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**City Council Minutes**  
**January 5, 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, January 5, 2016 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, Freda Degnan
Sebastian Saarloos, Audrey Brown

City Council members excused: Mayor Pete Hallgren, William Brennan

City employees present: City Administrator Mary Leith, Library Director Joyce McCombs

City Attorneys Jim DeWitt and Kristin Bryant (telephonically at beginning of meeting through *Airport Subdivision* discussion, pages 2/3), Finance Officer Stephanie Prestwich, City Clerk Pat White

Six members from the community were present during different parts of the meeting, which was broadcast over KDHS 95.5 FM.

AMENDMENTS ~ APPROVAL OF AGENDA

Heinbockel moved to approve the January 5, 2016 agenda; Saarloos seconded. Motion carried.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Heinbockel moved to approve the December 15, 2015 minutes as presented; Saarloos seconded. Motion carried.

CORRESPONDENCE

Liquor License Renewal – Alaskan Steakhouse & Motel (License #3999)

Heinbockel moved to show no objection to Alaskan Steakhouse’s liquor license renewal; Brown seconded.

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

Request for Funding - Rural Deltana Fire Department

Leith referenced a December 21, 2015 letter from Rural Deltana Volunteer Fire Department (RDVFD), Inc. President Steve McCombs and said it is an official request for the \$5,000 contribution that was budgeted.

Brown asked for more details and said she was uncomfortable voting because of unanswered questions about RDVFD’s budget summary, which indicated “income does not include possible Forestry fire season contract.”

Discussion followed regarding undisclosed financial support, past history of City donations, postponing discussion to the next meeting (January 19), and requesting data about mutual aid response to area fires, RDVFD’s savings account, and a rudimentary budget, which was contingent upon receiving the donation (see June 23, 2015 City Council minutes).

Leith reported RDVFD is gathering funds for a new fire station near the Tanana Loop and Jack Warren intersection.

Heinbockel said \$5,000 is not much to spend considering Rural Deltana firefighters show up at every emergency.

UNFINISHED BUSINESS

Capital Improvement Projects (CIP) List

Heinbockel moved to approve the Capital Improvement Projects list as presented; Degnan seconded.

Leith reported Senator Mike Dunleavy suggested removing forgiveness of the prison debt from the CIP and submitting it as a separate request.

Heinbockel moved to amend the motion to drop the \$50,000 annual payments for the prison debt; Brown seconded.

Motion passed unanimously on a roll call vote to drop the prison debt (Heinbockel, Saarloos, Degnan, Brown, Musgrove).

Motion passed unanimously on a roll call vote to approve the modified CIP list: 1) \$500,000 to finish constructing the community landfill pit and 2) \$20,000 to upgrade the computer system for City Hall.

Land Clearing at Delta Airport Subdivision

Musgrove explained litigation and that discussion qualifies for an Executive Session per AS 44.62.310(c)(1), “matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the government unit.”

Jim DeWitt and Kristin Bryant, City Attorneys, reported litigation has been filed in the District Court in Delta Junction. It is not a small claims action because of pursuing treble damages, which is three times the actual cost of cutting and taking an unspecified number of trees from the airport subdivision. It is a perfectly straightforward claim and Zane Wilson recently entered his appearance as representative of the defendant, Mr. Andreassen. DeWitt said the City Council is required to consider Wilson’s settlement offer.

Discussion followed regarding whether or not to discuss the subject in an Executive Session and the cost of the claim (\$10,000 x 3 = \$30,000 plus attorney fees, prejudgment, and post-judgment interest).

Degnan moved to enter into Executive Session to discuss the litigation; Saarloos seconded.

Motion passed on a roll call vote with four in favor (Saarloos, Degnan, Heinbockel, Musgrove) and one against (Brown). The Executive Session was moved to the City Administrator’s office at 5:32pm and it ended at 5:50pm. Present during the Executive Session were Mayor Pro tem JW Musgrove, Council members Audrey Brown, Freda Degnan, Sebastian Saarloos, and Lou Heinbockel, Attorneys Jim DeWitt and Kristin Bryant (both telephonically), City Administrator Mary Leith, and City Clerk Pat White.

Musgrove called to reconvene the regular meeting at 5:52pm.

NEW BUSINESS

Power Line Right of Way – Nistler Road

Leith explained property owners at 1570 Richardson, Lot 2 of Block 23 Delta Junction Townsite, need to extend power lines across Nistler Road, so that GVEA can provide service. There is no need to install poles in the street right-of-way.

Saarloos moved to approve the December 15, 2015 request from Golden Valley Electric Association; Brown seconded.

Saarloos reported the request links easement in Block 21 to easement in Block 23, which is across Nistler Road.

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

Landfill Tipping Fees

Musgrove referenced a memo from City Administrator Mary Leith and Finance Officer Stephanie Prestwich, dated December 23, 2015, and gave a brief overview of landfill enterprise fund implementation in Alaska. He said the City of Delta Junction has never established an enterprise fund and he believed one would not be suitable for the Delta landfill. Prestwich reported landfill tipping fees were to be revisited after they were last increased (Ordinance 2015-02, adopted on December 16, 2014, increased solid waste from 6.25¢ per pound to 8¢/pound, \$125 per ton to \$160/ton, and septic waste from 5¢ per gallon to 8¢/gallon). The landfill operation ran at an \$8,000 deficit in 2015 and Bristol engineers advised, per guidance from Neil Lehner, Division of Environmental Conservation (DEC), to double the landfill sinking fund. The sinking fund will be used to seed and monitor the landfill for a designated period of time after it is closed down.

Musgrove asked to investigate reducing operation expenses before raising rates because revenue has remained relatively stable.

