



**City Council Minutes
May 17, 2016 ~ 5:00PM**

**Regular Meeting
City Hall, Delta Junction, Alaska**

The regular meeting of the Delta Junction City Council was held on Tuesday, May 17, 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, Lou Heinbockel
William Brennan, Audrey Brown (until 6:59pm)

City Council members excused: Sebastian Saarloos, Freda Degnan

City employees present: City Administrator Mary Leith, Finance Officer Stephanie Prestwich, City Clerk Pat White
Five members from the community were present at the beginning of the meeting. The meeting was broadcast over KDHS 95.5 FM radio.

AMENDMENTS ~ APPROVAL OF AGENDA

Musgrove moved to adopt the May 17, 2016 agenda and consider changes as presented; Brennan seconded

Hallgren reported changes to the agenda:

- ✓ *Unfinished Business - Final Plat – Tract K, Fred Cook Subdivision* would be postponed to a later date
- ✓ A report on the *Landfill Excavation Project, aka “Big Dig”* would be added to *Unfinished Business*

Brown moved to amend the original motion with the changes presented by Mayor Hallgren; Brennan seconded.

Motion passed on a roll call vote with five in attendance (Brown, Heinbockel, Brennan, Musgrove, Hallgren).

Discussion followed regarding scheduling a special meeting to make decisions about the excavation project and to informally discuss the FY17 draft budget, so that it can be introduced on June 7 and adopted on June 21.

Hallgren reported it is not known at this time if a formal meeting is necessary or if a work session would suffice. More will be known by May 26 whether an additional \$10,000 or \$20,000 will be needed to continue the project. The current plan is to lay off the two temporary hires, return equipment on May 27 except for the excavator, and continue the project for one or two more weeks with City employees.

Brennan moved to hold a special meeting on May 26 at 5:00pm to discuss the “Big Dig” progress, its budget, and the FY17 draft budget; Heinbockel seconded.

Motion passed on a roll call vote with five in attendance.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Musgrove moved to adopt the minutes of the previous meeting after a couple of changes are made; Brennan seconded.

White reported two edits under Unfinished Business on page 2 of the May 3, 2016 draft minutes:

- ✓ change “removal of *everything else* that is currently in the right of way” to “removal of *all Petro-Wash piping ...*”
- ✓ clarify “Motion passed on a roll call vote with four in favor ...” to “Motion passed ...*to adopt Resolution 2016-06 granting the license to include payment of attorney fees, revocable notice period, and removal of existing piping with four in favor ...*”

Hallgren reported the \$200 in attorney fees was paid and the license was revised and signed.

Motion passed on a roll call vote with five in attendance.

COMMENTS FROM THE AUDIENCE

Becky Peterson, Treasurer of the Delta/Greely Youth Baseball League (DGYBL), distributed copies of their 2015 and 2016 budgets and a letter requesting financial support and use of the t-ball field for 5-8 year olds, the Delta Lion’s Field for 9-12 year olds, and the northwest ballfield for 13-14 year olds through July 9. They have collected \$2,600 in donations and anticipate receiving more from Pogo and others. Volunteers have mowed, tilled, and packed the northwest field along with the softball field and they plan to refurbish the t-ball and Lion’s fields by replacing dirt, which is expected to cost \$5,000 to \$7,000. The dugout in the t-ball field that fell over last year was rebuilt, but has not yet been painted. Peterson said they were very appreciative of the new park outhouses that were installed last fall.

Discussion followed regarding available FY16 funds for community contributions, reorganizing the Delta/Greely Little League in 2012 and registering the DGYBL under Protect Our Nation's Youth (PONY) League, having a 14U team for the first time in two or three years, and the baseball league coordinating field time with 18U soccer players.

Brennan moved to donate \$500.00 to the Delta/Greely Youth Baseball League; Musgrove seconded.

Brennan amended the motion to donate \$1,000.00; Musgrove seconded.

Discussion followed regarding Peterson submitting a written request for a DGYBL line item in the FY17 budget, baseball registration fees not enough to cover the cost of uniforms, and Hallgren explaining potential of losing \$200,000 in revenue in the upcoming two years.

Motion passed on a roll call vote with five in attendance (Brennan, Musgrove, Heinbockel, Brown, Hallgren).

