

City Council Minutes
Regular Meeting
August 7, 2018 ~ 5:00PM
City Hall, Delta Junction, Alaska



The regular meeting of the Delta Junction City Council was held on Tuesday, August 7, 2018 at City Hall. Mayor Musgrove called the meeting to order at 5:05pm.

City Council members present: Mayor JW Musgrove, Deputy Mayor Freda Degnan
Lou Heinbockel, Alan Levinson, Audrey Brown, Pete Hallgren
Jennifer Brant (telephonically until approximately 5:45pm)

City employees present: City Administrator Mary Leith, Finance Officer Stephanie Erickson
City Clerk Pat White

Twelve members from the community were present at the beginning of the meeting and two out-of-town guests, Steven McSharry and Ralph Matthews, attended telephonically during separate portions of the meeting.

AMENDMENTS ~ APPROVAL OF AGENDA

Musgrove reported two items under *New Business* would be moved to the August 21, 2018 Council meeting:

- ✓ *Liewer-Olmstead Ice Arena and Outdoor Rink/Basketball Court Lease Policy*
- ✓ *Final Plat Approval – Tract K of Fred Cook Subdivision*

Heinbockel moved to approve the August 7, 2018 agenda as amended; Degnan seconded.

Motion passed unanimously on a roll call vote.

Additionally, *Proclamation – DJVFD Fire Chief Vern Heintz* was postponed, agenda topics and reports were rearranged, and several reports were waived. See *New Business* and *Reports* (pages 3/5).

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Brown asked to add quotation marks to distinguish Joyce McCombs' comments from editorial comments, McCombs reported she asked a question at the July 3 meeting, which "received no response and an alarming silence." (*Request to Speak* – page one of July 17, 2018 draft minutes.)

Heinbockel suggested adding words to better describe comments under the *Public Works Report* (page four), Heinbockel reported "... it was determined that the 450-foot well pump is undersized ..." and Musgrove said the "1.5-horsepower pump should have been 3-horsepower."

Heinbockel moved to approve the minutes from July 17, 2018 as amended; Brant seconded.

Motion passed unanimously on a roll call vote.

REQUEST TO SPEAK

Steven McSharry – Morgan Stanley Permanent Fund Investment Account

Steven McSharry, attending by telephone, referred to the August 1, 2017 City Council meeting when it was decided to invest the \$1.5 million-dollar Permanent Fund. He reported that monumental decision will positively impact the community for multiple generations. Between August 8, 2017 and August 6, 2018 the investment earned \$50,851.16 instead of losing \$21,000. He questioned building a more aggressive portfolio (Model 3) or staying at the Model 2 risk level.

Discussion followed regarding purchasing power of the U.S. dollar since 1985 (45% loss), since 2000 (26% loss), and risk of not keeping pace with inflation (growth versus erosion).

Hallgren asked for more information about alternatives and finding a new investment partner.

Discussion followed regarding no transaction fees to switch partners and continuing discussion on August 21.

Brant was excused due to losing phone contact around 5:30/5:45pm.

Heinbockel expressed disappointment with not investing the Permanent Fund sooner and with restricting ability to use the funds. He said he would support investing at a higher risk.

Hallgren suggested investing to provide income from earnings, \$75,000 to \$100,000 each year.

Jessica Leija – Imagination Library Family Fun Run – August 10

Jessica Leija reported the Delta Imagination Library will host the Bookworm Shuffle 3K Family Fun Run/Walk on August 10. It will start and finish at the Delta Community Library Wi-Fi parking lot (on Aurora Avenue). It is a community activity, not a fundraiser. Prizes were donated by the Imagination Library, Delta Community Library Board, Buffalo Drive-in, and Granite View Sports. A grand prize basket will be given to the first family that crosses the finish line together.

Discussion followed regarding crossing guards stopping traffic when necessary, volunteers and helium balloons at intersections, posting ‘slow’ signs, requiring participants to sign waivers during registration, the 20-minute route, and hoping to hold future events on National Book Lovers Day, August 9 of each year.

Heather Stossmeister – Delta Soccer Association

Heather Stossmeister, representing the Delta Youth Soccer Association Board, reported 180 children signed up for the 2018 soccer season, some as young as two and three. She asked 1) if the stationary football goal at the City Park could be converted into a portable soccer goal to free up space for more soccer fields and 2) to use the High School softball field that is only used in the spring.

Discussion followed regarding practices held at the park and games held in the High School track when there was a football program, DYSA using heavy equipment to remove the football goal, DYSA contracting with the City lawn contractor to fertilize and maintain the soccer fields, and removing nets and storing goals in one location at the park after the season ends on August 14.

Heinbockel moved to approve the Delta Youth Soccer Association’s requests to modify the football goal into a portable soccer goal and to utilize the ballfields during the soccer season; Brown seconded.

Musgrove asked for a report with before-and-after photos.

