My Commission Expires with Office


Notary Public for Alaska
My Commission Expires: w/office

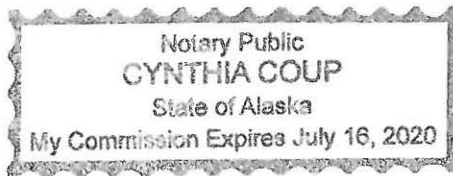
CORPORATION CONTRACTOR NOTARY:

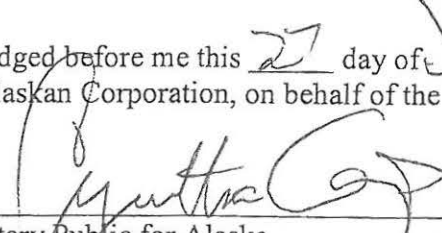
STATE OF ALASKA)

)ss

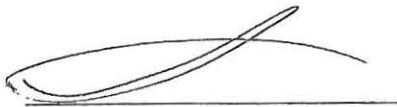
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 27 day of June, 2020, by Reborn Again Janitorial Service, an Alaskan Corporation, on behalf of the corporation.




Notary Public for Alaska
My Commission Expires: 7-16-2020

Approved as to form:



Scott Bloom
City Attorney



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: Terry Eubank, City Manager

FROM: Derek Ables, Airport Manager

DATE: May 10, 2024

SUBJECT: **Action/Approval – Special Use Permit to Kenai Aviation Operations, LLC. for use of 2,714 square feet of apron space at the Kenai Municipal Airport.**

Kenai Aviation Operations, Inc. is requesting a Special Use Permit for aircraft parking on approximately 2,714 square feet of apron space. The Special Use Permit will be effective for 6 months from May 6, 2024 to November 6, 2024.

Kenai Aviation Operations, Inc. has submitted the Special Use Permit Application and paid the fee. Kenai Aviation Operations, Inc has a current plan of payment and a current Certificate of Insurance is on file.

The Airport Commission reviewed the request at the May 9, 2024 Commission meeting and recommends Council approval.

Your support for a Special Use Permit to Kenai Aviation Operations, Inc. is respectfully requested.

Attachments- Exhibit A, Application, Special Use Permit

SPECIAL USE PERMIT

The CITY OF KENAI (City) grants to Kenai Aviation (Permittee), whose address is 101 N Willow Street, Kenai, AK 99611, 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 2,714 square feet as described in the attached Exhibit A for the uses identified in this Permit.
2. **Term.** The term of this Permit shall be for six months commencing on May 6, 2024 and ending on November 6, 2024. Regardless of the date of signature, this Permit shall be effective as of May 6, 2024.
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:

May – June 2024	\$137.96
July – November 2024	\$144.75
 - 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 ten percent (10%) per annum, and penalty of ten percent (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 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 abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee germane to a commercial entity.

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 thirty (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 May 6, 2024. The effective date of the insurance shall be no later than May 6, 2024.

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 fifty feet (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. Personality. 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 personality of Permittee or of its customers.

22. Termination; Default. This Permit may be terminated by either party hereto by giving thirty (30) days advance written notice to the other party. City may terminate the Permit immediately, or upon notice shorter than thirty (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 thirty (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 (10) 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 ninety (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 (3) consecutive weeks not more than thirty (30) days nor less than seven (7) days before the time of the auction.

25. Definitions. As used in this Permit, "Permittee" means Kenai Aviation and where the context reasonably indicates, its officers, agents, and employees. "Airport" means the Kenai Municipal Airport.

CITY OF KENAI**KENAI AVIATION**

By: _____
 Terry Eubank
 City Manager

_____ Date

By: _____
 Peter Heinrichsohn
 President

_____ Date

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by TERRY EUBANK, City Manager, of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

 Notary Public for Alaska
 My Commission Expires: _____

STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by Peter Heinrichsohn, President, on behalf of Kenai Aviation Operations, LLC.

 Notary Public for Alaska
 My Commission Expires: _____

Approved as to Form:

 Scott Bloom
 City Attorney

Exhibit A





Application Date: 05/06/2024

Name of Applicant:								Kenai Aviation Operations, LLC											
Mailing Address:				101 N Willow St.				City:		Kenai		State:		AK		Zip Code:		99611	
Phone Number(s):				Home Phone: ()				Work/ Message Phone: (907) 513-7171											
E-mail: (Optional)				tyson@kenaiaviation.com															
Name to Appear on Permit:				Kenai Aviation Operations															
Mailing Address:				101 N Willow St.				City:		Kenai		State:		AK		Zip Code:		99611	
Phone Number(s):				Home Phone: ()				Work/ Message Phone: (907) 513-7171											
E-mail: (Optional)				tyson@kenaiaviation.com															
Type of Applicant:				<input type="checkbox"/> Individual (at least 18 years of age) <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Government <input checked="" type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Other															
Legal or physical description of the property:																			
North end of taxiway GG																			
Description of the proposed business or activity intended:																			
Aircraft Storage																			
Is the area to be used in front of or immediately adjacent to any established business offering the same or similar products or services upon a fixed location? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO																			
Would the use under this permit interfere with other businesses through excessive noise, odor, or other nuisances? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO																			
If you answered yes to any of the above questions, please explain:																			
What is the term requested (not to exceed one year)? 6 Months																			
Requested Starting Date: 05/06/2024																			
Signature:								Date:		5/6/2024									
Print Name:				Tyson Spies				Title:		Director of Stations									



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: Terry Eubank, City Manager

FROM: Derek Ables, Airport Manager

DATE: May 10, 2024

SUBJECT: **Action/Approval – Special Use Permit to United Parcel Service Co., Inc. for use of 4,000 square feet of apron space at the Kenai Municipal Airport.**

United Parcel Service Co., Inc. is requesting a Special Use Permit for approximately 4,000 square feet of apron for aircraft loading and parking. The Special Use Permit will be effective for one year from July 1, 2024 to June 30, 2025.

United Parcel Service Co., Inc. has submitted the Special Use Permit application and paid the fee. United Parcel Service is current in all fees owed to the City and a current Certificate of Insurance is on file.

The Airport Commission reviewed the request at the May 9, 2024 Commission meeting and recommends Council approval.

Your support for a Special Use Permit to United Parcel Service Co., Inc. is respectfully requested.

Attachments- Exhibit A, Application, Special Use Permit

SPECIAL USE PERMIT

The **CITY OF KENAI** (City) grants to **UPSCO United Parcel Service Co., Inc.** (Permittee), whose address is 6200 Lockheed Ave., Anchorage, AK 99502, 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 4,000 square feet as described in the attached Exhibit A for the uses identified in this Permit.
2. **Term.** The term of this Permit shall be for 1 year commencing on July 1, 2024 and ending on June 30, 2025. Regardless of the date of signature, this Permit shall be effective as of July 1, 2024.
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 of \$466.67 (\$1.40/SF/Year) plus applicable sales tax.
 - 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 ten percent (10%) per annum, and penalty of ten percent (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 abide by all reasonable decisions and directives of the Airport Management regarding general use of the Airport by Permittee germane to a commercial entity.

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 thirty (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 July 1, 2024. The effective date of the insurance shall be no later than July 1, 2024.

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. 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.

13. 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.

14. 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.

15. 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.

16. 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.

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

18. 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.

19. 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.

20. Personality. 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 personality of Permittee or of its customers.

21. Termination; Default. This Permit may be terminated by either party hereto by giving thirty (30) days advance written notice to the other party. City may terminate the Permit immediately, or upon notice shorter than thirty (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.

22. 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 thirty (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 (10) 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.

23. 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 ninety (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 (3) consecutive weeks not more than thirty (30) days nor less than seven (7) days before the time of the auction.

CITY OF KENAI**UPSCO United Parcel Service Co., Inc.**

By: _____
 Terry Eubank
 City Manager

_____ Date

By: _____
 Robert Vey
 Business Manager

_____ Date

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by TERRY EUBANK, City Manager, of the City of Kenai, an Alaska municipal corporation, on behalf of the City.

 Notary Public for Alaska
 My Commission Expires: _____

STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this ____ day of _____, 2024, the foregoing instrument was acknowledged before me by Robert Vey, the Business Manager, on behalf of UPSCO, United Parcel Service Co., Inc.

 Notary Public for Alaska
 My Commission Expires: _____

Approved as to Form:

 Scott Bloom
 City Attorney



Exhibit A



**City of Kenai
Special Use Permit
Application**

Application Date: 04/29/2024

Applicant Information

Name of Applicant:	UPSCO United Parcel Service				
Mailing Address:	6200 Lockheed Ave	City:	Anchorage	State:	AK
				Zip Code:	99502
Phone Number(s):	Home Phone: () 907-378-8059		Work/ Message Phone: () 907-249-6285		
E-mail: (Optional)	rvey@ups.com				
Name to Appear on Permit:	UPSCO United Parcel Service				
Mailing Address:	6200 Lockheed Ave	City:	Anchorage	State:	AK
				Zip Code:	99502
Phone Number(s):	Home Phone: () 907-378-8059		Work/ Message Phone: () 907-249-6285		
E-mail: (Optional)	rvey@ups.com				
Type of Applicant:	<input type="checkbox"/> Individual (at least 18 years of age) <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Government <input type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Other _____				

Property Information

Legal or physical description of the property:	330 Main Street Kenai AK 99611		
Description of the proposed business or activity intended:	Small Package movement		
Is the area to be used in front of or immediately adjacent to any established business offering the same or similar products or services upon a fixed location?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
Would the use under this permit interfere with other businesses through excessive noise, odor, or other nuisances?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
If you answered yes to any of the above questions, please explain:			
What is the term requested (not to exceed one year)? 1 year			
Requested Starting Date: 7/1/2024			
Signature:		Date:	04/29/2024
Print Name:	Robert Vey	Title:	Business Manager
For City Use Only:		Date Application Fee Received: _____	
<input type="checkbox"/> General Fund	<input type="checkbox"/> Airport Reserve Land	City Council Action/Resolution: _____	
<input type="checkbox"/> Airport Fund	<input type="checkbox"/> Outside Airport Reserve	Account Number: _____	



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: Shellie Saner, City Clerk
FROM: Meghan Thibodeau, Deputy City Clerk
DATE: May 15, 2024
SUBJECT: **Airport Commission Appointment**

A vacancy currently exists on the Airport Commission; an application for a partial term on the FAA seat has been received and is attached for consideration.

Pursuant to Kenai Municipal Code 1.90.010 members are nominated by the Mayor and confirmed by the City Council. Mayor Gabriel has requested Council confirmation of the following appointment:

Joshua Belter – Airport Commission term ending December 31, 2024

Your consideration is appreciated.

From: [Joshua Belter](#)
To: [City Clerk](#)
Subject: Form submission from: Commission/Committee Application (Webform)
Date: Wednesday, May 8, 2024 12:50:37 PM

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

Submitted on Wednesday, May 8, 2024 - 12:50pm

Submitted by anonymous user: 162.58.82.136

Submitted values are:

Date: Wed, 05/08/2024

Name: Joshua Belter

Resident of City of Kenai?: Yes

If resident, how long?: 10 years

Residence Address:

Mailing Address:

Home Telephone:

Home Fax:

Business Telephone:

Business Fax:

Email address:

May we include your contact information on our website?: No

If not all, what may we include?:

Employer: Federal Aviation Administration

Job Title: Air Traffic Controller

Name of Spouse: Kenia Belter

Current Membership Organization: National Air Traffic Controllers Association

Past organizational memberships:

Committees or commissions in which you are interested: Kenai Airport Committee

Why do you want to be involved with this commission or committee?:

As Josh Daily, FAA, has stepped down. I asked to continue carrying the torch representing the Federal Aviation Administration. I would like to be a part of the committee that makes decisions for our local airport and serve as a resource for potential changes and improvements at the ENA airport.