REQUEST TO SPEAK

Carol Dufendach – Request for Imagination Library

Carol Dufendach, Secretary of the Delta Imagination Library Board, reported they are beginning their fifth year, having started as a group of moms, grandmothers, and educators who applied through Best Beginnings, a non-profit that encourages early childhood education. They received a \$5,000 grant the first year and have since expanded to 242 children, ages birth to five years, not including 180 children that already graduated. Each child receives a free age-appropriate book in the mail each month. Dufendach praised postal workers who distribute the books and, because they are giving away their 10,000th book this month (the library currently has 16,000 books), they are planning a big thank you at the Post Office next week. Books that cannot be delivered are recirculated at events or given to local medical facilities. The program costs \$30/year per child, but they are able to pay ahead because of support received from local businesses, individuals, and organizations, including GVEA's Goodcents program. Dufendach thanked the Council for supporting the Imagination Library, recalling that City Finance Officer Dave Zimmerman served as the fiscal agent until the Delta Community Library received their 501(c)(3) status.

Hallgren reported the Delta Imagination Library has a line item in the current budget and the \$1,000 donation would be issued as well as adding another donation to the FY17 budget.

Jessica Leija, one of two Co-Chairs, said community support has been outstanding.

UNFINISHED BUSINESS

Final Plat – Tract K, Fred Cook Subdivision – postponed

Landfill Excavation Project, aka "Big Dig"

Leith distributed colored diagrams and reported the excavation project is further along than anticipated, grant funding has been depleted, and the City's CD (\$133,173.10) is being used to pay for the remainder of the project, including seeding and survey work.

Prestwich distributed spreadsheets explaining project costs through May 27 and also through June 3.

Hallgren distributed Bristol Engineering diagrams and said the Interim Cell 2A Excavation Plan will be completed with the remaining CD funds. The landfill crew has dug within ten feet of the design depth of the south section and hope to reach 1,467 feet above sea level before the special meeting on May 26.

Discussion followed regarding receipt of the new landfill permit, which expires December 31, 2018, putting any leftover funds in the landfill closure fund (current balance = \$366,000), and using the closure fund to close cells, including Cell Two in 30-plus years.

See previous discussion under *Approval of Agenda* (page one).

NEW BUSINESS

RFPs to Truck Dealerships

Leith referenced advertisement for a crew cab pickup and asked for input before sending it to individual dealerships.

Discussion followed regarding adding Alaska Sales and Service Anchorage to the list of dealers, reviewing specs because ad was too specific for a GMC truck, eliminating unnecessary features, requesting bidders provide alternate or equivalent options, and contacting Fort Greely personnel and other entities about their specs for a work truck.

Road Maintenance Contract

Leith reported the existing road maintenance contract serves as backup for the City Public Works crew in case roads need cleared in a hurry because of heavy snowfall as well as other unanticipated equipment needs. The current contract was first approved in 2013 and it was extended two additional one-year periods. It expires May 26, 2016. She said she changed the dates in the new contract to coincide with the fiscal year, July through June.

Heinbockel said he knew of no time when the City was dissatisfied with Delta Concrete's service. He moved to advertise the seasonal street maintenance contract as presented; Brown seconded.

Discussion followed regarding a low-snow year and little need for back up last winter, Heinbockel withdrawing the motion to allow Council members more time to review the contract, and bringing the topic back on the June 7 agenda.

Lease Agreement for Chamber to Rent Visitor Center – Preliminary Terms

Hallgren referred to a November 25, 1986 letter written by City Administrator Bill Mandeville and a rough draft of a lease agreement for the Chamber to use the Visitor Center. He said the new draft mirrors the 30-year agreement described in Mandeville's letter, charging "... a nominal \$1.00 per year" with the Chamber agreeing "to maintain the building and pay the building expenses." The City also required the Chamber to carry liability and property insurance. He asked for direction in editing the agreement before it is reviewed by the Chamber and the City Attorney.

Brown reported the Chamber moved from an \$800/month-rented office at the Jarvis Building three years ago to the upstairs of the Visitor Center. They moved the swans display downstairs, put other displays in storage, and stopped visitors from accessing the upstairs to see the panoramic view of the mountains. The Council did not conduct a public survey prior to giving permission to removing the artwork (counter removed on May 7). She also expressed concern with a loophole in the lease terms (#7): "The Chamber shall keep the upstairs viewing and exhibit area open to the public when the Center is open, unless precluded by insurance expense or other regulation such as handicap access rules ..."

Hallgren said the Chamber is shopping for an insurance carrier with a reasonable price to open the upstairs to the public. Regarding recent removal of the counter at the Visitor Center, he said Leith is attempting to contact both artists who built it and she is researching whether any violation was committed by removing the artwork.