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

CORRESPONDENCE**Toni Smith – Control of Invasive Weeds**

Toni Smith, Invasive Plant Program Coordinator with the Salcha-Delta Soil and Water Conservation District (SWCD), reported the need to control invasive weed infestations to protect agricultural and natural resources. SWCD works with multiple agencies and private landowners by pulling weeds, mowing them, or treating them with herbicides. Smith asked to treat noxious weeds, bird vetch and white clover, that were found around Rest Haven Cemetery and between Jack Warren and Nistler road rights-of-way before they go to seed. Milestone herbicide is non-toxic to mammals and relatively safe when used according to guidelines.

Discussion followed regarding weeds choking out native plants and gardens, irreparable damage done in other states, only five invasive weeds found locally (bird vetch, white and yellow sweet clover, hempenettle, perennial sowthistle, and yellow toadflax), SWCD able to provide the necessary resources and equipment to treat roadsides in August and September, no infestation inside the cemetery fence, when the park was last treated (2006 and 2016), posting signs 48 hours before applying Milestone, linking the City website to the Safety Data Sheet (SDS) or label, and alerting the public.

Degnan moved to approve the request from Salcha-Delta Soil and Water Conservation District to apply Milestone herbicide in City street rights-of-way and around Rest Haven Cemetery; Hallgren seconded.

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

UNFINISHED BUSINESS**Hayes Circle Right-of-Way**

Leith reported two landowners are unwilling to commit more than \$500 to settle the Hayes Circle dispute.

Musgrove said City Attorney Jim DeWitt is working on a response for the property owners who recently issued their opinions. DeWitt will also advise the best way to proceed to minimize expenses. Musgrove said landowners should bear the costs to resolve the dispute. Building a house on top of a road is not the City’s fault.

Heinbockel said he would ask the City to move the City-maintained street at some time in the future.

Hallgren said he wanted to know positions from all the property owners.

Leith said she would prepare a packet of information.

Landfill Loader Tires

Leith distributed quotes for landfill loader tires and explained each of them.

Discussion followed regarding more research, including what funds can be used to purchase new tires.

Cost of Living Allowance (correction from July 17 meeting)

Musgrove referred to *Regulations for Step/Grade Schedule* in the *Employee Policy Plan*: “1) COLA will be applied every July 1 to the Employee Salary Schedule matrix, so long as the Council approves a COLA increase” and “8) COLA shall be initially calculated in the first draft of the annual budget as the percentage increase during the immediately previous calendar year in the Consumer Price Index (CPI) for Anchorage, for Urban Wage Earners and Clerical Workers for Anchorage (CPI-W) as promulgated by the U.S. Department of Labor, Bureau of Labor Statistics.” Musgrove reported the CPI-W was 0.9 during the first half of 2017 and 0.3 during the second half.

Hallgren reported the 3.1 increase that was approved on July 17, 2018 was five times greater than the 0.6 CPI. The CPI is based on a calendar year, so it is available for budget preparations.

Brown moved to change the 2019 COLA to 0.6 as discussed, retroactive to August 5, 2018; Degnan seconded.

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

Musgrove asked that the City Administrator or Finance Officer notify all City employees as soon as possible.

NEW BUSINESS

Preliminary Plat Approval - Koval Subdivision

Sebastian Saarloos reported the Koval Subdivision is a 5.9-acre lot on the corner of Hughes and Reeve avenues in Jack II Subdivision. The landowner wants to split it into four lots with a 40-foot cul-de-sac, named Misty Springs Court. Covenants in the Jack II Subdivision do not prohibit subdividing lots. Splitting Lot 5 also meets the City’s preference of keeping residential lots no less than one acre in size. Saarloos read plat note #10, “By approval of this plat, it does not obligate the city, the public or any other governing body to construct, operate, or maintain improvements.” He will get GVEA’s approval of the final plat before the August 21, 2018 meeting. Musgrove reported the National Fire Protection Association (NFPA) recommends 50-foot radius for subdivision streets, but Fire Chief Tony White said the 40-foot radius is adequate.

Heinbockel moved to approve the preliminary plat for Koval Subdivision as presented; Brown seconded.

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

Final Plat Approval – Delta Airport Subdivision, Phase II

White reported the title was changed from Delta Airport Subdivision, Phase 2 when the preliminary plat was approved on March 17, 2015 to Delta Airport Subdivision, Phase II when the covenants were approved on June 19, 2018 and when they were recorded on July 19, 2018.

Leith explained minor edits since the preliminary plat was approved. She acknowledged plat note #3, “Adjoining Block 4 to the south are Lots 1 through 5 of Delta Junction Airport Subdivision, Plat #2002-103, Fairbanks Recording District” and note #4, “Covenants, conditions and restrictions for this subdivision recorded as document No. 2018-010920-0 on July 19, 2018, Fairbanks Recording District.”

Ralph Mathews, attending by telephone, reported the final plat map title is Delta Junction Airport Subdivision Phase II.

Heinbockel moved to approve the Delta Junction Airport Subdivision, Phase II final plat as presented; Brown seconded.