What background, experience, or credentials do you possess to bring the board, commission, or committee membership?:

I have over 35 years of experience in air traffic control working in multiple FAA towers, contract air traffic control towers, flight service, and the FAA Lockheed Martin contract. I have represented the FAA multiple times at outreach and liaison meetings, most recently at the Great Aviation Gathering in Palmer last week. As a nationally published author, I have presented countless presentations and book signings across the country. I have a passion for aviation, and would love to be a part of the activities at our local Kenai airport.

The results of this submission may be viewed at:

<https://www.kenai.city/node/2601/submission/11304>



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: Shellie Saner, City Clerk

FROM: Meghan Thibodeau, Deputy City Clerk

DATE: May 22, 2024

SUBJECT: **Beautification Committee Appointment**

A vacancy currently exists on the Beautification Committee; an application for a partial term has been received and is attached for consideration.

Pursuant to Kenai Municipal Code 1.90.010 members are nominated by the Mayor and confirmed by the City Council. Mayor Gabriel has requested Council confirmation of the following appointment:

Samantha Springer – Beautification Committee term ending December 31, 2024

Your consideration is appreciated.

From: [Samantha Springer](#)
To: [City Clerk](#)
Subject: Form submission from: Commission/Committee Application (Webform)
Date: Monday, May 20, 2024 9:15:43 AM

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

Submitted on Monday, May 20, 2024 - 9:15am

Submitted by anonymous user: 63.140.120.6

Submitted values are:

Date: Mon, 05/20/2024
 Name: Samantha Springer
 Resident of City of Kenai?: No
 If resident, how long?:
 Residence Address:
 Mailing Address: PO Box 2573, Soldotna, AK 99669
 Home Telephone: 907-947-0514
 Home Fax:
 Business Telephone: 907-283-1991
 Business Fax:
 Email address: samantha@kenaichamber.org
 May we include your contact information on our website?: Yes, but not all (specify below)
 If not all, what may we include?: My residence address
 Employer: Kenai Chamber of Commerce & Visitor Center
 Job Title: Executive Director
 Name of Spouse: Greg Springer
 Current Membership Organization: President, LeeShore Center Board of Directors; Housing subcommittee on the KPB Working Group; Bronze Bear committee member.
 Past organizational memberships:
 Committees or commissions in which you are interested: Beautification committee
 Why do you want to be involved with this commission or committee?:
 As the current Executive Director of the Kenai Chamber of Commerce & Visitor Center, I am passionate about enhancing our community's appeal for both citizens and tourists. Joining the Beautification Committee for the City of Kenai is a natural extension of my commitment to fostering an inviting and enjoyable environment. I believe that a well-maintained and attractive city not only boosts local pride but also draws visitors, benefiting our local economy. My love for community involvement and dedication to service drive my desire to contribute to initiatives that enhance the aesthetic and functional quality of our city, making Kenai an even more wonderful place to live and visit.
 What background, experience, or credentials do you possess to bring the board, commission, or committee membership?:
 With extensive experience serving on various committees and boards, I am well-equipped to contribute effectively to the Beautification Committee for the City of Kenai. My love for community service began in college when I served as the Alpha Sigma Alpha Philanthropic Chair, instilling in me a deep commitment to community enhancement. As the President of the LeeShore Center Board of Directors, I have honed my leadership and collaborative skills,

working towards community-focused goals. My involvement in the Housing subcommittee on the KPB Working Group has provided me with a deep understanding of local needs and the intricacies of project development. Additionally, my participation in the Bronze Bear committee has enriched my perspective on community enhancement projects. These roles have collectively prepared me to bring a wealth of knowledge, strategic thinking, and a strong commitment to the Beautification Committee, ensuring our city remains a vibrant and attractive place for all.

The results of this submission may be viewed at:

<https://www.kenai.city/node/2601/submission/11318>



Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3421-2024**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATION IN THE KENAI CITY AIRPORT SNOW REMOVAL EQUIPMENT, VISITOR CENTER, AND PUBLIC SAFETY CAPITAL PROJECT FUNDS TO TRANSFER RESIDUAL BALANCE FROM COMPLETED PROJECTS BACK TO THEIR ORIGINAL FUNDING SOURCES.

WHEREAS, \$336.64 remains in Airport Snow Removal Equipment Capital Project Funds from completed capital projects for a snow removal attachment and gate installation; and,

WHEREAS, transfer of the residual \$336.64 to the Airport Fund, the fund from which the funds originated will allow future appropriation of the funds for operations or future capital projects and is in the best interest of the city; and,

WHEREAS, \$1,191.66 remains in Visitor Center Capital Project Funds from completed capital project for roof replacement at the Visitor Center; and,

WHEREAS, transfer of the residual \$1,191.66 to the General Fund, the fund from which the funds originated will allow future appropriation of the funds for operations or future capital projects and is in the best interest of the city; and,

WHEREAS, \$11,966.90 remains in Visitor Center Capital Project Funds from completed capital project for the HVAC Control upgrade at the Visitor Center; and,

WHEREAS, transfer of the residual \$11,966.90 to the General Fund, the fund from which the funds originated will allow future appropriation of the funds for operations or future capital projects and is in the best interest of the city; and,

WHEREAS, \$2,843.10 remains in Public Safety Capital Project Funds from completed capital project for flooring replacement at the Fire Department; and,

WHEREAS, transfer of the residual \$2,843.10 to the General Fund, the fund from which the funds originated will allow future appropriation of the funds for operations or future capital projects and is in the best interest of the city; and,

WHEREAS, \$9,367.71 remains in Public Safety Capital Project Funds from completed capital project for the apparatus bay painting at the Fire Department; and,

WHEREAS, transfer of the residual \$9,367.71 to the General Fund, the fund from which the funds originated will allow future appropriation of the funds for operations or future capital projects and 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 Improvement Capital Project Fund:

Increase Estimated Revenues-
Appropriation of Fund Balance \$336.64

Increase Appropriations –
Transfer to Airport Fund \$336.64

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

Visitor Center Improvement Capital Project Fund:
Increase Estimated Revenues –
Appropriation of Fund Balance \$13,158.56

Increase Appropriations –
Transfer to General Fund \$13,158.56

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

Public Safety Capital Project Fund:
Increase Estimated Revenues –
Appropriation of Fund Balance \$12,210.81

Increase Appropriations –
Transfer to General Fund \$12,210.81

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 19TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: _____



Introduced: June 5, 2024
Enacted: June 19, 2024
Effective: June 19, 2024



MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Dave Swarner, Finance Officer

DATE: May 25, 2024

SUBJECT: **Ordinance 3421-2024 Residual Capital Project Balance Transfer**

The purpose of this memo is to recommend the enactment of Ordinance 3421-2024 that will transfer remaining balances from completed projects back to their original funding source. These transfers will allow the residual funds to be appropriated for operations or new capital projects in the future.

In total \$25,369.37 will be returned to the General Fund from these completed capital projects:

1. Public Safety Capital Project – Apparatus bay painting at the Fire Department, \$9,367.71
2. Public Safety Capital Project – Flooring replacement at the Fire Department, \$2,843.10
3. Visitor Center Capital Project – HVAC control upgrade, \$11,966.90
4. Visitor Center Capital Project – Roof replacement, \$1,191.66

\$336.64 will be returned to the Airport Fund from this completed project:

1. Airport Snow Removal Equipment Capital Project – Snow removal attachment and gate installation, \$336.64

With the enactment of Ordinance 3421-2024, these funds will be returned to their original funding source, where they will reside in fund balance until the passage of future ordinances appropriating the funds for operations or other capital projects. No authorization to spend is created by this appropriation, rather only the authority to transfer between funds is being provided.

Your support for the enactment of Ordinance 3421-2024 is respectfully requested.



Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3422-2024**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE GENERAL FUND AND PUBLIC SAFETY CAPITAL PROJECT FUND FOR COST IN EXCESS OF PROJECTED BUDGETED AMOUNTS FOR FIRE DEPARTMENT FLOORING REPLACEMENT PHASE 2.

WHEREAS, the FY24 budget was approved with a \$100,000 Capital project for Fire Department Flooring Replacement Phase 2; and,

WHEREAS, it was estimated that \$4,488 would come from a residual balance from a prior capital project; and,

WHEREAS, the residual balance did not materialize; and,

WHEREAS, the \$4,488 is needed to fully fund the Capital project for the Fire Department Flooring Replacement Phase 2; and,

WHEREAS, this remains a priority project for the Department and provides appropriate maintenance in the continued protection of a City asset.

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>\$4,488</u>

Increase in Appropriations –	
Transfer to Public Safety Capital Project Fund	<u>\$4,488</u>

Public Safety Capital Project Fund:

Increase Estimated Revenues –	
Transfer from General Fund	<u>\$4,488</u>

Increase in Appropriations –	
Fire Department Flooring Replacement Phase 2	<u>\$4,488</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 19TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Approved by Finance: _____



Introduced:	June 5, 2024
Enacted:	June 19, 2024
Effective:	June 19, 2024



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: Terry Eubank, City Manager

FROM: Dave Swarner, Finance Director

DATE: May 25, 2024

SUBJECT: **Ordinance 3422-2024 for Kenai Fire Department Flooring Replacement Phase 2**

The purpose of this Ordinance is to provide supplemental funding in support of the Kenai Fire Departments Flooring Replacement Phase 2, approved and as detailed on page 299 of the FY24 budget. It was projected that \$4,488 of the funds would come from residual funding from prior projects. Thus only \$95,512 was budgeted in the FY24 budget for transfer from the General Fund, as detailed on page 298 of the FY24 budget. The residual funds did not materialize as expected.

The additional \$4,488 requested is intended to bring the total capital amount of the Fire Department Flooring Replacement Phase 2 up to the projected project cost of \$100,000.

The Fire Department, Public Works Department and Administration are in support of the project. Council's approval is respectfully requested.



Sponsored by: Administration

**CITY OF KENAI
ORDINANCE NO. 3423-2024**

AN ORDINANCE INCREASING ESTIMATED REVENUES AND APPROPRIATIONS IN THE PERSONAL USE FISHERY FUND FOR THE BUDGETED ANNUAL TRANSFER FROM PERSONAL USE FISHERY FUND TO THE GENERAL FUND.

WHEREAS, the FY24 General Fund annual budget included a \$75,000 transfer from the Personal Use Fishery Fund, but the companion transfer from the Personal Use Fishery Fund was inadvertently omitted from the FY24 budget; and,

WHEREAS, the Personal Use Fishery Fund requires an additional appropriation of \$75,000 to complete the FY24 intended transfer and correct the omission.

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:

Personal Use Fishery Fund:

Increase Estimated Revenues –	
Appropriation of Fund Balance	<u>\$75,000</u>
Increase in Appropriations –	
Transfer to General Fund	<u>\$75,000</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 19TH DAY OF JUNE, 2024.

Brian Gabriel Sr., Mayor

ATTEST:

Michelle M. Saner, MMC, City Clerk

Ordinance No. 3423-2024
Page 2 of 2

Approved by Finance: DS

Introduced:	June 5, 2024
Enacted:	June 19, 2024
Effective:	June 19, 2024



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Dave Swarner, Finance Director

DATE: May 25, 2024

SUBJECT: **Ordinance 3423-2024 for PU Fishery transfer from PU Fishery Fund Balance**

The purpose of this Ordinance is to authorize funding for the annual transfer from the Personal Use Fishery Fund to the General Fund to cover Non-Departmental expenses. In the FY24 budget, \$75,000 was allocated for this transfer into the General Fund. However, the Transfer Out from the Personal Use Fishery Fund was inadvertently omitted from the FY24 budget.

The requested \$75,000 will be allocated to the Personal Use Fishery budget to facilitate the transfer. Completing this transfer will ensure that the City's budgeted revenues cover Non-Departmental expenses for FY24.

Council's approval is respectfully requested.



