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**City Council Minutes**  
**March 1, 2016 ~ 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, March 1, 2016 at City Hall. Mayor Pete Hallgren called the meeting to order at 5:00pm.

City Council members present: Mayor Pete Hallgren, Mayor Pro tem JW Musgrove, Audrey Brown
Freda Degnan, Sebastian Saarloos, Lou Heinbockel (arrived at 5:09pm)

City Council member excused: William Brennan

City employees present: City Administrator Mary Leith, Finance Officer Stephanie Prestwich (until 6:30pm)
Library Director Joyce McCombs, City Clerk Pat White

Five members from the community were present and the meeting was broadcast over KDHS 95.5 FM.

AMENDMENTS ~ APPROVAL OF AGENDA

Musgrove moved to adopt the March 1, 2016 agenda; Degnan seconded. Motion carried.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Brown moved to approve the February 16, 2016 minutes; Saarloos seconded.

Discussion followed regarding adding a statement to the February 16 draft minutes about Brown assisting PHN Elena Powers with the Point of Distribution Plan (*Emergency Preparedness / LEPC Report* - page three).

Motion passed on a roll call vote with five present (Musgrove, Brown, Degnan, Saarloos, Hallgren).

COMMENTS FROM THE AUDIENCE

John Sloan said he previously served on the City Council (1997/2000 and 2004/2005) before moving outside of the city limits and he recalled the mayor verbalizing that the Council would listen to area residents that lived outside of the city borders, but “did not represent them.” Referencing the proposed Deltana Borough (voted down 91% to 9% in 2007), banning marijuana from inside the City limits (Ordinance 2016-03 adopted on February 2, 2016), and legislation that extended the ban ten miles beyond the City’s borders (3 AAC 306.250 included in regulations that took affect February 21, 2016), he said it appears the current Council now dictates what non-residents can and can’t do. He said people both in and outside the city limits are proud, individually-minded, and independent. They want nothing more than to be left alone from intrusive government. The State may have granted municipalities the authority to stretch the limits of their jurisdiction, but exercising that grant (Ordinance 2016-03) was not a mandate. He viewed it as representation without a vote and possibly a step toward a larger elected entity, i.e. borough. Sloan said the Council does not have any business representing people who live outside the city limits.

Hallgren explained that Ordinance 2016-03 intended to restrict marijuana businesses inside the city boundaries only, the State of Alaska imposed the ten-mile rule, the legislature serves as the assembly for the unorganized borough, and there is current legislation in committee that will prohibit commercial marijuana businesses from establishing in the unorganized borough.

Brown said she opposed the ban because she viewed it as a violation of due process.

Heinbockel agreed with Sloan regarding the state-imposed overreach. However, he did support banning marijuana businesses inside the city limits because he felt it was the will of the people per 2014 election results when marijuana was legalized. (It failed locally in the Delta Junction precinct, 60%-40%, and the Big Delta precinct, 56%-44%.)

Saarloos said he voted against banning marijuana because of public testimony. He supports prohibition, but voted against Ordinance 2016-03 because he received no traction from fellow Council members to amend the ordinance to add a ratification vote, allowing voters to decide.

Al Edgren reiterated his concern from the February 2 Council meeting about armoring Jarvis Creek's north bank with riprap, the only way to secure the bank and prevent erosion. A gravel pit will lower the terrain and allow the water to breach the north bank, follow the Richardson Highway, flood the community, and impact a lot of people. He cautioned the Council to follow existing ordinances and, if nothing else, place conditions on a waiver.

CORRESPONDENCE

Gaming Permit Renewal – Nenana Ice Classics

Saarloos moved to show no opposition to Nenana Ice Classics gaming permit renewal; Musgrove seconded.

Motion passed unanimously on a roll call vote with six in attendance (Brown, Saarloos, Heinbockel, Degnan, Musgrove, Hallgren).

