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**City Council Minutes**  
**December 15, 2015 ~ 5:00PM**

**Regular Meeting**  
**City Hall, Delta Junction, Alaska**  
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The regular meeting of the Delta Junction City Council was held on Tuesday, December 15, 2015 at City Hall. Mayor Pro tem JW Musgrove called the meeting to order at 5:00pm.

City Council members present: Mayor Pro tem JW Musgrove, Lou Heinbockel, William Brennan, Sebastian Saarloos  
Audrey Brown, Mayor Pete Hallgren (telephonically till 6:38pm), Freda Degnan (till 6:47pm)  
City employees present: City Administrator Mary Leith, Finance Officer Stephanie Prestwich, City Clerk Pat White  
Five members from the community were present at different parts of the meeting and it was broadcast over KDHS 95.5 FM.

**AMENDMENTS ~ APPROVAL OF AGENDA**

Heinbockel moved to approve the December 15, 2015 agenda; Brown seconded. Motion carried.

**AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING**

Saarloos moved to approve the minutes from the December 1, 2015 meeting; Degnan seconded. Motion carried.

**CORRESPONDENCE**

**Tanana Valley Sportsmen's Foundation, Inc. (#1985) – Gaming Permit Renewal**

White reported Tanana Valley Sportsmen's initial gaming information was approved at the August 4, 2015 meeting, but expires December 31. TVSA hosts Big Bull Moose raffle derbies to support youth shooting programs in Fairbanks North Star Borough and the Nanooks Rifle Team at the University of Alaska.

Heinbockel moved to show no objection to the gaming permit renewal for Tanana Valley Sportsmen's as presented; Brown seconded.

Motion passed by unanimous consent.

**Regulatory Commission of Alaska - Notice of Utility Application**

Musgrove referenced the *Notice of Utility Application* from the Regulatory Commission of Alaska, which stated, "P&S Trucking filed for a new *Certificate of Public Convenience and Necessity*. ... In Order U-15-069(4), issued on October 7, 2015, the Commission determined that there is a public demand for competitive refuse collection and disposal service ... and therefore opened the Delta Junction service territory to refuse competition." Musgrove encouraged the general public to file comments with the Commission by December 21, 2015.

Discussion followed regarding P&S Trucking providing satisfactory residential service and appreciation for George Sandlin (P&S Trucking) for helping Delta Sanitation and the community by cleaning up months of stockpiled garbage.

**Chamber Request for Fireworks at Park – Festival of Lights – Feb. 6, 2016**

White reported Lori Hollett is scheduling the annual fireworks display and working to get a *Certificate of Liability* for the event, which will be held on February 6, 2016 during the Festival of Lights weekend.

Brown asked for commitment from the Chamber to clean up debris before it becomes a problem for lawn mowers next summer.

Heinbockel moved to show no objection to the Chamber of Commerce displaying fireworks at the City Park on February 6, 2016 during the Festival of Lights weekend, contingent on following through the same as last year; Brennan seconded.

Motion passed unanimously on a roll call vote.

**Proposed Expansion of Delta Town Site and 10-year Material Sale to DOTPF**

Musgrove referenced a December 8, 2015 letter from the Department of Natural Resources (DNR), Division of Mining, Land & Water (DMLW), Northern Region Office and he explained proposed expansion of a material site from 2.043

acres to 29.6 acres and a Department of Transportation and Public Facilities (DOTPF) contract to purchase 500,000 cubic yards of material from the site over the next ten years for less than Fair Market Value.

Heinbockel said he had a problem with a 30-acre gravel pit inside the City's boundaries and he referred to City Code Chapter 4.45, which prohibits gravel pits.

Discussion followed regarding the proposed gravel pit cutting through a platted road, obtaining a full-sized map and a copy of the preliminary decision, and Leith coordinating with the State agency to schedule a hearing with DMLW.

#### **Liquor License Renewals – Pizza Bella and Trophy Lodge**

Heinbockel moved to show no opposition to the liquor license renewals for Pizza Bella (License #1746) and the Trophy Lodge (#4434) as presented; Brown seconded.

Motion passed unanimously on a roll call vote.

#### **UNFINISHED BUSINESS**

##### **Land Clearing at Delta Airport Subdivision**

Leith asked to defer the topic to the January 5, 2016 meeting because she was unable to get responses from local land clearing companies.

**Purchase Order #0317 to Delta Wind in the amount of \$889 for two months of City and LEPC advertisements** (postponed from Nov. 24, 2015 meeting) – See CK# 218116 under *City Purchases over \$1,000* (top of page 3)

##### **Capital Improvement Projects (CIP) – Prioritize and Finalize**

Brown suggested asking for \$20,000 to improve cyber communications because emergency preparedness emphasizes security of local government computer systems.

Leith explained issues with City staff computers and the need to upgrade and provide more security.

Prestwich said BDO auditors were also concerned with security.

Heinbockel said if computer upgrades are a priority item, it should be purchased from the existing budget.