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Derek Ables, Airport Manager

DATE: May 10, 2024

SUBJECT: **Workplan 2024 – Airport Commission**

The Airport Commission convened for work sessions on March 14, 2024, April 11, 2024, and May 9, 2024 to draft their Workplan for 2024. On May 9, 2024, during their meeting, they voted to propose their workplan for approval by the City Council. The Administration supports goals 1, 2, and 3, as they are consistent with Kenai Municipal Code.

Thank you for your consideration.

INTRODUCTION

This area should include the advisory body's missions' statement and include a brief description of the overall purpose of the commission.

Note: Work plans developed by the advisory body will be submitted to the City Council for approval; therefore, it is a good idea to align the goals and objectives with city code, policy and the City of Kenai Comprehensive Plan.

Instructions: In the space provided below, create a list of issues and goals (objectives) your commission would like to address in the upcoming year, your list should also include plans on how to address those issues. Each objective listed should include information regarding additional staff resources and/or community volunteers needed; funding resources, are funds available in the budget if not are you proposing council include funding in the upcoming budget cycle; and how long is it expected to obtain the objective. Please prioritize the objectives of your group with number one (1) being the top priority.

 GOAL OR OBJECTIVE	 COLLABORATION	 FUNDING RESOURCES	 TIME TO COMPLETE
--	--	--	---

Objective No. 1 Objective: **Construction of Taxiway Sierra**

Estimated Time to Complete: **Unknown**

Strategy: (Provide a summary of tasks which need to be done to obtain the objective.)

We (Airport Commission) strongly support, design and construction of Taxiway Sierra remain in the FY2027 Capital Improvement Budget or move to an earlier FY CIP Budget.

One necessary aspect of this review is to determine what work has been accomplished to meet this goal in accordance with the Airport Master Plan.

Narrative: (Describe the benefits to the residents and visitors of the City.)

The Kenai Municipal Airport is a for profit entity, in the sense that the airport needs to generate income to maintain the airport facilities and surrounding grounds. The Airport Master Plan identifies the west side of the airport as a source of income for activities such as user fees, fuel sales and lease properties. The construction of Taxiway Sierra is essential to the access of the west side of the airport.

Collaboration: (Who needs to be involved to obtain the objective?)

Kenai Airport Manager, Kenai City Manager, Kenai City Attorney, Kenai City Council and the Kenai Airport Commission.

The previous Kenai Airport Manager, Mary Bondurant, would be a great resource for a historical perspective on the matter.





Funding: (Are funds available, or is funding needed in a future budget?)

Funding source needs to be identified and budgeted for.

INTRODUCTION

This area should include a brief description of the overall purpose of the commission. *Note: Work plans developed by the advisory body will be submitted to the City Council for approval; therefore, it is a good idea to align the goals and objectives with city code, policy and the City of Kenai Comprehensive Plan.*

Instructions: In the space provided below, create a list of issues and goals (objectives) your commission would like to address in the upcoming year, your list should also include plans on how to address those issues. Each objective listed should include information regarding additional staff resources and/or community volunteers needed; funding resources, are funds available in the budget if not are you proposing council include funding in the upcoming budget cycle; and how long is it expected to obtain the objective. Please prioritize the objectives of your group with number one (1) being the top priority.

 GOAL OR OBJECTIVE	 COLLABORATION	 FUNDING RESOURCES	 TIME TO COMPLETE
Objective No. 2 Objective: West Side Hangar subdivision		Estimated Time to Complete: Unknown	

Strategy: *(Provide a summary of tasks which need to be done to obtain the objective.)*

The Airport Commission will hold a work session to discuss the development of hangars on the west side. They will review the current lots and sizes that may be needed in the future. They will also review the possible use cases with the infrastructure that is in place now as well as the infrastructure that will be built. They will review funding sources, the timeline when this is available, and make recommendations.

Narrative: *(Describe the benefits to the residents and visitors of the City.)*

The Kenai Municipal Airport Terminal seeks to be financially stable. This could generate additional revenue for the airport and allow for more use.

Collaboration: *(Who needs to be involved to obtain the objective?)*

Kenai Airport Manager, City Manager, City Attorney, City Council, and Airport Commission

Funding: *(Are funds available, or is funding needed in a future budget?)*

Funding sources for supporting infrastructure such as taxiways would be through AIP entitlements and discretionary funding. Sources of funding for hangars will be explored.

INTRODUCTION

This area should include a brief description of the overall purpose of the commission. *Note: Work plans developed by the advisory body will be submitted to the City Council for approval; therefore, it is a good idea to align the goals and objectives with city code, policy and the City of Kenai Comprehensive Plan.*

Instructions: In the space provided below, create a list of issues and goals (objectives) your commission would like to address in the upcoming year, your list should also include plans on how to address those issues. Each objective listed should include information regarding additional staff resources and/or community volunteers needed; funding resources, are funds available in the budget if not are you proposing council include funding in the upcoming budget cycle; and how long is it expected to obtain the objective. Please prioritize the objectives of your group with number one (1) being the top priority.

GOAL OR OBJECTIVE	COLLABORATION	FUNDING RESOURCES	TIME TO COMPLETE
Objective No. 3 Objective: Airport Terminal Landscaping			_ Estimated Time to Complete: 1 year

Strategy: *(Provide a summary of tasks which need to be done to obtain the objective.)*

The Airport Commission will seek and receive updates on the status of the terminal landscaping project.

Narrative: *(Describe the benefits to the residents and visitors of the City.)*

The Kenai Municipal Airport Terminal is the commercial aviation gateway to the City of Kenai and the Greater Kenai Peninsula. Our Airport Terminal is a source of pride for the community as we welcome our friends, family, and visitors to our area. The inside of the terminal is new and beautiful. The outside of the terminal will also be able to reflect that as well.

Collaboration: *(Who needs to be involved to obtain the objective?)*

Kenai Airport Manager, City Manager, City Attorney, City Council, Public Works Director, and landscape planning committee.

Funding: *(Are funds available, or is funding needed in a future budget?)*

Funding sources are in the capital improvement fund and through donations for the statues.



KENAI

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MEMORANDUM

TO: Mayor Gabriel and Council Members

THROUGH: Terry Eubank, City Manager

FROM: Tyler Best, Parks and Recreation Director

DATE: May 29, 2024

SUBJECT: **Workplan 2024 –Beautification Commission**

The Beatification Commission met on May 14, 2024, and voted on its annual work plan goals. The Commission voted on 4 individual goals, and the Administration supports all 4 goals.

INTRODUCTION

This area should include a brief description of the overall purpose of the commission. *Note: Work plans developed by the advisory body will be submitted to the City Council for approval; therefore, it is a good idea to align the goals and objectives with city code, policy and the City of Kenai Comprehensive Plan.*

Instructions: In the space provided below, create a list of issues and goals (objectives) your commission would like to address in the upcoming year, your list should also include plans on how to address those issues. Each objective listed should include information regarding additional staff resources and/or community volunteers needed; funding resources, are funds available in the budget if not are you proposing council include funding in the upcoming budget cycle; and how long is it expected to obtain the objective. Please prioritize the objectives of your group with number one (1) being the top priority.

 GOAL OR OBJECTIVE	 COLLABORATION	 FUNDING RESOURCES	 TIME TO COMPLETE
Objective No. <u>1</u> Objective: <u>Parks and Garden Tour</u>			Estimated Time to Complete: <u>N/A</u>

Strategy: *(Provide a summary of tasks which need to be done to obtain the objective.)*

Tour of Gardens and Parks with a focus on landscaping (plant, shrubs, beds, & ext) and beautification of parks. The hope would be to do this tour annually during the month of August when most of the plants and flowers are in full bloom.

Narrative: *(Describe the benefits to the residents and visitors of the City.)*

Determine if updates or changes are needed to improve the beautification of The City of Kenai.

Collaboration: *(Who needs to be involved to obtain the objective?)*

Beautification Commission and the Parks and Recreation Department

Funding: *(Are funds available, or is funding needed in a future budget?)*

none, the tour would happen as a regular schedule meeting or work session.

INTRODUCTION

This area should include a brief description of the overall purpose of the commission. *Note: Work plans developed by the advisory body will be submitted to the City Council for approval; therefore, it is a good idea to align the goals and objectives with city code, policy and the City of Kenai Comprehensive Plan.*

Instructions: In the space provided below, create a list of issues and goals (objectives) your commission would like to address in the upcoming year, your list should also include plans on how to address those issues. Each objective listed should include information regarding additional staff resources and/or community volunteers needed; funding resources, are funds available in the budget if not are you proposing council include funding in the upcoming budget cycle; and how long is it expected to obtain the objective. Please prioritize the objectives of your group with number one (1) being the top priority.

 GOAL OR OBJECTIVE	 COLLABORATION	 FUNDING RESOURCES	 TIME TO COMPLETE
Objective No. <u>2</u> Objective: <u>Winter Beautification Tour</u>			Estimated Time to Complete: <u>N/A</u>

Strategy: *(Provide a summary of tasks which need to be done to obtain the objective.)*

Tour of the City's winter beautification areas and static displays. This tour would work best to have an Annual Work Session in December.

Narrative: *(Describe the benefits to the residents and visitors of the City.)*

Determine if updates or changes and needed to improve the beautification of The City of Kenai during the Winter Months.

Collaboration: *(Who needs to be involved to obtain the objective?)*

Beautification Commission and the Parks and Recreation Department

Funding: *(Are funds available, or is funding needed in a future budget?)*

none, the tour would happen as a regular schedule meeting or work session.

INTRODUCTION

This area should include a brief description of the overall purpose of the commission. *Note: Work plans developed by the advisory body will be submitted to the City Council for approval; therefore, it is a good idea to align the goals and objectives with city code, policy and the City of Kenai Comprehensive Plan.*

Instructions: In the space provided below, create a list of issues and goals (objectives) your commission would like to address in the upcoming year, your list should also include plans on how to address those issues. Each objective listed should include information regarding additional staff resources and/or community volunteers needed; funding resources, are funds available in the budget if not are you proposing council include funding in the upcoming budget cycle; and how long is it expected to obtain the objective. Please prioritize the objectives of your group with number one (1) being the top priority.

 GOAL OR OBJECTIVE	 COLLABORATION	 FUNDING RESOURCES	 TIME TO COMPLETE
Objective No. <u>3</u>	Objective: <u>Leif Hansen Memorial Fountain</u>		Estimated Time to Complete: <u>2 years</u>

Strategy: *(Provide a summary of tasks which need to be done to obtain the objective.)*

Provide input on the redesign of the Lief Hansen Memorial Fountain and immediate surrounding area.

Narrative: *(Describe the benefits to the residents and visitors of the City.)*

To enhance the beauty of the Leif Hansen Memorial Park with the Fountain as the center piece.

Collaboration: *(Who needs to be involved to obtain the objective?)*

Beautification Commission , the Parks and Recreation Department and members of the public.

Funding: *(Are funds available, or is funding needed in a future budget?)*

There is current funding for an improvement design for the Fountain. If a design is approved it may require additional funding.

INTRODUCTION

This area should include a brief description of the overall purpose of the commission. *Note: Work plans developed by the advisory body will be submitted to the City Council for approval; therefore, it is a good idea to align the goals and objectives with city code, policy and the City of Kenai Comprehensive Plan.*

Instructions: In the space provided below, create a list of issues and goals (objectives) your commission would like to address in the upcoming year, your list should also include plans on how to address those issues. Each objective listed should include information regarding additional staff resources and/or community volunteers needed; funding resources, are funds available in the budget if not are you proposing council include funding in the upcoming budget cycle; and how long is it expected to obtain the objective. Please prioritize the objectives of your group with number one (1) being the top priority.

 GOAL OR OBJECTIVE	 COLLABORATION	 FUNDING RESOURCES	 TIME TO COMPLETE
Objective No. <u>4</u> Objective: <u>Green Strip Pavilion</u>			Estimated Time to Complete: <u>2 years</u>

Strategy: *(Provide a summary of tasks which need to be done to obtain the objective.)*

Provide input on the redesign and appearance of the Pavilion and the surrounding areas, such as adding a mural.