Request for Support – Delta Junction Trails Association

Hallgren referenced a letter from Mindy Eggleston, Chair of Delta Junction Trails Association (DJTA), dated February 24, and said the Bluff Cabin Trail Restoration Project has been tentatively approved for funding through the Recreational Trails Grant Program. The \$100,000 grant requires a \$25,000 match. Eggleston requested \$1,000 toward DJTA's match.

Brown moved to donate \$1,000.00 to the Delta Junction Trails Association; Saarloos seconded.

Brown said the request is very reasonable, everyone benefits by having access to the trails, and DJTA has the greatest respect of personal property rights.

Musgrove referenced John Sloan's comment about chastising the City Council "for throwing our weight outside the fence," but he felt the Council would be remiss in not funding the request because the Federal PILT (Payment in Lieu of Taxes) is based off a larger area that extends beyond the city's boundaries.

Saarloos said he supports DJTA's efforts, but some property owners along the trail do not support the Bluff Cabin project. Discussion followed regarding preserving areas for public use, fencing off the Remington Trail when farm lands were developed, DJTA's mission to protect historic trails, and four-wheelers driving into the rights-of-way to avoid mud holes. Motion passed unanimously on a roll call vote with six in attendance (Degnan, Saarloos, Brown, Heinbockel, Musgrove, Hallgren).

UNFINISHED BUSINESS

Gravel Pit Inside City Limits

Leith reported receipt of the latest correspondence from Mandy Willingham, Division of Mining, Land & Water, who said, "when making decisions about activities on State land, the State will give full consideration to municipal ordinances to the extent they are consistent with the State's best interest. Through our decision process, DNR will determine what is in the State's best interest and its compatibility with local ordinances. Please keep this in mind as the City Council discusses the proposed Delta Townsite pit expansion and material sale." Leith said DNR has final authority, they want the Council's decision before the comment period closes on March 11, and no, they cannot give part of their land to the City (as discussed at the February 16 meeting). It is not even a possibility.

Hallgren referred to correspondence from the Division of Community Regional Affairs and said the state is generally bound by local ordinances. (If a city is exercising land use powers, all land owners within the city limits must follow local land use laws.) He explained concern with DNR's proposal to develop 30-some acres, all of which are inside the city limits. A 1963 survey does not show the City's southern boundary, but the incorporation document shows it as the edge of the 1946 federal land withdrawal. Hallgren suggested drafting an ordinance at a later date, but setting stipulations before the March 11 deadline.

Musgrove said it is a waste of time drafting an ordinance because the state will do whatever they want. The Council can provide a list of recommendations, but an ordinance will make no difference. He asked why the City Code must be modified to accommodate the state.

Brown moved to adhere to §4.45 of the City Code of Ordinances, prohibiting gravel pits within the city limits, "any hole in the ground that measures fifty (50) feet or more from any one side to another"; Heinbockel seconded.

Discussion followed regarding a land developer required to fill a gravel pit that resulted from constructing roads in his subdivision (2008), successful business owners buying property outside the city limits to avoid the no-gravel pit ordinance, Saarloos wanting to amend §4.45 or get rid of it, Heinbockel's continued support of the no-gravel pit ordinance, good gravel located in the Delta River and federal land at 33 Mile Loop, Hallgren opposed to a 30-acre gravel pit near the edge of Jarvis, and requiring the State of Alaska to take full responsibility for flooding in the event the southern bank is compromised because of changing the terrain.

Motion failed on a roll call vote with three in favor (Brown, Degnan, Heinbockel) and three opposed (Saarloos, Musgrove, Hallgren).

Hallgren moved to introduce an ordinance that would allow gravel extractions on State of Alaska property inside the city limits *with* conditions:

- Require buffers on three sides to eliminate sight problems and prevent flooding; 150-foot buffer on the southern boundary, 100-foot buffer on the western boundary, and 50-foot buffer on the eastern boundary.
- Limit the size of the gravel pit at any given time to two-acres with an additional three-acre work pad. Application for additional five-acre sites could be granted, but only upon Council approval.
- Require area be reclaimed once it is exhausted, removing any potential danger; angling the side or fencing it, maintaining the fence, removing slash, and reseeding the area.
- Stipulate that the site is to be used by State of Alaska DOT, not contractors; the State cannot sell rights.