Hallgren said he favored requesting forgiveness of the prison debt (\$650,000 still owed) because it would not cost the State anything and it would benefit the local community by eliminating the annual \$50,000 payments. He suggested dropping roof repairs at the Community Center because, after investigating, the City crew was unable to identify any necessary repairs. Hallgren suggested asking the State to match every dollar spent on the "big dig" (construction of new landfill cell) up to several hundred thousand dollars.

Discussion followed regarding removing street improvements and paving from the CIP list, prioritizing the list: 1) finish constructing community landfill pit plus match City funds with State funds, 2) ask to forgive \$50,000 annual payments to the State for prison debt, and 3) keeping the smaller item, \$20,000 to upgrade the computer system at City Hall, specifying how much the City could match on the landfill cell excavation project, whether to use the Mt. McKinley account (\$130,000+), and finalizing discussion at the January 5, 2016 meeting.

Heinbockel said he envisioned using the money for the prison payments as a match toward the landfill cell, which would eventually go toward paying off the "big dig" and possibly creating a sinking fund for the next cell development.

Heinbockel moved to finalize the list as discussed; Brennan seconded.

Motion passed unanimously on a roll call vote.

##### **Second Reading, Public Hearing, and Adoption of Ordinance 2016-02, An Ordinance Amending Code of Ordinances Chapter 1.70 – Cemetery**

White explained minor changes to the Code of Ordinances, Chapter 1.70, price increase of plots at Rest Haven Cemetery from \$200 to \$450, and adding an effective date of January 1, 2016.

Heinbockel moved to open the public hearing portion of Ordinance 2016-02 to amend Chapter 1.70 of the Code of Ordinances; Brown seconded.

Musgrove called for public comments with none being offered. He called for Council comments.

Brown said she appreciated the practical and reasonable edits in updating the cemetery code.

Heinbockel moved to close the public hearing portion and adopt Ordinance 2016-02 amending Chapter 1.70 of the Code of Ordinances; Brown seconded.

Motion passed unanimously on a roll call vote.

#### **NEW BUSINESS**

##### **City Purchases over \$1,000**

CK# 218115 to IGA in the amount of \$1,231.83 for Christmas gift cards for City employees, cleaning supplies, and food served at City Council meetings

CK# 218116 to Delta Wind in the amount of \$741.00 for advertisements and newspapers for Council members - August 27 and November 30

CK# 218117 to Aetna in the amount of \$18,866.45 for employee health insurance for the month of December

CK# 218118 to Fire Training Specialists in the amount of \$2,000.00 for Andrew Morton to attend fire training

CK# 218119 to Guess & Rudd in the amount of \$3,052.50 for legal services (USARAK MOA, tree theft at the new airport subdivision, and City participation in the NFIP)

Saarloos moved to approve check numbers as presented; Degnan seconded.

Heinbockel reported he will not approve one more nickel on legal fees toward tree theft at the airport subdivision.

Discussion followed regarding total legal fees invested in the tree theft and whether they would be recovered, Fire Chief Vern Heintz supporting firefighter Andrew Morton's training (CK#218118), which covered the book portion and two weeks of physical training in Texas upon completing the online assessments and exam.

Motion passed unanimously on a roll call vote.

### **2016 Holiday Schedule**

Heinbockel moved to approve the 2016 Holiday Schedule as presented; Saarloos seconded.

Discussion followed regarding staff reviewing and approving the draft, closures at the landfill whenever it is minus 30 degrees or colder, and closures at City Hall and the library when it is minus 40 degrees or colder.

Motion passed unanimously on a roll call vote.

### **Local Options for Commercial Marijuana Sales**

Musgrove welcomed input from the audience in the discussion about whether to ban commercial marijuana businesses from within the City's jurisdiction. He referenced a map on the wall that showed both the City boundaries and the State-proposed ten-mile radius beyond the City limits.

Saarloos referenced his December 9, 2015 memo and said the City Council has four options in regards to commercial marijuana sales within the City limits: 1) hold a special election to ask City voters to prohibit a) the sale or importation for sale of marijuana product and b) the operation of any marijuana establishment i.e. retail marijuana store, marijuana cultivation facility, marijuana product manufacturing facility, or marijuana testing facility, 2) pass an ordinance prohibiting commercial marijuana sales, 3) do not prohibit marijuana sales, but pass an ordinance regulating sales, fees, taxes, and local licenses issued to commercial establishments within the City limits, or 4) do nothing. Saarloos said Options #1 and #2 could be combined; pass an ordinance to prohibit marijuana sales plus require a referendum vote before adopting the ordinance. He said regulating marijuana sales within the City limits (Option #3) could produce a little revenue, but he doubted anything substantial and it probably would not pay staff time to implement the new policies. He said he hoped for some resolution before February 21, 2016 when the Marijuana Control Board begins accepting applications for marijuana business licenses, even though they will not be issued until May. Saarloos said he supported prohibition, but not the ten-mile extension beyond City borders because most of the surrounding area is privately owned. He said he has not received any response from the MCB Director about his inquiries as to whether the ten-mile ruling can be removed from language used in an ordinance to ban marijuana.

