



~~~~~  
**City Council Minutes**  
**February 3, 2015 ~ 5:00PM**

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

The regular meeting of the Delta Junction City Council was held on Tuesday, February 3, 2015 at City Hall. Mayor Pete Hallgren called the meeting to order at 5:05pm.

City Council members present: Mayor Pete Hallgren, Mayor Pro tem Mary Leith, JW Musgrove  
Lonny Meeks, Sherman Stebbins, Corey Vanden Boom, Audrey Brown  
City employees present: City Administrator Mike Tvenge, Finance Officer Stephanie Prestwich  
Library Director Joyce McCombs, City Clerk Pat White

Eight members from the community were present and the meeting was broadcast over the local High School radio, KDHS 95.5 FM.

**AMENDMENTS ~ APPROVAL OF AGENDA**

Hallgren reported PO#017830 would be added to *Purchase Orders* under *New Business*.

Musgrove moved to approve the February 3, 2015 agenda as amended; Meeks seconded. Motion carried.

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

Brown moved to approve the minutes from the January 20, 2015 regular meeting; Leith seconded.

Brown asked to correct the January 20 draft minutes (*Emergency Services Report*, page one) from "... referenced summaries ..." to "... handed out a written report with summaries of 2014 activities and statistics ..."

Motion passed unanimously on a roll call vote to approve the amended minutes from the January 20, 2015 meeting.

Meeks moved to approve the minutes from the January 27, 2015 executive session meeting; Vanden Boom seconded.

Motion passed unanimously on a roll call vote.

**COMMENTS FROM THE AUDIENCE**

Sebastian Saarloos commended the City crew for their efforts in keeping Aurora Avenue open.

Discussion followed regarding this year's snow level, keeping the library's Wi-Fi parking lot open near the intersection of Aurora and Deborah Street, and whether it will drift shut before the Festival of Lights fireworks on February 14th.

**CORRESPONDENCE**

**Gaming Permit Renewal – Forget Me Knot Quilters Guild (#2159)**

**Liquor License Renewals – The CAVE Wine Bar & Grille, LLC (#187) and Jack's Liquor & Service (#567)**

Leith moved to show no objection to the Forget-Me-Knot Quilters Guild gaming permit renewal; Musgrove seconded. Motion passed unanimously on a roll call vote.

Leith moved to show no objection to liquor license renewals for The CAVE Wine Bar & Grille and Jack's Liquor & Service; Vanden Boom seconded.

Motion passed unanimously on a roll call vote.

**REPORTS**

**Airport** – JW Musgrove reported residual snow and wind caused significant drifting, but the flight service was called to close the runway long enough for volunteers to use equipment to clear the snow.

Discussion followed regarding "doughnuts" and other damages deliberately created in the runway, no penalties for the destruction unless someone is injured or if there is a fatality, identifying the tread pattern in the vehicle that created the doughnuts, and the difference between driving on a runway (10mph) and landing an airplane (40, 50, 60, or 70mph).

**Mayor** – Pete Hallgren reported the community meeting at Fort Greely on January 22 was informative, useful, and well summarized by the (January 29) local newspaper.

**City Administrator** – Mike Tvenge reported:

- Dave Caster, previously KTVF's (Channel 7 television) engineer, has asked to install equipment to broadcast KRFF 89.1 FM radio, Voice of Denali, from Donnelly Dome. Caster said he knows there is adequate space and that their goal is to expand KRFF's broadcast range from the Interior to the Canadian border.

Discussion followed regarding KUAC FM radio being the only other radio station that broadcasts from Donnelly Dome, KTVF back online in time for the Super Bowl last Sunday, February 1, creating a Memorandum of Agreement, and charging users who locate equipment on Donnelly Dome.

Musgrove moved to show no objection to the City Administrator working with Dave Caster to broadcast KRFF radio from Donnelly Dome; Leith seconded.

Motion passed by unanimous consent.

- The KTVF signal (Channel 7/NBC), which is broadcast locally on Channel 11, was lost intermittently last week because of work on their generators. KTVF will add CBS and FOX to the new digital signal when they switch from analog in the spring.