Narrative: *(Describe the benefits to the residents and visitors of the City.)*

To enhance the beauty of the Green strip Pavilion as it is widely used for many public and private events. Potentially increase local residents desire to rent the pavilion for private events.

Collaboration: *(Who needs to be involved to obtain the objective?)*

Beautification Commission, the Parks and Recreation Department, members of the public, and local artist groups.

Funding: *(Are funds available, or is funding needed in a future budget?)*

The replacement of Green-strip Pavilion is currently on the City's Capital Improvement Plan.

**KENAI COUNCIL ON AGING – REGULAR MEETING
MAY 9, 2024 - 3:00 P.M.
KENAI SENIOR CENTER
361 SENIOR CT., KENAI, AK 99611
CHAIR KEN AYERS, PRESIDING**

Page 193

ACTION MINUTES

A. CALL TO ORDER

A Regular Meeting of the Council on Aging was held on May 9, 2024, at the Kenai Senior Center, Kenai, AK. Chair Ayers called the meeting to order at approximately 3:00 p.m.

1. Pledge of Allegiance

Chair Ayers led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Ken Ayers, Chair

Velda Geller (*arrived at 3:15 p.m.*)

Frances Kilfoyle

Jim Glendening

Rachael Craig, Vice Chair

Barbara Modigh

Kit Hill

William Sadler

A quorum was present.

Also in attendance were:

Kathy Romain, Senior Center Director

Red Piersee, Senior Center Administrative Assistant

Shellie Saner, City Clerk

James Baisden, City Council Liaison

3. Agenda Approval

MOTION:

Vice Chair Craig **MOVED** to approve the agenda as presented. Member Modigh **SECONDED** the motion.

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

B. SCHEDULED PUBLIC COMMENTS - None.

C. UNSCHEDULED PUBLIC COMMENTS - None.

D. APPROVAL OF MINUTES

1. April 11, 2024

MOTION:

Member Hill **MOVED** to approve the April 11, 2024 Council on Aging minutes. Vice Chair Craig **SECONDED** the motion.

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

E. UNFINISHED BUSINESS - None.

F. **NEW BUSINESS**

1. **Discussion/Recommendation** - Recommendation to Council on Enactment of Ordinance No. 3416-2024 - An Ordinance Repealing, Reenacting and Renaming Kenai Municipal Code Chapter 1.90 - Standard Procedures For Boards, Commissions and Committees, Enacting Chapter 1.95 - Standing Advisory Commissions, Repealing Chapters 11.10 - Harbor Commission, Chapter 19.05 Parks And Recreation Commission, Chapter 21.20 Airport Commission, Enacting Section 14.05.050 - Planning and Zoning Commission - Qualifications and Membership, and Approving Amendments to the Council on Aging Commission's By-Laws to Organize Streamline, and Improve the Efficiency of the City's Standing Commissions.

MOTION:

Member Glendening **MOVED** to recommend City Council enact Ordinance No. 3416-2024. Vice Chair Craig **SECONDED** the motion.

City Clerk Saner summarized the report as provided in the packet, noting that the proposed new code had substantial structural changes; however, the intent of the Commissions February recommendation remained in the new proposed code.

MOTION TO AMEND:

Chair Ayers **MOVED** to recommend City Council amend Ordinance No. 3416-2024, Section 2, Chapter 1.95 - Standing Advisory Commissions, Section 1.95.030 - Council on Aging Commission as follows:

Paragraph (b)(1)(ii) to read, "Development and use of the Senior Center or other facilities owned or managed by the City for the provision of services for senior citizens [, EXCLUDING VINTAGE POINTE-INDEPENDENT SENIOR HOUSING]."

Member Glendening **SECONDED** the motion.

Members Ayers, Modigh and Glendening spoke in support of the recommended amendment.

Members Sadler, Craig and Hill spoke in opposition to the recommended amendment.

[Clerk's Note: Member Geller arrived at approximately 3:15 p.m.]

VOTE ON MOTION TO AMEND:

YEA: Ayers, Kilfoyle, Geller, Modigh, Glendening

NAY: Craig, Hill, Sadler

MOTION TO AMEND PASSED. 5 Yes, 3 No

VOTE ON MAIN MOTION AS AMENDED:

YEA: Ayers, Geller, Modigh, Kilfoyle, Glendening

NAY: Craig, Sadler, Hill

MAIN MOTION AS AMENDED PASSED. 5 Yes, 3 No

2. **Discussion** - Selection of a Council on Aging Member to Attend the May 15, 2024 City Council Meeting for the Purpose addressing the City Council Regarding the Council on Aging Work Plan.

Director Romain summarized the information as provided within the Packet.

City Clerk Saner reported the importance of selecting one member to represent the opinion of the Council on Aging to the City Council related to the State of Alaska Open Meetings Act.

NOMINATION:

Chair Ayers **NOMINATED** Vice Chair Craig to attend the May 15, 2024 City Council Meeting for the purpose of representing the recommendation of the majority of the Council on Aging regarding the Council on Aging 2024 Work Plan.

Chair Ayers called for additional nominations; having no additional nominations and no objections; Vice Chair Craig was selected.

3. Discussion/Recommendation - Pledge of Allegiance at Lunchtime.

Director Romain summarized the memo as provided in the packet and requested feedback from the members.

There was general consensus that the pledge of allegiance could be added on Fridays prior to singing the Alaska song.

G. REPORTS

1. Senior Center Director - Director Romain reported on the following:
 - Reviewed the budget plan as presented to the City Council.
 - Reviewed the 2024 March for Meals fundraiser.
 - Provided an overview of the recent classification study for City employees.
 - Upcoming Fourth of July.
 - Staff out of offices in June.
 - Vintage Pointe boiler and generator updates.
2. Commission Chair - Chair Ayers reported his recent research and meeting with the City Attorney for changes to 1.95.030, section (b)(ii).
3. City Council Liaison - Council Member Baisden reported on the actions of the May 1, 2024 City Council Meeting.

H. ADDITIONAL PUBLIC COMMENTS - None.

I. NEXT MEETING ATTENDANCE NOTIFICATION - June 13, 2024.

Member Modigh will be attending remotely.

J. COMMISSION QUESTIONS AND COMMENTS

Members discussed potential items to be added to the June agenda; receiving updates on the Kenaitze Transportation program and the Bluff Stabilization project.

K. ADJOURNMENT

L. INFORMATIONAL ITEMS - None.

There being no further business before the Council on Aging, the meeting was adjourned at 4:15 p.m.

I certify the above represents accurate minutes of the Council on Aging meeting of May 9, 2024.

Meghan Thibodeau
Deputy City Clerk

**KENAI PLANNING & ZONING COMMISSION
REGULAR MEETING
MAY 8, 2024 – 7:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
CHAIR JOE HALSTEAD, PRESIDING**

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Kenai Planning & Zoning Commission was held on May 8, 2024, in City Hall Council Chambers, Kenai, AK. Chair Halstead called the meeting to order at approximately 7:03 p.m.

1. Pledge of Allegiance

Chair Halstead led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Joe Halstead, Chair
Glenese Pettey
Jeff Twait
Gwen Woodard

John Coston, Vice Chair
Sonja Barbaza
Diane Fikes (*electronic participation; joined 7:15 p.m.*)

A quorum was present.

Also in attendance were:

Linda Mitchell, Planning Director
Alex Douthit, City Council Liaison
Shellie Saner, City Clerk
Meghan Thibodeau, Deputy City Clerk

3. Approval of Agenda and Consent Agenda

MOTION:

Commissioner Woodard **MOVED** to approve the agenda and consent agenda. Commissioner Twait **SECONDED** the motion.

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

Chair Halstead opened the floor for public comment on consent agenda items; there being no one wishing to be heard, the public comment period was closed.

UNANIMOUS CONSENT was requested.
There being no objection; **SO ORDERED**.

All items listed with an asterisk () are considered to be routine and non-controversial by the Commission and will be approved by one motion. There will be no separate discussion of these items unless a Commission 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. APPROVAL OF MINUTES

1. *Regular Meeting of March 13, 2024

Approved by the consent agenda.

C. **SCHEDULED PUBLIC COMMENTS** - None.

D. **UNSCHEDULED PUBLIC COMMENTS** - None.

E. **CONSIDERATION OF PLATS** - None.

F. **PUBLIC HEARINGS**

1. **Resolution No. PZ2024-08** - Granting a Conditional Use Permit to Two (2) Six-Unit Apartment Buildings on the Property Located at 2150 Redoubt Avenue within the Rural Residential (RR) Zoning District.

MOTION:

Commissioner Twait **MOVED** to approve Resolution PZ2024-08. Vice Chair Coston **SECONDED** the motion.

Planning Director Mitchell presented the staff report as provided in the packet, and explained that the applicant has requested a conditional use permit (CUP) for two six-unit apartment buildings for senior housing. It was noted that both buildings would be under the same CUP, but the project would be phased with one building this year and another building the following year. The criteria for CUPs were reviewed; it was noted the application met the criteria and City staff recommends approval subject to the following conditions:

1. Further development of the property shall conform to all Federal, State of Alaska, and local regulations.
2. Phase 1 will consist one (1) six-unit apartment building with on-site improvements, such as the perimeter/interior landscaping adjacent to the constructed building and paving the fire apparatus access road and driveway. Phase 2 will consist of a second identical or similar 6-unit apartment building within the next two (2) years.
3. Provide a recreation area for the residents, such as a community garden or outdoor patio area in either the northwest or northeast corners of the property, subject to setback requirements.
4. A biennial fire inspection must be completed by the City of Kenai Fire Marshal.
5. The applicant will meet with City staff for on-site inspections when requested.

Applicant Dana Gregoire clarified that this development is another two phases of senior housing with identical layouts to others built on Redoubt Avenue; the land was donated by the City for this purpose.

Chair Halstead opened the floor for public hearing; there being no one wishing to be heard, the public hearing period was closed.

Vice Chair Coston spoke in support, noting that he looked forward to seeing the development of affordable housing.

Gregoire provided information on the status of waiting lists for senior housing and low-income family units, hearing and mobility impairment accessibility, rental rates and funding.

Chair Halstead spoke in support.

VOTE:

YEA: Twait, Woodard, Barbaza, Pettey, Coston, Halstead

NAY: None

MOTION PASSED WITHOUT OBJECTION.

[Clerk's note: Commissioner Fikes abstained from discussion and voting on Resolution PZ2024-08 pursuant to KMC 14.05.025(e)]

Chair Halstead noted the 15-day appeal period.

2. **Resolution PZ2024-09** - Granting an Encroachment Permit for a Residential Detached Accessory Structure to Encroach into the Required (West) Side Yard Setback on the Property Located at 3018 Bree Avenue within the Rural Residential (RR) Zoning District.

MOTION:

Vice Chair Coston **MOVED** to approve Resolution PZ2024-09. Commissioner Twait **SECONDED** the motion.

Planning Director Mitchell presented the staff report as provided in the packet, and explained that the applicant has requested an encroachment permit for a one-story detached accessory structure which would encroach 8.25 feet into the required 15-foot side yard setback, or 6.75 feet away from the property line. The criteria for encroachment permits were reviewed; it was noted the application met the criteria and City staff recommends approval subject to the following conditions:

1. An as-built survey by a registered professional land surveyor must be submitted to the Building Official prior to the issuance of the Certificate of Occupancy.
2. Prior to the building permit issuance, Lots 34 and 35 of Shoreline Heights 2014 Addition Phase 1 must be consolidated or merged.

Applicant Ryan Bolton noted that he had estimated the encroachment distance using the Kenai Peninsula Borough parcel viewer map but it may be as close as two or three feet from the property line, and that he was currently in the process of merging the two properties.

Chair Halstead opened the floor for public hearing; there being no one wishing to be heard, the public hearing period was closed.