Motion failed without a second.

Musgrove questioned how long the debate would go back and forth, whether the State would ask for five acres instead of settling for two or three. He asked to highlight specific concerns in bullet point format.

Saarloos moved to draft an agreement, bulleting specified stipulations per Council suggestions; Hallgren seconded.

Saarloos said to add Al Edgren's comments (top of page two) plus a 50-foot buffer along the northern boundary.

Motion passed on a roll call vote with four in favor (Heinbockel, Musgrove, Saarloos, Hallgren) and two opposed (Brown, Degnan).

NEW BUSINESS

BDO Audit Report

Hallgren explained corrective actions from BDO, the firm that conducted the City's audit for the year ending June 30, 2015. He reported the audit was good and he read BDO's comment, "the financial statements ... ended in accordance with accounting principles generally accepted in the United States of America."

Prestwich said governmental accounting is more in depth and not part of a regular business accounting degree. Grant reporting deficiencies were corrected upon doing a subsequent report and the new software rectified other deficiencies. Discussion followed regarding the cost for annual audits (\$38,521 was paid for 2015 audit), flawless audits in 2013 and 2014, retired employee Dave Zimmerman offering periodic assistance, and a weeklong course offered by the Government Finance Officers Association (GFOA).

Hallgren granted Prestwich's request to travel to Chicago to attend GFOA training in August 2016.

Public Works Building - Allied Steel Settlement

Hallgren referenced a sealed envelope that contained attorney-client privileged conversations and he said potential settlement with Allied Steel over the staircase in the new Public Works building would be postponed to the March 15 meeting.

City Purchases over \$1,000

CK# 218246 to Bristol Engineering in the amount of \$1,608.25 for permit work on landfill expansion project, 10th billing
CK# 218247 to ACS in the amount of \$1,452.67 for Internet and telephone service

Saarloos moved to approve check numbers 218246 and 218247 as presented; Heinbockel seconded.

Motion passed unanimously on a roll call vote with six in attendance (Degnan, Brown, Saarloos, Musgrove, Heinbockel, Hallgren).

Prestwich excused herself at 6:30pm.

REPORTS

Mayor – Pete Hallgren reported:

- As City representative, he signed the Division of Public Health Memorandum of Understanding identifying the City campus as an alternate Point of Dispensing for emergency medical prophylaxis (as approved at the February 16, 2016 City Council meeting).
- He attended two webinars about marijuana, one with the Alaska Bar Association and one with Occupational Health & Safety. Both will be helpful in updating the drug policy in the City Employee Handbook, which is necessary because marijuana is now lawful in Alaska. The City's insurance carrier, AMLJIA, is involved in the drug policy revision.
- The local community has become accustomed to receiving support from Fort Greely, particularly during emergencies, but, because of budget cuts, the military has been told to integrate joint services for possible cost savings. Discussion followed regarding Brown attending the planning meeting on March 2 for Fort Greely's three-day full-scale earthquake exercise in April and Hallgren and Leith scheduling meetings with LEPC and Fort Greely officials to discuss mutual resources, challenges, eliminating duplication of services between Delta and Fort Greely, and leveraging funding by working as a team.

City Administrator – Mary Leith reported:

- She and Administrative Assistant Letha Burcham attended the AMLJIA Public Entity Risk Management Seminar in Anchorage, February 23/26. She received Occupational Safety and Health Administration (OSHA) certification.

- The Public Works crew is ready to resume work on the landfill excavation project in April. Airport Rentals will work with what decisions are made. Leith recommended increasing Corey Groppe's pay by \$5 for supervising the job.

Hallgren said Groppe estimated half of the earthwork has been completed.