- ARCS (Channel 17/Alaska Rural Communication Systems) is currently offline, but will convert to digital in the spring.

Discussion followed regarding older television sets needing a converter box to pick up digital signals, flat screen TVs having digital capabilities already built in, and AT+T providing generator-powered electricity to the translators.

- Three of six lots were sold in the silent auction surplus sale that closed on January 30. The largest item, the 1974 lime green tender, had a minimum bid of \$4,800, but sold for \$6,700 because of competitive bidding.

- Rosalio “Charlie” Velasco is holding an art exhibit at the Community Center on February 14 and asked if he could carve a snow sculpture with a Valentine theme on Deborah Street.

Musgrove moved to approve Rosalio Velasco’s request; Brown seconded.

Motion passed by unanimous consent.

- He issued a letter requesting a local area forester attend an upcoming City Council meeting to present information about last year’s fire season and future wild land fire suppression. Tvenge said using the City Council meeting as a public forum would reach a wide audience because of being broadcast over KDHS 95.5 FM radio.

**Finance** – Stephanie Prestwich reported receipt of an unqualified audit report from BDO, which means a clean report.

Hallgren said the last page of the report states, “no current year findings and no corrective action plan is required.”

Discussion followed regarding the cost of conducting a municipal audit on an annual basis and acknowledging Dave Zimmerman for his guidance in transitioning Prestwich into the Finance Officer position since his retirement in October.

**School District** – Corey Vanden Boom reported the School Board encouraged public attendance and comments about closing down the Fort Greely School during their work session scheduled on February 5.

**Library** – Joyce McCombs reported:

- Approximately 20 people attended a presentation on January 30 about bird migration. Wade Schock presented a slideshow on white-fronted geese, of which he did a lot of research for his Master’s thesis around Delta.

- The library is currently averaging 100 to 120 visits per day. She said, “The colder it gets, the busier we are.”

- Scientists from the University of Alaska Fairbanks will provide a hands-on learning experience at the library (7:00pm, February 20) with a portable planetarium, permafrost, fossils, and bones. The UAF team will offer it at the elementary and middle schools earlier in the day and the Delta library will be the last of their stops, having spent the week in Tok, Glennallen, Mentasta, and Northway.

## **UNFINISHED BUSINESS**

### **GVEA Request for Easement along Granite Avenue and West Second Street**

Tvenge reported Golden Valley Electric (GVEA) requested an easement along Granite Avenue, which is a platted street behind Granite Avenue Sports, Pizza Bella, and Smiling Moose. Electric poles were installed in the late 1950s, before GVEA’s arrival in 1959. And they are in the undeveloped street’s right-of-way. He referenced GVEA’s Exhibit A, dated January 7, 2015, and a staking map, work order 201373973, and said GVEA will ask the property owner(s) if they can move the pole out of the main travel path onto Lot 15 of Block 6 and the pole and guy stub wire at the Granite Avenue / West Second Street intersection will be moved south, closer to West Second. Tvenge said GVEA is asking the City to grant the easement on Granite Avenue and West Second from Grizzly Lane to West Fourth Street. The easement would provide a decent right-of-way, particularly on West Second Street, and to possibly develop Granite Avenue sometime in the future. He explained the 15-foot aerial easement over Granite Avenue.

Musgrove asked if there is a limit on how low power lines can be, if there is an industry standard, and whether a number needs to be on the easement.

Tvenge said he would inquire about a minimal height for the aerial crossing.

Leith moved to approve GVEA’s easement request, if the crossing near Lot 15 is high enough; Brown seconded.

Sebastian Saarloos recommended listing the minimum height on the document before signing it.

Brown moved to amend the motion to include a minimum 15-foot height requirement for aerial wires crossing the platted street; Musgrove seconded.

Motion passed unanimously on a roll call vote to approve documenting an aerial height of 15 feet.

Motion passed unanimously on a roll call vote to approve GVEA's easement request.

## **NEW BUSINESS**

### **Covenants for Airport Subdivision II**

Hallgren asked if there were any objections to his memo, dated January 30, 2015, which detailed proposed covenants for Airport Subdivision II.