Musgrove, referencing Brown's comment about getting permission to remove the counter, said Council members were elected to conduct the public's business, but surveys cannot be done every 15 minutes. The artwork has not been destroyed and it would have been impossible to remodel the Visitor Center without removing some things. See continued discussion at bottom of page and under *Additional Public and Council Comments* (page 5).

REPORTS – Brown presented reporting before being excused. See additional reports on pages 4+5

Emergency Preparedness / LEPC – Audrey Brown reported she attended Preparedness Planning courses during the LEPC conference in Anchorage April 27/29. They stressed the importance of City Council and City employees becoming familiar with the Incident Command System.

Emergency Services – Audrey Brown reported she wished to recognize all medical personnel during EMS Week, May 15/21, and to thank them for their service to the community.

Library – Audrey Brown reported:

- Eleven elementary classes visited the library during field trips in the past couple of days.
- McCombs attended a workshop about leadership, which was sponsored by the Library Journal.

Lease Agreement for Chamber to Rent Visitor Center – Preliminary Terms - continued

Heinbockel said he wished the Council had taken more time before voting because he would have voted against removing the counter at the Visitor Center had he known the public's response.

Brown said she would have also voted against it (had she been present on May 3). She excused herself at 6:59pm.

Musgrove said the Council should require a rudimentary budget from groups and organizations who ask for funding. If the Chamber is barely breaking even \$1/year would be justified, but if they are making a significant income they should pay more to rent the Visitor Center.

Heinbockel suggested requiring the same from Delta Medical Transport because of financially supporting a private enterprise while providing amenities to house their operation. He said DMT provides excellent service to the community, but he felt the City is paying a lot to subsidize that service.

Discussion followed regarding DMT dealing with a downed ambulance and possibly letting them use Delta Rescue Squad ambulances that are not currently in use.

Hallgren said he would add verbiage to the lease agreement to require a copy of the Chamber's budget or income plus an explanation of what was spent on maintenance each year. The Chamber will promote sales on end-of-the-Alaska-Highway merchandise because of giving up pull-tabs, which was their main source of income for many years.

Brennan questioned whether merchandise sold at the Visitor Center is purchased or on consignment and he asked if the Chamber ever paid the \$425/month rent that was budgeted last year.

Hallgren said the Chamber's purpose is to build commerce and encourage tourism while representing the community. He would inquire about whether they sell merchandise that is on consignment. \$425/month rent is a line item in the FY16 budget, it has never been paid, and the Chamber requested a new lease for \$1/year.

Brennan said it is difficult to make a decision without knowing the Chamber's income. He questioned waiving rental fees for the Chamber while only giving Lyn Plomaritis a 50% discount to dispose of her arson-burned home (May 3 meeting).

Resolution 2016-08, A Resolution to Continue Participating in the AMLJIA Loss Control Incentive Program for the City of Delta Junction

Leith and Hallgren explained the benefits of participating in the Alaska Municipal League Joint Insurance Association's Loss Control Incentive Program, which focuses on reducing employee risks, i.e. monthly teleconferences on various safety-related topics, reduction in insurance premiums, and points that can be used to purchase steel-toed boots, hard hats, work vests, flashlights, and other safety-related items.

Musgrove moved to adopt Resolution 2016-08 to continue participation in the AMLJIA Loss Control Incentive Program; Heinbockel seconded.

Motion passed on a roll call vote with four in attendance (Musgrove, Heinbockel, Brennan, Hallgren).

FY2017 Budget – See discussion under *Approval of Agenda* (page one)

Land Clearing at Delta Airport Subdivision Phase II

Leith referenced several pages from a packet of information, dated October 13, 2015, about the airport subdivision development, which included land clearing proposals from previous City Administrator Mike Tvenge (presented at the May 19, 2015 meeting). Leith asked for input in moving forward now that the tree theft litigation is over. Rights-of-ways and areas to clear are blue-flagged and a decision is needed, whether clearing will be accomplished with one job, in steps, and how.

Heinbockel said 1) the contract must include getting rid of the slash by delivering it to Forestry's brush site, 2) the project must not require subsidizing and any profits must be deposited in the Permanent Fund, and 3) Remington Road must be built to a standard and completed at least as far as the ski strip.

Musgrove said an industrial chipper could cut stumps level to the ground on all subdivision road shoulders and that all trees and stumps should be removed in 30-foot areas, but not necessarily to 80 feet.