Clarification was provided that the easement had been removed in the original plat; that setback requirements are based on zoning and density; and that the applicant's proposed location for the structure was chosen because it is the most optimal spot on the property where it would be farther from the neighbor's house, easier for vehicular access and closer to the applicant's residence.

The applicant requested an increase in the encroachment to 12 feet into the setback and three feet from the west property line, to allow for possible discrepancy in the original estimated distance.

MOTION TO AMEND:

Commissioner Twait **MOVED** to amend Resolution PZ2024-09 by increasing the encroachment distance to three feet from the property line. Commissioner Pettey **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to amend.

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

Chair Halstead stated that he was not in support of the increased encroachment distance, although he noted that the neighboring property owner had not spoken in opposition. Commissioner Twait stated support but encouraged the applicant to minimize the encroachment as much as possible.

VOTE:

YEA: Pettey, Coston, Twait, Woodard, Barbaza

NAY: Halstead

MOTION PASSED.

[Clerk's note: Commissioner Fikes abstained from discussion and voting on Resolution PZ2024-08 pursuant to KMC 14.05.025(e)]

Chair Halstead noted the 15-day appeal period.

G. UNFINISHED BUSINESS – None.

H. NEW BUSINESS

1. ***Action/Approval** – Requesting an Excused Absence for the March 13, 2024 Regular Meeting – Pettey

Approved by the consent agenda.

2. ***Action/Approval** – Recommending Approval of a Lease of Airport Reserve Land for the Property Described as Lot 9A, Block 5, General Aviation Apron Subdivision No. 5.

Approved by the consent agenda.

3. ***Action/Approval** – Recommending Approval of a Lease of Airport Reserve Land for the Property Described as Lot 5A, Block 1, FBO Subdivision 2018 Replat.

Approved by the consent agenda.

4. **Discussion/Recommendation** - Recommendation to Council on Enactment of Ordinance No. 3416-2024 - An Ordinance Repealing, Reenacting and Renaming Kenai Municipal Code Chapter 1.90 - Standard Procedures For Boards, Commissions and Committees, Enacting Chapter 1.95 - Standing Advisory Commissions, Repealing Chapters 11.10 - Harbor Commission, Chapter 19.05 Parks And Recreation Commission, Chapter 21.20 Airport Commission, Enacting Section 14.05.050 - Planning and Zoning Commission - Qualifications and Membership, and Approving Amendments to the Council on Aging Commission's By-Laws to Organize Streamline, and Improve the Efficiency of the City's Standing Commissions.

MOTION:

Vice Chair Coston **MOVED** to recommend Council enactment of Ordinance No. 3416-2024. Commissioner Twait **SECONDED** the motion.

City Clerk Saner summarized the report as provided in the packet, noting that the proposed new code had substantial structural changes.

UNANIMOUS CONSENT was requested.

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

I. REPORTS

1. Planning Director – Planning Director Mitchell reported on the following:
 - Attended Comprehensive Safety Action Plan public workshop at Kenai River Center; City is partnering with the Borough to get community feedback on areas where traffic safety can be improved.
 - Storefront and Streetscape Improvement Program application period is open until May 17, 2024.
 - Hoping to go live with new code enforcement software in June.
 - City Council Budget Work session took place on May 4, 2024; reviewed FY2025 changes to the Planning & Zoning budget.
2. Commission Chair – No report.
3. Kenai Peninsula Borough Planning – Commissioner Fikes reported on recent actions of the Kenai Peninsula Borough Planning Commission.
4. City Council Liaison – Council Member Douthit reported on recent actions of the City Council.

J. ADDITIONAL PUBLIC COMMENT – None.

K. NEXT MEETING ATTENDANCE NOTIFICATION

1. Next Meeting: May 22, 2024

Vice Chair Coston noted he would be attending remotely for the May 22, June 12, and June 26 scheduled meetings.

L. COMMISSION COMMENTS AND QUESTIONS

Vice Chair Coston and Commissioner Twait thanked Joe Halstead for serving as Chair.

M. PENDING ITEMS – None.

N. ADJOURNMENT

O. INFORMATIONAL ITEMS – None.

There being no further business before the Planning & Zoning Commission, the meeting was adjourned at 8:12 p.m.

I certify the above represents accurate minutes of the Planning & Zoning Commission meeting of May 8, 2024.



Meghan Thibodeau
Deputy 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
FROM: Terry Eubank, City Manager
DATE: April 23, 2024
SUBJECT: Quarterly Financial Report – March 31, 2024

Attached is a relatively easily produced quarterly financial report for the General Fund, Personal Use Fishery Fund, Airport Fund, Water/Sewer Fund, and Senior Fund as of March 31, 2024.

This report is essentially on a cash basis, so there are accounts that may not look reasonable. In the General Fund for example, sales and property tax revenue only includes payments made to the City by the Borough through February. The first calendar quarter 2024 sales tax filings and tax payments are not in at this point and we will not be received for this quarter until the end of April or early May.

State and Federal is below budget in all funds because of PERS aid. The State doesn't actually give us any money. Instead they make an 'on-behalf' payment to the pension system. Similarly, we have not booked expenditures for the PERS the State is covering, so the Non-Departmental department is way under budget. At year-end we will record revenue and expenditures for these items.

**Quarterly General Fund
Expenditure Report
For Quarter Ended March 31, 2024**

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	FY2023	Original *	Amended	YTD	Variance	%
	Actual	FY2024 Budget	Budget	Actual		
REVENUES						
Appropriation of Fund Balance	\$ -	\$ 605,267	\$ 673,959	\$ -	\$ (673,959)	0.00%
Taxes	14,134,685	14,320,890	14,320,890	10,210,114	(4,110,776)	71.30%
Licenses/Permits and Ambulance	1,310,312	1,113,650	1,113,650	1,006,035	(107,615)	90.34%
State/Federal	596,247	489,040	512,290	246,453	(265,837)	48.11%
Dock/Multipurpose/Miscellaneous	243,131	198,000	198,000	213,832	15,832	108.00%
Fines and Forfeitures	117,959	74,200	74,200	61,958	(12,242)	83.50%
Interest and Miscellaneous	710,616	826,438	831,938	1,046,541	214,603	125.80%
Transfers/Central Admin Fees	1,948,766	2,011,109	2,011,109	1,376,525	(634,584)	68.45%
Total Revenues	19,061,716	19,638,594	19,736,036	14,161,458	(5,574,578)	71.75%
EXPENDITURES & TRANSFERS						
General Government						
01 City Clerk	\$ 363,865	\$ 368,599	\$ 368,599	\$ 256,576	\$ 112,023	30.39%
11 Legislative	154,636	175,687	175,687	118,255	57,432	32.69%
12 Legal	362,210	434,325	434,325	296,084	138,241	31.83%
13 City Manager	503,562	574,159	573,809	362,739	211,070	36.78%
14 Human Resources	146,292	244,100	244,839	149,114	95,725	39.10%
15 Finance	867,746	956,647	956,647	626,621	330,026	34.50%
16 Land Administration	24,775	63,400	63,400	292	63,108	99.54%
18 Non-Departmental	825,656	1,073,465	1,072,727	720,143	352,584	32.87%
19 Planning and Zoning	218,752	313,763	327,513	183,236	144,277	44.05%
20 Safety	1,550	5,900	5,900	660	5,240	88.81%
Total General Government	3,469,044	4,210,047	4,223,447	2,713,720	1,509,727	35.75%
Public Safety						
21 Police	3,588,735	3,863,607	3,878,607	2,655,703	1,222,904	31.53%
22 Fire	3,488,927	3,746,081	3,746,081	2,621,927	1,124,154	30.01%
23 Communications	930,882	985,445	985,445	659,613	325,832	33.06%
29 Animal Control	483,320	506,600	512,100	345,077	167,023	32.62%
Total Public Safety	8,491,864	9,101,733	9,122,233	6,282,320	2,839,913	31.13%
Public Works						
31 Public Works Administration	169,606	199,815	199,815	126,200	73,615	36.84%
32 Shop	698,556	780,848	780,848	450,835	330,013	42.26%
33 Streets	971,668	1,113,284	1,148,226	672,367	475,859	41.44%
34 Buildings	394,075	489,584	489,584	260,034	229,550	46.89%
35 Street Lighting	203,814	231,339	231,339	166,040	65,299	28.23%
60 Dock	32,584	64,065	64,065	18,615	45,450	70.94%
Total Public Works	2,470,303	2,878,935	2,913,877	1,694,091	1,219,786	41.86%
Parks and Recreation & Culture						
03 Visitor Center	147,631	157,191	157,541	116,608	40,933	25.98%
40 Library	955,669	979,319	987,569	699,416	288,153	29.18%
# Parks, Recreation & Beautification	1,234,626	1,366,590	1,386,590	894,731	491,859	35.47%
Total Parks and Recreation & Culture	2,337,926	2,503,099	2,531,699	1,710,755	820,944	32.43%
Total Operating Expenditures	16,769,137	18,693,814	18,791,256	12,400,886	6,390,370	34.01%
Transfer to other funds						
Street Improvement Capital Project Fund	1,087,000	174,320	174,320	254,320	(80,000)	-45.89%
Kenai Recreation Center Capital Project Fund	490,000	75,000	75,000	75,000	-	0.00%
Public Safety Capital Project Fund	120,000	95,512	95,512	95,512	-	0.00%
Municipal Facility Improvement Cap Proj Fund	80,000	-	-	-	-	-
Multipurpose Facility Capital Proj. Fund	-	94,847	94,847	94,847	-	0.00%
Visitor Center Improvement Capital Proj. Fund	100,000	-	-	-	-	-
Information Technology Capital Proj. Fund	-	-	-	-	-	-
City Hall Improvement Capital Proj. Fund	-	50,000	50,000	50,000	-	0.00%
Animal Shelter Capital Project Fund	-	-	-	-	-	-
Public Safety Building Capital Proj. Fund	-	-	-	-	-	-
Kenai Fine Arts Center Imp. Cap. Proj. Fund	-	-	-	-	-	-
Kenai Cemetery Imp. Capital Project Fund	-	-	-	-	-	-
Kenai Senior Center Imp. Capital Project Fund	-	-	-	-	-	-
Park Improvement Capital Project Fund	120,000	125,000	125,000	125,000	-	0.00%
Senior Citizen Special Revenue Fund	241,562	199,476	199,476	99,738	99,738	50.00%
Debt Service	130,250	130,625	130,625	114,000	16,625	12.73%
Total Transfer to other funds	2,368,812	944,780	944,780	908,417	36,363	3.85%
Total Expenditures & Transfers	19,137,949	19,638,594	19,736,036	13,309,303	6,426,733	32.56%
Net Revenues over(under) Expenditures	\$ (76,233)	\$ -	\$ -	\$ 852,155	\$ 852,155	

* Note: The original budget includes outstanding encumbrances at 6/30/2023.



MEMORANDUM

TO: Mayor Gabriel and Council Members

FROM: Terry Eubank, City Manager

DATE: May 20, 2024

SUBJECT: March 2024 Quarterly Investment Report

City of Kenai Investment Portfolio

At March 31, 2024 the City had investments with a market value of \$35,595,612. That is up from \$34,021,865 at December 31, 2023. The City's portfolio is yielding 4.14% that is down from 4.18% at December 31, 2023. There was no change to the Federal Fund Rate during the quarter with the rate staying at 5.50%-5.25%. Fair market value adjustments to the portfolio through March 31, 2024 are a negative \$605,470. As of June 30, 2023, the portfolios fair market value adjustment was a negative \$983,755. Rates are projected to decrease and further decreasing the negative fair market value adjustment but lower yield for the portfolio will also occur.