Discussion followed regarding establishing a \$500/year Boundary Crossing Access Fee to help recover expenses at the airport, whether to adjust its amount, the fee applicable to each of the 21 lots in Airport II, not waiving the fee for any reason, i.e. whether or not lots are developed or change ownership, rewriting airport sections in the Code of Ordinances, and getting feedback about proposed covenants from the general public and interested lot owners.

Musgrove said lot owners could opt out of paying the fee for one reason or another, which would cause others to pay more to keep the airport operational and then it could eventually lead to the whole subdivision becoming non-aviation.

Hallgren said all boundary crossing fees would be deposited in a dedicated fund specified for airport expenses and will not be used in the City's general fund.

Tvenge said the proposed covenants would be advertised on the City's Web site and issued to interested airport users.

### **Changes to Fairbanks Guess & Rudd Office**

Hallgren said, after 32 years as the City of Delta Junction's municipal attorney, Jim DeWitt will restrict his number of clients, move out of state, but continue to practice with his firm, Guess & Rudd, which is headquartered in Anchorage. A subcommittee, consisting of himself, Leith, Brown, and Tvenge, met with DeWitt on January 23 to discuss the City's options. It was unanimous in recommending staying with Jim DeWitt and the Anchorage office of Guess & Rudd.

Leith said Guess & Rudd's Fairbanks office will close, the Anchorage office can provide assistance, and "as long as DeWitt is willing, keeping him as the City's attorney is workable."

Leith moved to retain City Attorney Jim DeWitt as the City of Delta Junction's Municipal Attorney; Brown seconded.

Motion passed unanimously on a roll call vote.

### **Resolution 2015-04, a Resolution Supporting State of Alaska Revenue Sharing**

Tvenge reported Alaska Municipal League (AML) asked for support in continuing Revenue Sharing at the prior levels of \$60 million per year. Each year the State Legislature puts money from oil royalties into an account. They distribute one year's worth, out of three years, to municipalities across Alaska. Last year the Legislature deposited only \$52 million and this year the Governor is asking for \$53 million, but municipalities are asking for \$60 million. Revenue Sharing is some community's primary source of funding. It is Delta Junction's third highest source (\$148,000 in 2014).

Musgrove moved to approve Resolution 2015-04 supporting State of Alaska Revenue Sharing; Meeks seconded.

Musgrove said according to the Alaska Constitution, Alaska's resources are managed by the State, but they belong to Alaskan residents.

Hallgren explained the Permanent Fund Dividend (PFD) being the easiest way to spread Alaska's wealth to Alaskans and that some legislators verbalized going against the governor's request (\$53M) to zero out Revenue Sharing. He said communities also receive Capital Improvement Projects (CIP) funding from the State Legislature and that the City of Delta Junction opted to divert any CIP funds awarded to the City in 2016 to Partners for Progress (January 20, 2015).

Stebbins said to graciously accept Revenue Sharing monies and to spend it wisely, but he would not vote in favor of it.

Motion passed on a roll call vote with six voting in favor (Brown, Vanden Boom, Leith, Meeks, Musgrove, Hallgren) and one voting against (Stebbins).

### **Public Input on Marijuana Initiative**

Stebbins stated Ballot Measure No. 2, an act to tax and regulate the production, sale, and use of marijuana, was approved statewide during the November 4, 2014 General Election (52.3% to 47.7%), whereas it failed in the local vicinity, City of Delta Junction (40% to 60%) and Big Delta / Deltana (44% to 56%). He said he would support banning any marijuana-related industry within the City limits based on the local turnout (43% in the City's precinct and 20% in Big Delta and Deltana). He quoted from the initiative, "The bill would allow a local government to prohibit the operation of marijuana-related entities" and he said many Alaskan communities struggle with alcohol and drug abuse, which is reason why the marijuana initiative provides tools for communities to continue to "fight the battle." He prefers to curtail business within the City limits and he asked for additional support to ban grow operations, clubs, and commercial sales.

Brown said City Attorney Jim DeWitt advised waiting until the State creates regulations before drafting an ordinance.

Sebastian Saarloos said he does not have an opinion about commercial businesses or clubs, but he would object to it at the park or the Community Center.