Hallgren said he did not approve of wasting good firewood and suggested letting the contractor decide what to do with it. Roads and power would be installed before auctioning the subdivision lots and minimum bids would be determined by the appraised value of each lot. He asked Leith to seek advice from wood cutters and draft rough specs to review before putting the project out for bid.

City Purchases over \$1,000

Heinbockel asked to postpone voting on paying for ambulance supplies (CK# 218389).

CK# 218389 to Med-Tech Resource Inc. in the amount of \$9,366.47 for ambulance supplies

CK# 218390 to ACS in the amount of \$1,667.44 for phone and Internet

CK# 218391 to GVEA in the amount of \$3,263.20 for electricity

CK# 218392 to Wells Fargo in the amount of \$2,945.43 for credit card charges (AK Government Finance Officers Association membership, coffee maker for City Hall, tax forms, Letha Burcham flight to Anchorage for AMLJIA Public Entity Risk Management Seminar February 23/26, library books, exhaust fan for Public Works, shaker for plow truck, office chairs purchased online for Public Works office - reimbursement received from store, vehicle registration renewals for two fire trucks and one trailer, Fire Hall magazine subscription)

Heinbockel moved to approve check numbers 218390 through 218392 as presented; Musgrove seconded.

Heinbockel questioned the cost of renewing vehicle registrations (CK# 218392) and whether medical supplies are part of the contract with Delta Medical Transport (218389).

Motion passed on a roll call vote with four in attendance (Brennan, Heinbockel, Musgrove, Hallgren).

REPORTS – see three other reports on page 3

Mayor – Pete Hallgren reported he and Leith met Senator Mike Dunleavy at City Hall on May 6. Forgiveness of the \$50,000 prison debt loan and balancing the State budget would not occur this year, but possibly next year as long as oil prices return to \$50/barrel.

City Administrator – Mary Leith reported Pablo Martinez invited everyone to a ground breaking ceremony at Mt. McKinley's new construction site on May 20.

School District – William Brennan reported:

- The High School graduation ceremony will be held on May 19. Thereafter the gym will be closed for the summer because of renovations. The small gym will be available sparingly, but will also be renovated.
- Filing deadline for two three-year terms in the October 4 REAA School Board Election is August 5.
- A four-day school week will not be revisited until October.

Lands – Pete Hallgren reported more survey work will be necessary at the landfill excavation project. Delta Surveys, Sebastian Saarloos' family business, will continue as the project surveyor because of being contracted prior to Saarloos' term on the Council.

Personnel – Pete Hallgren reported he reviewed employee evaluations conducted by Mary Leith and Joyce McCombs, he will do Leith and White's evaluations, all employees will be recommended to move up in the Employee Salary Schedule (adopted July 7, 2015 and amended September 15, 2015), and there is no inflation under the adopted formula.

Public Works – Lou Heinbockel reported:

- He was concerned with septic pits not draining properly at the landfill.

Discussion followed regarding monitoring them.

- Total public savings for this year's Community Cleanup was just shy of \$1,500.
- An abandoned vehicle has been in the City street right-of-way for the past week.

Leith reported Alaska State Troopers tagged it and, after 48 hours, it can be moved. Arrangements were made with Troy Swearingen from Aces Automotive Services to remove it.

- The older outhouses at the park need to be incapacitated until the tanks (made from 40-inch pipeline) can be sealed.

Leith reported the Department of Environmental Conservation requires tanks be pumped and backfilled, if not removed.

ADD'L COUNCIL AND PUBLIC COMMENTS (see broken discussion about leasing the Visitor Center on page 3)

Tim Holoday, Delta Wind newspaper reporter, asked if the Chamber could operate an espresso stand or rent the parking lot to a business that could operate one. He said the lease agreement requires no accountability, has no ramifications if the rules are not adhered to, and the Chamber's season is shorter than the six-month written notice if the lease were to be terminated.

Hallgren agreed that the lease does not set up an enforcement regime, but the average contract does not have penalty clauses. The contract ends if it is violated.

Holoday asked who he would talk to if the Chamber refused to sell his photography because of already selling another photographer's on consignment.

Musgrove said vendor questions would be directed to the Chamber because they are leasing and managing the building.

Hallgren said he would revise the draft agreement by taking out some of the clauses, so that arrangements stay the same as in the 1986 letter; the Chamber would "maintain the building and pay the building's expenses." He would bring back a revised agreement after sharing tonight's discussion with the Chamber.

ADJOURNMENT

Musgrove moved to adjourn at 8:41pm; Hallgren seconded. Motion carried.

Pat White, City Clerk

Approved: June 7, 2016