City's Investment Portfolio

US Agency Securities	\$17,739,217
AML Investment Pool	4,009,588
Wells Fargo Money Market	10,308,857
FDIC Insured Certificates of Deposit	1,921,253
Bank Balance	<u>1,616,697</u>
Total	\$ <u>35,595,612</u>

Permanent Fund Investments

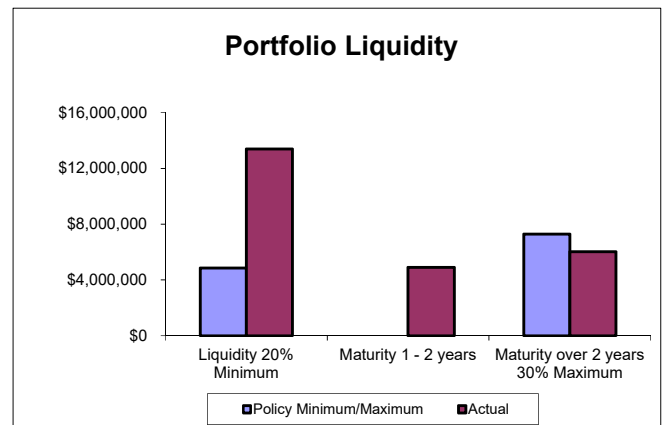
First quarter 2024 saw gains in the equity markets. Returns for the first quarter of 2024 were 4.09%. Since inception the portfolio has returned 7.48%. As of March 31, 2024, the portfolio value was \$35,540,361, comprised of \$29,477,710, 82.94% Airport Land Sale Permanent Fund, \$3,804,352, 10.71% General Land Sale Permanent Fund monies, \$1,254,845, 3.53% Kenai Senior Connection monies, \$801,241, 2.25% Kenai Senior Center Cone Memorial Trust monies, and \$202,211, 0.57% Kenai Community Foundation holdings.

The FY2024 Airport Land Sale Permanent Fund allowable transfer is \$1,065,518 and it will be made on June 1, 2024. The FY2024 General Land Sale Permanent Fund allowable transfer is \$146,180 and it will also be made on June 1, 2024.

CITY OF KENAI
INVESTMENT PORTFOLIO SUMMARY
March 31, 2024

	March 31, 2024 Fair Market Value	Current Yield
Cash & Cash Equivalents		
Wells Fargo Checking	\$ 1,616,697	0.01%
Wells Fargo Secured Money Market	10,308,857	5.36%
FDIC Insured Certificates of Deposit	1,921,253	2.89%
Alaska Municipal League Investment Pool	<u>4,009,588</u>	<u>5.36%</u>
Total Cash & Cash Equivalents	17,856,395	4.61%
		Average Yield
Government Securities		
Maturities Less than 1 Year	8,656,093	3.88%
Maturities 1 to 2 Years	2,726,189	4.57%
Maturities Greater than 2 Years	<u>6,356,935</u>	<u>2.99%</u>
Total Government Securities	<u>17,739,217</u>	<u>3.67%</u>
Total Portfolio	<u><u>\$ 35,595,612</u></u>	<u><u>4.14%</u></u>

Investment Portfolio - Purchase Price	\$ 36,579,367
Investment Portfolio - Fair Value 03/31/24	<u>35,595,612</u>
Fair Value Adjustment - 06/30/23	(983,755)
Fair Value Adjustment thru - 03/31/2024	<u>378,285</u>
Cummulative Change in Fair Value	<u><u>\$ (605,470)</u></u>



CITY OF KENAI
INVESTMENTS
3/31/2024

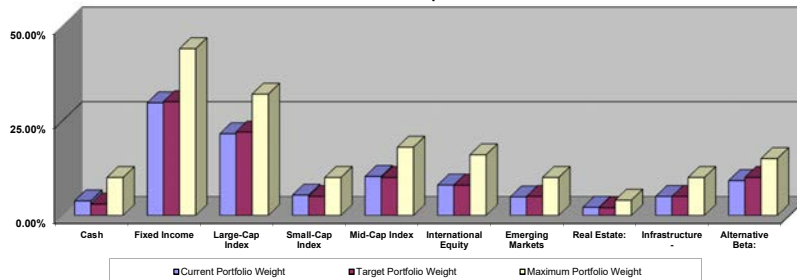
SECURITY		Expected Call or Maturity	CUSIP	original cost	Current year cost or		Unrealized Gain or Loss	Accrued Interest	EFFECT. RATE	DATE PURCH.	DATE DUE
					06/30/23 Market Value	03/31/24 Market Value					
FHLB 4.625 12/13/24	Bullet		3130ATUR6	2,542,786.81	2,477,825.00	2,490,225.00	12,400.00	34,687.50	4.625	1/26/2023	12/13/2024
FHLB 4.725 4/15/24	Bullet		3130AU6R0	1,001,925.00	992,630.00	999,760.00	7,130.00	21,787.50	4.725	12/27/2022	4/15/2024
FNMA 5.20 4/26/24	Quarterly W/10 Days		3135GAH87	1,000,000.00	995,320.00	999,960.00	4,640.00	22,388.89	5.200	4/26/2023	4/26/2024
FNA 2017-M1 A2	Bullet		3136AUG21	140,638.58	134,996.01	137,646.36	2,650.35	293.62	3.223	5/5/2022	10/25/2026
FHR 2011-3824 CL JY Mtge	Bullet		3137A7SV3	156,895.42	144,242.08	149,214.62	4,972.54	503.00	3.045	4/27/2022	3/15/2026
FHMS K047 A1	Bullet		3137BKRH5	22,212.16	4,516.94	5,629.15	1,112.21	13.31	0.297	4/14/2021	12/25/2024
FHR 4543 VH Mtge	Bullet		3137BMQ58	421,520.69	397,061.21	407,228.65	10,167.44	1,056.68	3.094	6/15/2022	6/15/2027
FHMS K053 A1	Bullet		3137BN6F6	176,054.45	139,982.35	144,812.53	4,830.18	312.89	0.383	11/27/2020	2/25/2025
FHMS K057 AM	Bullet		3137BRQK4	1,201,808.86	1,153,749.35	1,173,842.80	20,093.45	2,700.53	3.357	8/16/2022	8/25/2026
FHMS K064 A2	Bullet		3137BXQY1	1,009,373.33	950,030.00	960,170.00	10,140.00	2,686.67	3.010	5/16/2022	3/25/2027
FHMS KMP1 A1	Bullet		3137FATD0	76,979.30	60,957.97	64,114.24	3,156.27	120.68	0.302	4/14/2021	8/25/2024
FHMS K732 A2	Bullet		3137FG7F6	2,494,031.91	2,476,846.04	2,506,158.55	29,312.51	7,858.56	4.719	11/29/2022	9/25/2025
FN Am47124	Bullet		3138L74J2	810,084.99	712,164.73	725,444.02	13,279.29	1,978.37	0.759	11/20/2020	12/1/2024
FN AM7514	Bullet		3138L8K45	970,170.56	962,010.00	979,220.00	17,210.00	2,643.61	4.529	1/3/2023	2/1/2025
FN AN4476	Bullet		3138LG6N1	2,365,268.34	2,176,967.01	2,204,674.51	27,707.50	6,346.55	3.193	2/28/2022	1/1/2027
FHR 2935 AC Mtge	Bullet		31395MQ28	11,415.12	4,348.99	4,503.00	154.01	18.92	0.487	2/5/2021	2/15/2025
FN BL4497	Bullet		3140HV7K4	962,116.24	875,365.90	889,862.21	14,496.31	2,173.78	2.137	3/2/2022	11/1/2026
FN BL5704	Bullet		3140HXKS8	473,596.59	448,791.25	456,626.78	7,835.53	1,073.51	3.158	6/13/2022	2/1/2027
G2 5122 Mtge	Bullet		36202FVP8	148,859.79	124,419.37	126,883.69	2,464.32	377.58	0.874	11/16/2021	7/20/2026
GNR 2010-114 CL KB	Bullet		38377KBE9	79,334.83	68,650.05	70,815.94	2,165.89	238.84	2.327	4/29/2022	9/16/2025
T 2 1/4 3/31/24	Bullet		91282CEG2	745,378.28	732,450.00	750,000.00	17,550.00	8,437.50	3.160	8/12/2022	3/31/2024
T 2 1/2 4/30/24	Bullet		91282CEK3	747,063.91	732,097.50	748,267.50	16,170.00	7,881.18	3.160	8/12/2022	4/30/2024
T 3 7/31/24	Bullet		91282CFA4	748,311.20	730,987.50	744,157.50	13,170.00	3,770.60	3.170	8/12/2022	7/31/2024
TOTAL				18,305,826.36	17,496,409.25	17,739,217.05	242,807.80	129,350.27	2.736		
									3.882	4.57	2.99
FDIC Insured CD's	CD - 12/31/10										
3.4 GMATBK 8/4/25		57803	02007GXF5	245,114	235,312.70	239,872.15	4,559.45	1,300.85	3.400	8/9/2022	8/4/2025
1.75 SECSTB 12/18/24		8941	062163BN9	245,000	232,237.95	240,281.30	8,043.35	1,163.92	1.750	12/18/2019	12/18/2024
3.40 COF 8/10/27		33954	14042TJK4	245,000	227,862.25	234,413.55	6,551.30	1,026.99	3.400	8/10/2022	8/10/2027
1.75 CNBMIL 12/9/24		3814	17801GBW8	245,000	232,441.30	244,620.25	12,178.95	5,269.18	1.750	12/9/2019	12/9/2024
3.40 DFS 8/16/27		5649	254673Q41	245,000	227,805.90	238,982.80	11,176.90	164.45	3.400	8/16/2022	8/16/2027
1.85 LIVOAK 12/11/24		58665	538036HF4	245,000	232,737.75	239,169.00	6,431.25	270.17	1.850	12/11/2019	12/11/2024
2.80 SALLMA 4/17/24		58177	7954502H7	245,000	240,087.75	239,306.20	(781.55)	384.95	2.590	5/7/2019	4/17/2024
5.00 WAL 10/28/24		57512	95763PLV1	245,000	243,542.25	244,608.00	1,065.75	3,138.68	5.000	4/27/2023	10/28/2024
TOTAL FDIC Insured CD's				1,960,114.11	1,872,027.85	1,921,253.25	49,225.40	12,719.19	2.893		
WELLS MONEY MKT				10,308,856.98	10,308,856.98	10,308,856.98		44,987.28	5.360		
AML POOL - City ACCT	Agreed to Amilip			4,009,588.21	4,009,588.21	4,009,588.21		16,038.16	5.360		
	Agreed to GL			34,584,385.66	33,686,882.29	33,978,915.49	292,033.20	203,094.90			
WF Cash	Agreed to WF			1,616,696.99	1,616,696.99	1,616,696.99	-	-	0.010		
TOTAL				36,201,082.65	35,303,579.28	35,595,612.48	292,033.20	203,094.90			
						(605,470.17)					
TOTAL CURRENT YIELD									4.1408%		
	MONTHS										
	Max/Min		Return	Actual	Difference						
Maturity over 2 years 30% Maximum	10,678,683.74		3.0214%	6,830,331	3,848,352.39	OK					6000000
Liquidity 20% Minimum	7,119,122.50		4.3992%	25,799,220	(18,680,097.38)	OK					
Maturity 1 - 2 years			4.4710%	2,966,061							
			4.1408%	35,595,612							