Discussion followed regarding reducing operating costs and researching tonnage fees in other communities.

Heinbockel asked to keep costs as low as possible to deter residents from hauling garbage to transfer sites in North Pole, even if the landfill operation must be subsidized. Any profits from the landfill need to go directly into the closure account.

Sherman Stebbins asked to not raise tipping fees this year out of respect for the two new garbage collectors who started their businesses in the past year, P&S Trucking and Delta Environmental.

City Purchases over \$1,000

CK# 218145 to GVEA in the amount of \$4,607.11 for electricity

CK# 218146 to Alaska Communications in the amount of \$1,375.73 for phones and Internet

CK# 218155 to Buffalo Fuel in the amount of \$12,975.79 for heating and equipment fuel

CK# 218156 to Construction Machinery in the amount of \$5,336.44 for Volvo loader repairs

CK# 218157 to State of Alaska, Department of Environmental Conservation in the amount of \$2,983.00 for annual landfill permits

CK# 218158 to Rural Deltana Volunteer Fire Department in the amount of \$5,000.00 for annual donation

CK# 218159 to Bristol Engineering in the amount of \$4,041.50 to cover April 21, 2015 payment, which was underpaid

CK# 218160 to Wells Fargo in the amount of \$2,039.31 for credit card charges - hotel accommodations for Hallgren, Leith, Prestwich to attend AML conference in Anchorage in November (\$2,006.08) and Richard Mitchell’s online OSHA training (\$59)

CK# 218161 to Delta Medical Transport in the amount of \$12,567.96 for contract renewal, 2 of 2 payment (\$12,500.00) and reimbursement for supplies (\$67.96)

Saarloos moved to approve check numbers as presented, excluding CK#218158; Brown seconded.

Discussion followed regarding showing cash back amounts in the future (CK #218160) and State-required permit fees to operate the landfill (CK# 218157).

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

REPORTS

Emergency Services – Freda Degnan reported Delta Medical Transport reported 320 calls in 2015 and Lauren Morton expressed appreciation for the support Delta Medical Transport has received from the City Council.

Leith reported the 2004 ambulance was driven to Manley Hot Springs today by Terry Russell, Fire Chief of Manley Hot Springs Volunteer Fire and Rescue. Daniel A. Johnson, Executive Director of Interior Region EMS Council, Inc. drove with Russell to help with the transfer.

Airport – JW Musgrove reported recent winds have removed most of the hard packed snow and polished the runways.

City Administrator – Mary Leith reported:

- Division of Mining, Land & Water and possibly Department of Transportation representatives will be at the January 19 meeting to discuss a proposal to expand their gravel pit (2.043 acres to 29.6 acres - discussed December 15).

- Airport Rental needs commitment to reserve equipment for the landfill excavation project this summer.

Remaining grant funds total \$120,000+. The Waldo house savings account totals \$130,000+. Leith said the savings account is from the purchase of the landfill property, which is reason to justify putting it back into the landfill project. She added that the grant has been extended to June 2017.

Finance – Stephanie Prestwich referenced a budget summary showing data from July 1, 2015 through December 31 and reported that approximately 46 percent has been spent and 82 percent of revenue has been received.

Discussion followed regarding going over-budget for *Parks and Recreation* (107%) and excessive hikes in group insurance plans.

Library – Sebastian Saarloos reported:

- Delta-Greely High School and the Delta Library Association are hosting Planetarium, hands-on science activities with the University of Alaska Geophysical Institute, in the small gym at the high school tonight, 5:30-7:30.

- Baby Lap Time (up to three years of age), which normally meets at 11:00 on Tuesdays, will resume on January 19. Preschool Story Hour (ages 3-5), which meets at 10:00 and 11:15 on Wednesdays, will resume on January 20.

- PFD applications are available at the Delta Library and, for the first time, the Delta Library Association is part of the Pick.Click.Give program. Rural Deltana will hopefully be part of the program next year.

Public Works – Lou Heinbockel reported half of Deborah and most of Rapids streets have been scraped down to the pavement. He asked that other streets be done as long as the current weather conditions continue.

Leith reported connecting the heat will finish the septic project at the Public Works building.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Sherman Stebbins reported he was a member of the City Council when the tree theft started. Referring to earlier conversation (pages 2/3) he said the thief admitted to him that he stole the firewood and was selling it for profit. He admitted to former City Administrator Mike Tvenge and a city employee that he stole the wood. There should be no negotiating and the City is in no place to continue doling out money for attorney fees. He questioned why a cut-and-dry case could not have been handled by the local court system.

Brown said a lawsuit was filed in the Delta court.

Al Edgren asked the city maintenance to do a cursory walkthrough of the rink because of disrepair and safety-related issues.

Musgrove asked Edgren to report maintenance issues to the City Administrator.

Brown reported the Regulatory Commission issued a temporary certificate to P&S Trucking, which allows them to operate as a garbage collector in the Delta Junction community.

Saarloos reported Ordinance 2016-03, prohibiting commercial marijuana sales inside the City limits, will be introduced at the January 19 meeting. [A special meeting/public hearing is scheduled for January 26 and the second reading, public hearing, and adoption of Ordinance 2016-03 is scheduled for February 2.]

Heinbockel reported raising the fees for burial plots encouraged a number of people to purchase cemetery plots before the effective date of January 1, 2016. [Twelve gravesites were sold after December 15, 2015 when Ordinance 2016-02 was adopted. Plots were increased from \$200 to \$450, the first time in 32 years.]

ADJOURNMENT

Brown moved to adjourn at 6:43pm; Heinbockel seconded. Motion carried.