Discussion followed regarding whether to postpone any action until the Lt. Governor approves or rejects the MCB regulations (January 22, 2016 if not before), the ten-mile extension intended for small villages on the river system, State Legislature acting as Borough Assembly for all unincorporated areas, the initiative process (submitting a petition opposing City ordinance that is signed by 25-percent of total votes cast in the last General Election), and choosing Option #3 or #4 should the first two options fail.

Brown read part of 3 AAC 306.250 and explained that the City Council did not make up the ten-mile limit, "If a majority of the voters vote ... to prohibit sale of marijuana and marijuana products or the operation of marijuana establishments, or if the assembly or city council passes an ordinance to the same effect, the board may not issue, renew, or transfer to another person, a license for a marijuana establishment with premises located within the boundary of the local government or in the unincorporated area within ten miles of the boundaries of the local government." Brown said she chooses to do nothing (Option #4) because banning marijuana will affect area residents who are unable to voice their opinions.

Hallgren suggested combining options #1 and #2 to include a special meeting devoted entirely to public input.

Saarloos moved to draft an ordinance to prohibit commercial marijuana sales within the City limits (Option #2) and to include a special election for a referendum vote (Option #1); Heinbockel seconded.

Musgrove referred to Option #3, about imposing taxes, and said it would require additional responsibility and staffing, which is the same reason the City opted out of participation in the National Flood Insurance Program (after 40 years of not meeting requirements).

Lauren Morton asked whether Deltana residents would be allowed to vote on banning marijuana from City limits.

Musgrove said residents outside of the City limits could petition the State of Alaska to amend the ten-mile limit.

Saarloos said the ordinance can be amended should the City receive guidance from the Alcohol Beverage Control (ABC) Board during the introduction, first reading, second reading, and public hearing portions of the ordinance process.

Motion passed on a roll call vote with six in favor (Brennan, Heinbockel, Hallgren, Saarloos, Degnan, Musgrove) and one voting against (Brown).

Hallgren said to plan to introduce the ordinance at the January 20, 2016 meeting.

Musgrove thanked Saarloos for compiling information and providing options to consider.

Heinbockel said he, as an individual, is totally against the sale and distribution of marijuana, but he also believes in democracy and feels the community should be able to speak about whether or not to allow it.

Discussion followed regarding voting on issues (ten-mile rule) that affect areas beyond the Delta Junction borders and infrastructure that are outside the City's borders (landfill and cemetery).

Musgrove excused Hallgren and called for a recess at 6:38pm. The meeting was reconvened at 6:45pm.

## REPORTS

**Emergency Services** – Freda Degnan reported:

- The door bell was installed at the Fire Station and Mary Leith is still working to post signs on City facilities.
- Delta Medical Transport logged 254 runs during 2014 and they have already exceeded it with 308 runs in 2015.

Musgrove excused Degnan at 6:47pm.

**Airport** – JW Musgrove reported the wind has taken care of most of the problems at the airport.

**City Administrator** – Mary Leith reported:

- Interior Emergency Medical Services and Manley Hot Springs representatives will pick up the 2004 ambulance next week (per discussion on November 3, 2015).
- Replacement of the Public Works septic system is almost completed.
- Karen Wood-McGinnis, Senior Floodplain Management Specialist with FEMA issued an e-mail on December 8, stating they will send “an official letter outlining forthcoming actions of the withdrawal process and impacts of withdrawal from the National Flood Insurance Program” (Ordinance 2016-01 adopted on Nov. 24, 2015).

**School District** – William Brennan reported the Delta Elementary School will hold their Christmas Concert in the large gym at the High School on December 16, the High School wrestling team will compete in a tournament in Anchorage December 18/19, the High School Varsity basketball team will compete in Fairbanks on December 19, the School Board business meeting will be held on December 21, and a second meeting for the School District Strategic Plan is scheduled for January 7. Public comments can be sent to Superintendent Laural Jackson.

**Lands** – Sebastian Saarloos reported land that is currently being subdivided in the new airport subdivision was deeded to the City of Delta Junction from the State of Alaska. It consists of Tract A (21.4 acres on the north side of Remington Road), Tract B (82.6 acres), and Tract C (61.9 acres). Tract A is required to be used for municipal airport purposes.

**Library** – Sebastian Saarloos reported:

- More than 30 children plus 40 parents and grandparents attended the 4th annual pajama party on December 4.
- The annual Chamber of Commerce Gingerbread House Contest had 17 entries and the People's Choice winner, constructed by Erin Douglas, was an exquisitely designed Alaskan style outdoor "comfort palace" with a half-moon in the door and a fruit leather tissue roll.
- City employees and their families enjoyed the 15th annual Christmas party at the library on December 11.

**Public Health & Safety** – Audrey Brown referenced handouts about the new clinic, Fort Greely Army Medical Home, and said she attended the ribbon cutting ceremony today. The phone number for appointments is 873-4975, 8:00am to 4:30pm Monday through Friday. A nurse advice line is also available 24/7 by dialing 1-800-TRICARE (874-2273).

## ADJOURNMENT

Saarloos moved to adjourn at 7:05pm; Brennan seconded. Motion carried.