CITY OF KENAI
PERMANENT FUND
INVESTMENT PORTFOLIO SUMMARY
March 31, 2024

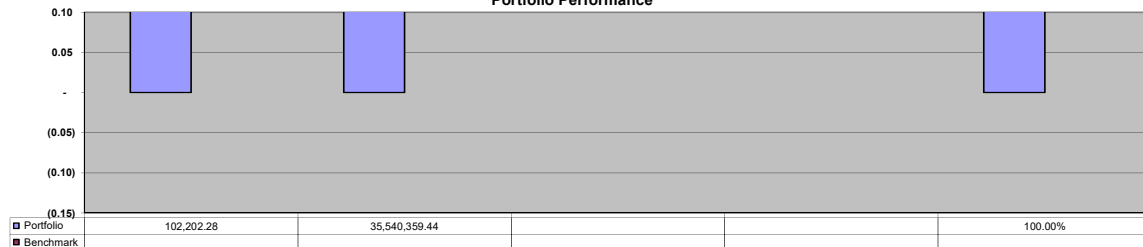
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	Fair Market Value					Current or	Current	Target	Portfolio
	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23	31-Mar-24	Average	Portfolio	Weight	Maximum
						Yield	Weight		
Cash									
Cash & Cash Equivalents	793,407	913,140	948,884	1,308,042	1,128,803	5.31%	3.83%	3.00%	10.00%
Fixed Income									
Investment Grade Government & Corporate Securities									
Government Securities	6,340,844	6,612,561	6,319,451	6,940,375	7,328,908	4.73%	20.33%		
Corporate Securities Investment Grade	1,934,718	1,976,261	1,769,098	1,885,811	2,087,936	5.39%	5.52%		
Total Investment Grade Government & Corporate Securities	8,275,562	8,588,822	8,088,549	8,826,186	9,416,844	4.89%	25.85%	26.00%	36.00%
Domestic Fixed Income Exchange Traded Funds -									
Vanguard Short-term TIPS	326,850	464,858	-	-	-		0.00%		
High Yield Domestic -									
SPDR Portfolio High Yield Bonds	27,323	27,157	-	-	-		0.00%		
Vanguard Hi Yield Corporate Fund Admiral Shares	1,253,182	1,235,782	1,250,762	1,321,228	1,364,730		3.87%		
Total High Yield Domestic	1,280,505	1,262,939	1,250,762	1,321,228	1,364,730		3.87%	4.00%	8.00%
Total Fixed Income	9,882,917	10,316,619	9,339,311	10,147,414	10,781,574	4.89%	29.72%	30.00%	44.00%
Equities:									
Domestic Equities:									
Large-Cap Index	7,135,090	7,270,411	6,921,490	7,359,149	8,042,786		21.56%	22.00%	32.00%
Small-Cap Index	1,509,958	1,552,414	1,595,049	1,826,236	1,744,116		5.35%	5.00%	10.00%
Mid-Cap Index	3,046,448	3,151,357	3,179,061	3,514,258	3,786,897		10.29%	10.00%	18.00%
Total Domestic Equities	11,691,496	11,974,182	11,695,600	12,699,643	13,573,799		37.20%	37.00%	60.00%
International Equities:									
International Equity	2,566,238	2,564,393	2,506,111	2,739,781	2,890,317		8.03%	8.00%	16.00%
Emerging Markets	1,543,374	1,543,073	1,569,042	1,667,623	1,756,309		4.88%	5.00%	10.00%
Total International Equities	4,109,612	4,107,466	4,075,153	4,407,404	4,646,626		12.91%	13.00%	26.00%
Real Estate:									
JP Morgan Beta Builders MSCI Reit	591,337	581,769	626,986	729,274	658,865		2.14%		
Total Real Estate	591,337	581,769	626,986	729,274	658,865		2.14%	2.00%	4.00%
Infrastructure -									
Flexshares Stoxx Global Broad Infrastructure	1,577,254	1,573,411	1,546,153	1,707,934	1,734,647		5.00%	5.00%	10.00%
Total Equities	17,969,699	18,236,828	17,943,892	19,544,255	20,613,937		57.25%	57.00%	100.00%
Alternative Beta:									
Blackrock Systematic Multi-Strategy	1,535,944	1,249,468	1,556,892	1,558,476	756,883		4.56%		
IQ Hedge Multi-Strategy Tracker	479,219	577,240	781,321	815,055	945,975		2.39%		
JPMORGAN:HEDGED EQ I	-	-	-	-	941,799		0.00%		
Core Alternative ETF	1,159,701	1,040,448	770,206	767,136	371,390		2.25%		
Total Alternative Beta	3,174,864	2,867,156	3,108,419	3,140,667	3,016,047		9.20%	10.00%	15.00%
Total Portfolio	31,820,887	32,333,743	31,340,506	34,140,378	35,540,361	4.90%	100.00%	100.00%	169.00%
Total ALSPF Balance	29,477,710	26,818,093	25,994,288	28,316,544	29,477,710				
Total GLSPF Balance	3,804,353	3,461,107	3,354,787	3,654,494	3,804,352				
Total Kenai Community Foundation	202,211	183,967	178,316	194,246	202,211				
Total Kenai Senior Connection	1,254,845	1,141,627	1,106,558	1,205,415	1,254,845				
Total Cone Memorial Trust Permanent Fund	-	728,949	706,557	769,679	801,241				

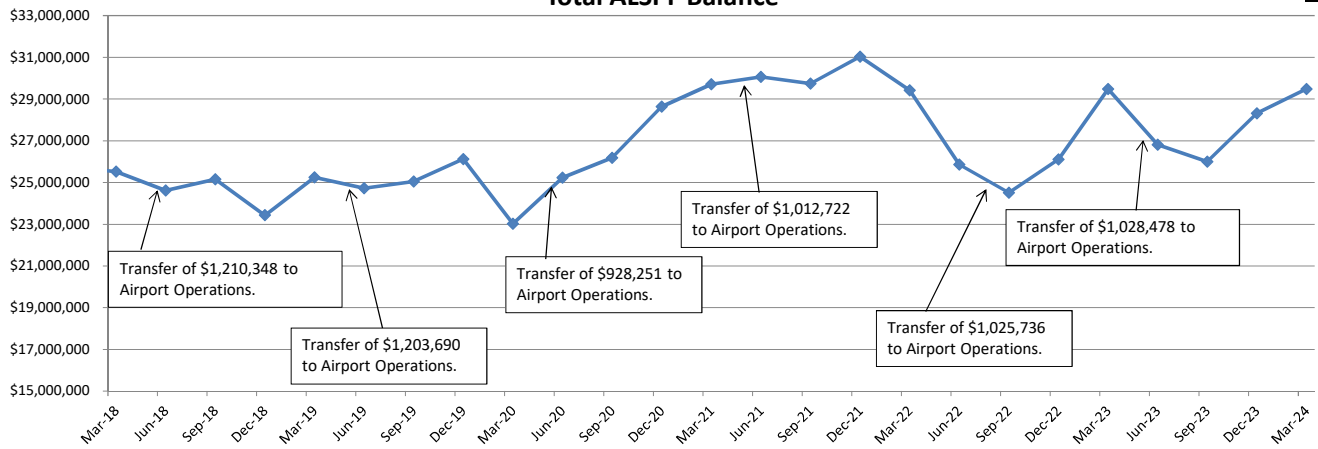
Portfolio Composition



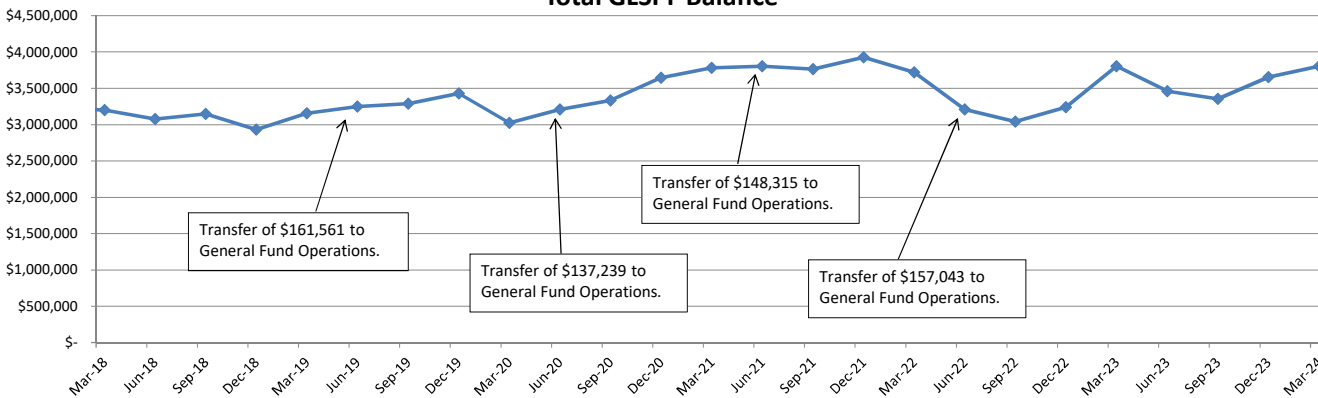
Portfolio Performance



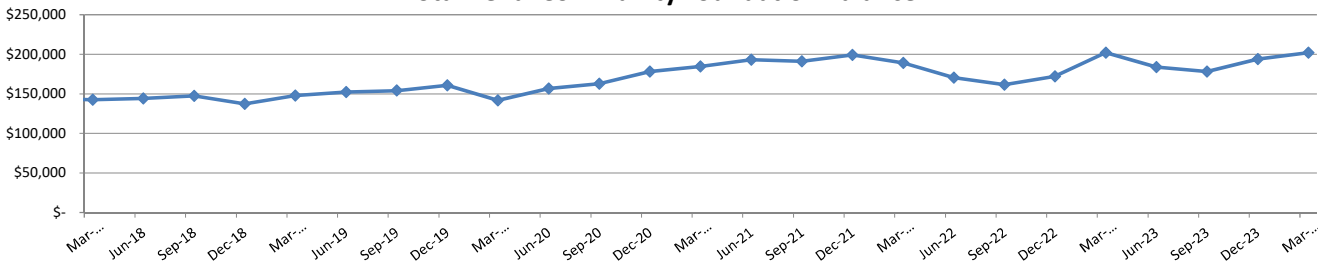
Total ALSPF Balance



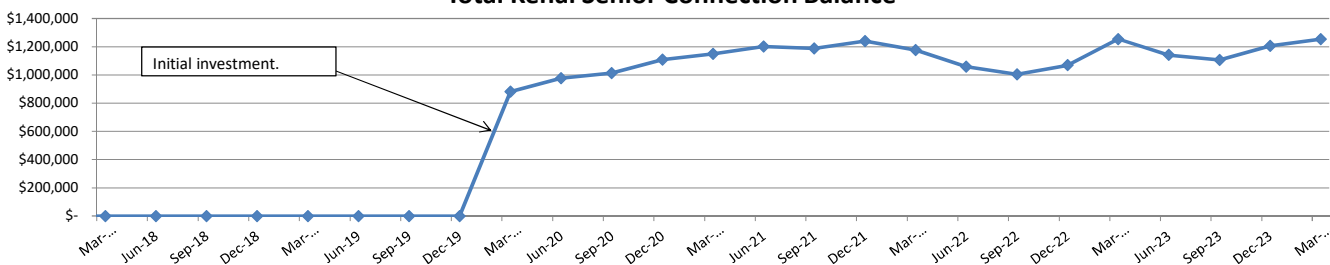
Total GLSPF Balance



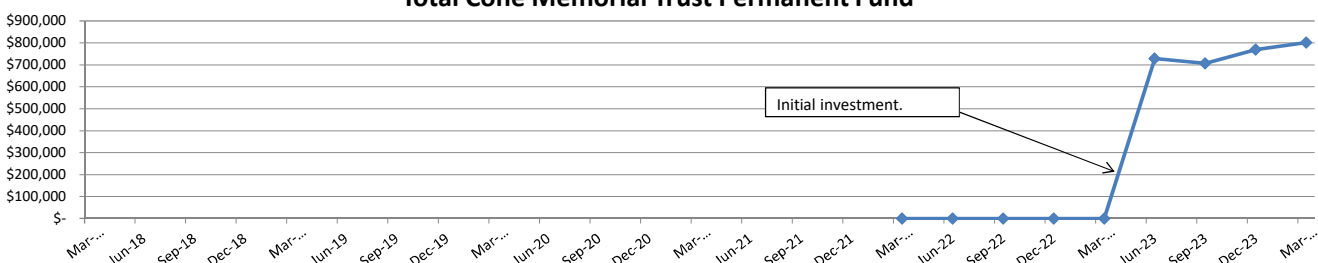
Total Kenai Community Foundation Balance