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

City Purchases over \$1,000

CK# 219619 to Alaska Library Network in the amount of \$1,355.00 for annual library network membership
CK# 219620 to Bill's Small Tractor Service in the amount of \$4,899.79 for lawn contract, payment 2 of 3
CK# 219621 to Alaska Industrial Hardware in the amount of \$8,268.75 for Hotsy pressure washer for Public Works building
CK# 219622 to Airport Equipment Rentals in the amount of \$4,410.63 to rent 1) loader while City loader was being repaired and 2) excavator and compactor for replacing section of City Hall sidewalk
CK# 219623 to Delta Concrete in the amount of \$1,251.75 for 1) City Hall sidewalk concrete and 2) pit run gravel for Sandra and Rebecca streets
CK# 219624 to Delta Transport Service in the amount of \$1,216.67 for landfill shop and fire hall heating fuel
CK# 219625 to Delta/Greely School District in the amount of \$1,136.66 for City portion of annual library catalog system
CK# 219626 to ESRI in the amount of \$1,500.00 for mapping software renewal
CK# 219627 to City of Fairbanks in the amount of \$21,526.00 for FY19 911 dispatch service

Heinbockel moved to approve checks #219619 through 219627 as presented; Degnan seconded.

Heinbockel reported the Public Works crew improved approaches to Rebecca and Sandra streets, but cannot raise Rebecca more until low hanging telephone cable is moved (CK# 219623). They also did an excellent job in replacing the sidewalk at City Hall. Referencing 219622, he said the landfill generated \$10,000 in revenue last week.

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

2018-2020 Seasonal Street Maintenance RFP

Leith reported the Seasonal Street Maintenance contract is for three years. The City depends upon contractors after a good snowfall, usually before school buses run in the mornings and on weekends.

Heinbockel moved to approve the 2018-2020 Seasonal Street Maintenance Request for Proposal as presented and to put it out for bid; Degnan seconded.

Brown took a break from the meeting and was not present to vote.

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

Liewer-Olmstead Ice Arena and Outdoor Rink/Basketball Court Lease Policy – moved to August 21, 2018

Proclamation – DJVFD Fire Chief Vern Heintz – moved to August 21, 2018 meeting

Move Maturing CD to Landfill Closure Fund

Musgrove reported Alaska Department of Environmental Conservation (ADEC) requires \$568,000 in the landfill closure fund. If it were necessary to close the landfill, funds would be taken from the Alaska Municipal League Investment Pool (AMLIP) savings, which would be replaced once the CD comes due.

Erickson reported a \$251,000 CD can be added to the \$363,000 landfill closure fund to meet the required amount to close the landfill. Closure funds are in three-year CDs. By moving the \$248,000 CD to a two-year CD, it will mature at the same rate as the closure funds. It must be done by August 14.

Hallgren moved to dedicate the maturing CD to the landfill closure fund. The motion failed for lack of a second.

Hallgren moved to extend the Council meeting another 15 minutes; Heinbockel seconded.

Motion passed by unanimous consent with six in attendance.

Discussion followed regarding what to do with the maturing CD funds and Heinbockel wanting to invest it with Morgan Stanley.

Heinbockel moved to transfer funds from the maturing CD to the general fund, designated for landfill closure; Levinson seconded.

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

Final Plat Approval – Tract K of Fred Cook Subdivision – moved to August 21, 2018 meeting

REPORTS

LEPC / Emergency Preparedness – Audrey Brown reported LEPC will meet August 13 if there is a quorum.

Library – Freda Degnan reported:

- The Library will be closed August 9 while Follett, a software vendor, migrates the library and school circulation system and databases to the Cloud. Rob Bevard will install the remaining emergency lights during the library closure and library staff will work on various projects.
- A basket of flowers was stolen from the Sally Young Memorial Walkway sometime on July 30. Baskets were purchased and maintained by Library Board members. No clues to the theft have been reported.

City Administrator – Mary Leith reported:

- \$5,720 was deposited in the City's account on August 3, settling the issue over the Army selling the City's spare Zamboni.

Hallgren requested the City pay his registration to attend the AML Summer meeting on August 22/23. He would pay travel and accommodations.

Brown said she would miss the August 21 meeting because she'll be traveling to Healy for the meeting also.

Degnan moved to pay Pete Hallgren's registration to attend the AML meeting; Musgrove seconded.

Motion passed by unanimous consent with six in attendance.

Mayor – JW Musgrove reported he and Leith authorized survey of the western property line of Airport Subdivision II because of continued and new encroachments.

Airport – Alan Levinson reported:

- Volunteers mowed the airport.
- A commercial helicopter venture will operate from the airport this week.
- Several planes overnighted in Delta because of poor weather conditions in Fairbanks.

Fort Greely Liaison – Craig Cugini disputed Lou Heinbockel's comments in the July 17, 2018 minutes, "he heard, but is not certain, the Fort Greely (middle) School cleanup was settled." Cugini said the lease was renewed and extended to 2026, allowing enough time for the School District and the State of Alaska to figure out how to pay for the termination of the lease. The Army paid the lease fee, which was maybe \$1,500, plus \$3,000 in paperwork. There is no cleanup settlement yet.

ADJOURNMENT

Degnan moved to adjourn at 8:15pm.