Paul Gerber introduced himself and said he has been affiliated with the National Organization for the Reform of Marijuana Laws (NORML) since 1981 and the Marijuana Policy Project (MPP) since the mid-1990s. He explained Washington State's plan to return part of the revenue to cities that approved the legislation. He said Colorado is also considering lowering taxes at dispensaries plus giving \$180 to every resident. Taxation has caused retail prices to reach \$3,300 to \$3,500 per pound, but dropping it to \$2,000 and reducing its taxation would eliminate the black market's ability to compete. Gerber said a rough estimate of marijuana consumption in Alaska is 8,000 to 10,000 pounds each month, not including tourists. He guaranteed a dispensary would open in Glitter Gulch (near Denali National Park) because tourists cannot transport their own stash. He said edible marijuana accounts for over 50% of sales in all dispensaries because of inability to smoke in public places. Gerber explained provisions for childproof pill containers, different uses of cannabis, difficulties in transporting seeds, and multiple requirements and standards to grow, harvest, process, and sell marijuana. Referencing Denver, Colorado Springs, and Aurora since marijuana was legalized in Colorado, Gerber explained economic changes where it was banned and where dispensaries were established. He said if the City of Delta Junction bans the sale of marijuana, he will build a gas station and a convenience store outside the city limits and customers will bypass businesses in Delta Junction to buy his soda pop and potato chips because his store will be open 24/7. "Grow rooms in this state will be unheard of and GVEA should be making small business loans" because Alaska grow operations will consume \$400 to \$500 in electricity per day. Gerber said the average price of marijuana is \$300 to \$400 per ounce. Discussion followed regarding a rough estimate of Alaskans who use weed (one-third of Alaska's population use one ounce per month), huge tax revenue from the sale of marijuana, the definition of "public," and intense lighting needed for faster growth.

Elaine Shannon disputed Gerber's figures on the cost of electricity because it cost nothing to grow it in the 1970s when pot was legal. She said the old saying that 'pot led to harder drugs' has vanished for the sake of making money, that there are better ways to raise revenue, and she "would hate to see people walking around town stoned."

Gerber said prohibition creates outreach. A dispensary provides pot, not other drugs that are accessible on the street.

Troy Swearingen said he never had to subdue someone for smoking pot when he worked law enforcement in Oregon, but he did have to subdue drunks.

Discussion followed regarding death statistics caused from alcohol compared to deaths caused from marijuana, whether smoking marijuana contributes to cancer, and potential for growing hemp locally.

Hallgren said he would vote to restrict marijuana use as much as he can because of the local vote and because there are a number of things he is not willing to do for money. Encouraging the use of drugs is a moral issue and he will not support using revenue from selling marijuana to fund schools.

Leith said she was against imposing rules that cannot be enforced, especially since the State has yet to clarify theirs.

Stebbins said marijuana will likely be regulated like alcohol and licenses will come before the City Council. The ABC Board will not issue a license if the City of Delta Junction drafts an ordinance that bans marijuana from inside the city limits. That is 100% enforcement.

Meeks said the City Council welcomes more public input.

Discussion followed regarding the vote that legalized marijuana (November 2014) and whether to vote again to ban it from within the city limits.

### **Purchase Orders**

PO#017826 to Buffalo Fuel in the amount of \$2,790.30 for heating and equipment fuel used at the landfill in December

PO#017827 to Guess & Rudd in the amount of \$885.42 for legal services (Allied Steel, plow truck, leasing City property)

PO#017828 to Hale & Associates, Inc. in the amount of \$1,111.58 for premium increase for new Public Works building

PO#017829 to Rent-a-Can in the amount of \$2,450.00 for portable outhouses used during upgrades of the Public Works building

PO#017830 to Aetna, Inc. in the amount of \$16,994.47 for group health insurance

Musgrove moved to approve purchase orders 017826 through 017830 as presented; Vanden Boom seconded.

Discussion followed regarding addressing the high cost of electricity at the rink with the Delta Skating Association, replacing LED and high pressure sodium lights by the 2015/2016 season, and problems with the existing procurement code.

Motion passed unanimously on a roll call vote.

**ADJOURNMENT** - Leith moved to adjourn at 7:35pm; Meeks and Vanden Boom seconded. Motion carried.