Total Kenai Senior Connection Balance



Total Cone Memorial Trust Permanent Fund





ALASKA PERMANENT
CAPITAL MANAGEMENT

Registered Investment Adviser

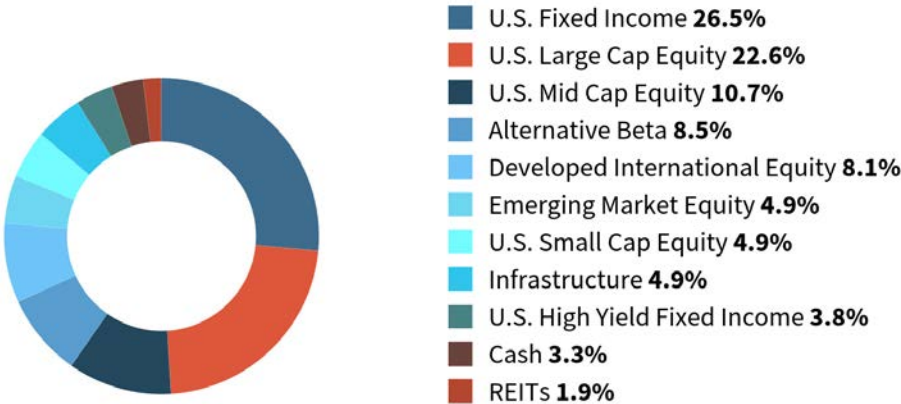
CITY OF KENAI PERMANENT FUNDS Investment Report

March 2024

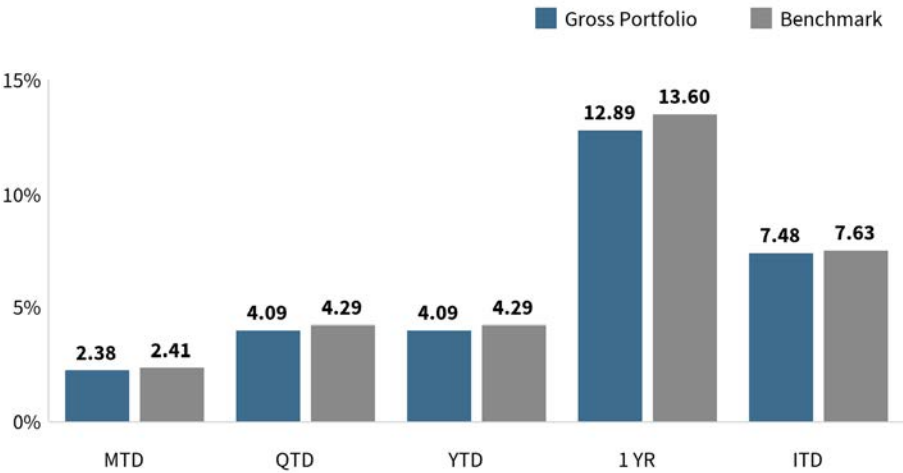
Portfolio Overview

BEGINNING VALUE + ACCRUED	\$34,720,279
TRANSFERS IN/ OUT	-\$506
REALIZED GAINS/ LOSSES	-\$83,190
CHANGE IN MARKET VALUE	\$820,176
INTEREST INCOME	\$40,704
DIVIDEND INCOME	\$49,919
ENDING VALUE + ACCRUED	\$35,547,381

Portfolio Composition



Investment Performance



Performance is annualized for periods greater than one year. Inception to date performance begins October 01, 2008
Past performance is not indicative of future results.

Portfolio Summary and Target

	MARKET VALUE (\$)	ASSETS (%)	TARGET (%)	RANGE
RISK CONTROL				
U.S. Fixed Income	9,410,465	26.5%	26%	6% to 36%
Cash	1,167,957	3.3%	3%	0% to 10%
Risk Control Total	10,578,422	29.8%		
RISK ASSET				
U.S. High Yield Fixed Income	1,357,870	3.8%	4%	0% to 8%
U.S. Large Cap Equity	8,026,605	22.6%	22%	12% to 32%
U.S. Mid Cap Equity	3,790,053	10.7%	10%	0% to 18%
U.S. Small Cap Equity	1,745,210	4.9%	5%	0% to 10%
Developed International Equity	2,883,859	8.1%	8%	4% to 16%
Emerging Market Equity	1,758,861	4.9%	5%	0% to 10%
Risk Asset Total	19,562,458	55.0%		
ALTERNATIVES				
REITs	658,040	1.9%	2%	0% to 4%
Alternative Beta	3,015,925	8.5%	10%	0% to 15%
Infrastructure	1,732,537	4.9%	5%	0% to 10%
Alternatives Total	5,406,502	15.2%		
TOTAL PORTFOLIO	35,547,381	100.0%		

We urge you compare the account statement we provide with the account statement you receive from your custodian. We cannot guarantee the accuracy of this information for tax purposes.
Please verify all information from trade confirmations.
Past performance is not indicative of future results.

Disclosures

S&P 500 Total Return Index

The S&P 500® Index is the Standard & Poor's Composite Index and is widely regarded as a single gauge of large cap U.S. equities. It is market cap weighted and includes 500 leading companies, capturing approximately 80% coverage of available market capitalization.

S&P MidCap 400 Total Return Index

The S&P MidCap 400 Index, more commonly known as the S&P 400, is a stock market index from S&P Dow Jones Indices. The index serves as a barometer for the U.S. mid-cap equities sector and is the most widely followed mid-cap index.

S&P Small Cap 600 Total Return Index

The S&P SmallCap 600® seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

MSCI EAFE Net Total Return USD Index

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets, excluding the United States and Canada. The MSCI EAFE Index consists of the following 21 developed market countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

MSCI Emerging Net Total Return USD Index

The MSCI Emerging Markets Index is a free float-adjusted market capitalization-weighted index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 26 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

STOXX Global Broad Infrastructure Index Net Return USD

The STOXX Global Broad Infrastructure Index is derived from the STOXX. Developed and Emerging Markets Total Market Index (TMI) and offers a diversified representation of companies that generate more than 50% of their revenue from selected infrastructure sectors. STOXX partnered with Revere Data, which defines 17 subsectors for the infrastructure industry. These 17 subsectors are rolled into five supersectors - Communications, Energy, Government Outsourcing/Social, Transportation and Utilities.

S&P USA REIT USD Total Return Index

The S&P United States REIT Index defines and measures the investable universe of publicly traded real estate investment trusts domiciled in the United States.

Bloomberg Commodity Index Total Return

The Bloomberg Commodity Index provides broad-based exposure to commodities, and no single commodity or commodity sector dominates the index. Rather than being driven by micro-economic events affecting one commodity market or sector, the diversified commodity exposure of the index potentially reduces volatility in comparison with non-diversified commodity investments.

Wilshire Liquid Alternative Total Return Index

The Wilshire Liquid Alternative IndexSM measures the collective performance of the five Wilshire Liquid Alternative strategies that make up the Wilshire Liquid Alternative Universe. Created in 2014, with a set of time series of data beginning on December 31, 1999, the Wilshire Liquid Alternative Index (WLIQA) is designed to provide a broad measure of the liquid alternative market by combining the performance of the Wilshire Liquid Alternative Equity Hedge Index (WLIQAEH), Wilshire Liquid Alternative Global Macro Index (WLIQAGM), Wilshire Liquid Alternative Relative Value Index (WLIQARV), Wilshire Liquid Alternative Multi-Strategy Index (WLIQAMS), and Wilshire Liquid Alternative Event Driven Index (WLIQAED).

Bloomberg US Agg Total Return Value Unhedged USD

The Bloomberg U.S. Aggregate Index measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS. It rolls up into other flagship indices, such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

Bloomberg VLI: High Yield Total Return Index Value Unhedged USD

The Bloomberg VLI: High Yield Total Return Index is a component of the US Corp High Yield Index that is designed to track a more liquid component of the USD-denominated, high yield, fixed-rate corporate bond market.

Bloomberg GLA xUSD Float Adj RIC Capped Index TR Index Value Hedged USD

The Bloomberg Barclays Global Aggregate ex-USD Float-Adjusted RIC Capped Index is a customized subset of the Global Aggregate Index that meets the same diversification guidelines that a fund must pass to qualify as a regulated investment company (RIC). This multi-currency benchmark includes fixed-rate treasury, government-related, corporate and securitized bonds from developed and emerging markets issuers while excluding USD denominated debt. The Global Aggregate ex-USD Float Adjusted RIC Capped Index is largely comprised of two major regional aggregate components: the Pan-European Aggregate and the Asian-Pacific Aggregate Index.

FTSE 3 Month Treas Bill Local Currency

The FTSE 3 Month US T Bill Index Series is intended to track the daily performance of 3 month US Treasury bills. The indices are designed to operate as a reference rate for a series of funds.

Disclosures

Bloomberg Muni 1-15 Year Blend (1-17) Total Return Index Value

The Bloomberg Municipal 1-15 Year Index measures the performance of USD-denominated long-term, tax-exempt bond market with maturities of 1-15 years, including state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Intermediate Index measures the performance of the U.S. Treasury and U.S. agency debentures with maturities of 1-10 years. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

Bloomberg 1-5 Yr Gov/Credit Total Return Index Value Unhedge

The Bloomberg US 1-5 year Government/Credit Float-Adjusted Bond Index is a float-adjusted version of the US 1-5 year Government/Credit Index, which tracks the market for investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities.

FTSE High Dividend Yield Total Return Index

The FTSE High Dividend Yield Index is designed to represent the performance of companies with relatively high forecast dividend yields

WisdomTree U.S. MidCap Dividend Index Total Return

The WisdomTree U.S. MidCap Dividend Index is a fundamentally weighted index that measures the performance of the mid-capitalization segment of the US dividend-paying market. The Index is comprised of the companies that compose the top 75% of the market capitalization of the WisdomTree U.S. Dividend Index after the 300 largest companies have been removed. The index is dividend weighted annually to reflect the proportionate share of the aggregate cash dividends each component company is projected to pay in the coming year, based on the most recently declared dividend per share.

WisdomTree U.S. SmallCap Dividend Index Total Return

The WisdomTree U.S. SmallCap Dividend Index is a fundamentally weighted index measuring the performance of the small-capitalization segment of the US dividend-paying market. The Index is comprised of the companies that compose the bottom 25% of the market capitalization of the WisdomTree U.S. Dividend Index after the 300 largest companies have been removed. The index is dividend weighted annually to reflect the proportionate share of the aggregate cash dividends each component company is projected to pay in the coming year, based on the most recently declared dividend per share.

Bloomberg U.S. Long Government/Credit Unhedged USD

The Bloomberg U.S. Government Credit Long Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 10 years and greater, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Credit Intermediate Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 1-10 years, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

Bloomberg Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD

An index designed to measure the performance of tax-exempt U.S. investment grade municipal bonds with remaining maturities between four and six years. Index returns assume reinvestment of distributions, but do not reflect any applicable sales charges or management fees.

MSCI ACWI IMI Net Total Return USD Index

The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The MSCI AXWI IMI includes the following 23 developed market countries : Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, and United States. The MSCI AXWI IMI includes the following 24 emerging market countries: : Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

Bloomberg 1-3 Yr Gov Total Return Index Value Unhedged USD

The Bloomberg U.S. Government/Credit 1-3 Year Index is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years.

Bloomberg 1-5 Yr Gov TR Index

Bloomberg Barclays Municipal 1-5 Yr TR USD includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

ICE BofA US 3-Month Treasury Bill Index

The ICE BofA 3 Month U.S. Treasury Index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

Bloomberg US Treasury TIPS 0-5 Years Total Return Index Unhedged USD

Bloomberg US Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market value-weighted index that measures the performance of inflation-protected securities issued by the US Treasury that have a remaining average life between 0 and 5 years.

Bloomberg U.S. Treasury Bellwethers: 1 Yr

The Bloomberg U.S. Treasury Bellwethers 1 Yr. Index is an unmanaged index representing the on-the-run (most recently auctioned) U.S. Treasury bond with 1 years' maturity.



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