Discussion followed regarding remaining grant funds and savings to continue the project (approximately \$250,000), Saarloos asking for weekly progress updates, even if it is only one paragraph, Brown asking for visual pictures, increasing Groppe's wages, as project supervisor, from \$35 to \$40/hour while on the "big dig," and updating the Stormwater Pollution Prevention Plan (SWPPP).

Heinbockel moved to pay the supervisor \$5.00 above normal equipment operator rates; Saarloos seconded.

Musgrove asked how the weekly report would be delivered; how it would show progress.

Hallgren agreed to deliver a written goal plan. He said the plan was to dig out and stockpile material last year. The plan this year is to build up a rim and construct a road while making the bowl larger. Developing Cell Two will start out with two City employees and one, possibly two, hired equipment operators, the same as last year.

Leith said the goal is to complete two-thirds or three-quarters of Cell Two this year.

Motion passed on a roll call vote with five in favor (Heinbockel, Degnan, Saarloos, Musgrove, Hallgren) and one opposed (Brown).

City Clerk – Pat White reported Brian Corty identified a transmitter that was out at the Donnelly Dome television tower and that technicians from Channel 7 were working to repair it.

Discussion followed regarding Corty volunteering to locate the problem, the switch from analog to digital (federally mandated September 15, 2015), and a good possibility of Delta losing Channel 7 altogether.

School District / Emergency Preparedness / LEPC – Audrey Brown reported she and two Red Cross officials will present the Pillow Case Project at the Elementary School on March 9. Pillow cases will be given to students, grades 3-5, teaching them to fill them with important items in the event of an emergency. Brown reported working with Elena Powers, local Public Health Nurse, on the 27-page document to dispense medical prophylaxis and she reported the next LEPC meeting will be on March 14.

John Lewis explained gathering information from the 2014 Alaska Shield exercise when engineers conducted evaluations of City facilities. He is researching the need for additional generators and antennas that would be necessary to provide 24/7 broadcast during a community-wide emergency event.

Library – Sebastian Saarloos reported more than 40 people visited the Delta Library's information table at the Fort Greely Family Services Open House on February 26, Raven Home School students celebrated Dr. Seuss's birthday today, and Library Director Joyce McCombs will attend the Alaska State Library conference in Fairbanks next week. She will meet with new rural librarians as part of the Alaska Library Association mentoring program and, as the rural library representative board member, she will attend the annual meeting of the Alaska Library Network.

Public Works – Lou Heinbockel reported he, Leith, and Corey Groppe are reviewing specs for a utility-type pickup and he expressed concerns about septic pits and windblown trash at the landfill.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Craig Cugini, Fort Greely Garrison Deputy Commander, reported Representative Jim Colver will be at Fort Greely the second week in July to celebrate Boeing's 100th anniversary.

Al Edgren referred to conversation under the *City Clerk Report* about local television and said he is unable to pick up anything except channels 7, 9, and 10. He would need to put a dish on a tower that reaches above neighboring trees to receive better television reception. Referring to *Gravel Pit* discussion, Edgren said he agreed with the Council's decision to restrict development of the DNR gravel pit. He asked the Council to insist on the state armoring the north bank of the Jarvis River if the 150-foot buffer is impinged in any way.

Musgrove recalled a preplanned exercise in 1962 when most Fort Greely employees and residents congregated at the Gerstle River Test Site. As a little kid in the back of a station wagon, he remembered hundreds of cars and pickup trucks.

Heinbockel said he wanted to compliment Finance Officer Stephanie Prestwich in learning her job over the past year. The City now spends as much on an annual audit as what was paid to employ a City Clerk/Treasurer and a part-time on-call equipment operator. He questioned BDO's audit when there were no faults found in the previous two years. Referring to Musgrove's comment, Heinbockel said the Gerstle River Test Site was used for chemical warfare testing in 1965 and 1966.

ADJOURNMENT

Musgrove moved to adjourn at 7:33pm; Degnan seconded. Motion carried.

Pat White, City Clerk Approved: March 15, 2016
