



**City Council Minutes  
May 3, 2016 ~ 5:00PM**

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

The regular meeting of the Delta Junction City Council was held on Tuesday, May 3, 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, Freda Degnan  
Sebastian Saarloos, Lou Heinbockel, William Brennan

City Council member excused: Audrey Brown

City employees present: City Administrator Mary Leith, Library Director Joyce McCombs, City Clerk Pat White  
Ten members from the community and one out-of-town guest were present. The meeting was broadcast over KDHS 95.5 FM radio.

**AMENDMENTS ~ APPROVAL OF AGENDA**

Musgrove moved to adopt the May 3, 2016 agenda; Brennan seconded.

Hallgren reported:

- ✓ *Request to Rename Richardson Avenue* under *Correspondence* was withdrawn
- ✓ *New LEPC Membership* under *Correspondence* would be postponed

Motion passed to adopt the agenda as amended.

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

Brennan moved to approve the April 19, 2016 minutes; Musgrove seconded.

Motion passed unanimously on a roll call vote with six in attendance.

**REQUEST TO SPEAK**

**Susan Sandy – 75th Anniversary – Construction of the Alaska Highway (1942)**

Susan Sandy reported Todd Penney, a resident of Fort Nelson, B.C., is collecting history about women from Dawson Creek to Delta and Fairbanks for an 18-month calendar titled *Wonderful Women of the Alaska Highway* to commemorate the 75th anniversary of construction of the Alaska Highway. Rika Wallen and Irene Mead are two local women who could be featured in the calendar. Sandy explained her involvement in organizing the 50th anniversary in 1992 and she said events are being planned along the Alaska Highway for the 75th anniversary in 2017. She reported 23 local groups participated in 1992 and she is hopeful for enthusiasm in 2017, even though there will be less funding to tap into because of statewide budget cuts. The Military Vehicle Preservation Association (MVPA) convoy that passed through Delta in 2012 is scheduled to travel Route 66 (a World War II supply route between Chicago and Santa Monica) instead of the Alaska Highway in 2017. Sandy said she has spread the word that Delta residents are still interested in celebrating the 75th.

Discussion followed regarding generating ideas for local events, how much funding would be needed, and Sandy submitting a letter to the Council for discussion during the 2017 budget cycle.

**CORRESPONDENCE**

**Request to Rename Richardson Avenue** – removed from agenda

**New LEPC Membership** – removed from agenda

**Lyn Plomaritis – Request to Excuse Landfill Tipping Fees**

Saarloos read a letter from Lyn Plomaritis, a victim of arson, requesting reduced landfill fees while she demolishes and disposes of the remains of her home that was burglarized and burned in August 2014. The debris could be up to 20 tons. Saarloos said he favored waiving the fees entirely as done in the past when residents were unable to pay for medical transports from the City-run volunteer ambulance service.

Hallgren said the landfill operation is finally breaking even, but not enough to pay for new cell development or equipment. Landfill operating costs are recovered from tipping fees.

Discussion followed regarding not offering discounts on other burned structures, whether homeowner's insurance pays for it, whether debris from burned homes must be disposed of at a certified landfill, and the tragedies of losing a home to a fire and losing a home because of arson.

Heinbockel said he is not ready to set a precedent for free dumping, but he favored a 50% discount to bury the evil debris. He also supported extending the same discount to others who suffer similar circumstances of extreme loss.

Discussion followed regarding giving Plomaritis a three-month timeframe and not requiring delivery on May 7, the day of the Chamber-sponsored Community Cleanup.

Heinbockel moved to offer Plomaritis a 50% discount to dispose of the remains from her burned home with no limit on tonnage; Musgrove seconded.

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

### **Gary Schoening – Use of Community Center for Monthly Pioneer Dinner**

Hallgren referenced a letter from Gary Schoening, Trustee for the Pioneers of Alaska – Delta Chapter, and said the Pioneers would like rental fees waived or discounted so they can use the Community Center for potluck dinners prior to their monthly meetings, which are held in the Senior Lounge (the small room inside the Community Center).

Hallgren moved to waive rental fees for the Pioneers of Alaska as requested; Heinbockel seconded.

Discussion followed regarding a clause in the construction grant that designated a portion of the Community Center for senior citizens, many members of the Delta-Clearwater Seniors also members of the Pioneers of Alaska, waiving the rental fees (\$100/day for the building or \$150 with kitchen) and the cleaning deposit (\$300), and requiring the Pioneers to coordinate dates with City Hall staff to keep from double booking the building.

Gary Schoening said the Pioneers meet once a month and will hold summer meetings at the Pioneer Park, so they only need to reserve the Community Center during the winter months, six or seven times a year. Potlucks at the Community Center will be more pleasant by not having to hold plates on laps.

Heinbockel said he was proud to be part of building the Community Center and negotiating the first agreement in which he signed as mayor and Harry Armstrong signed as President of the Delta Seniors (1982).

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

### **UNFINISHED BUSINESS**

#### **Resolution 2016-06, A Resolution Granting a License to Cross Under Jarvis Avenue**

Hallgren explained the resolution and revocable license for Delta Petro-Wash, owners of property on both sides of Jarvis Avenue, to put a pipe under the road to drain waste water from their car wash and treatment plant.

Heinbockel moved to approve Resolution 2016-06 as presented, contingent upon Delta Petro-Wash paying attorney fees associated with drafting the license; Degnan seconded.

Musgrove asked to change verbiage that the license may be revoked on a 180-day written notice instead of a 60-day notice (page 3) and to require removal of all Petro-Wash piping that is currently in the right of way.

Discussion followed regarding total legal fees not yet known and pipe left by previous owners.

Hallgren asked for objection to Brennan and Degnan recusing themselves from voting with none being offered.

Prins Samuel, DPW Manager, said existing pipe would be removed, but he was unable to give a response to paying legal fees. He asked to not delay making a decision because they are not able to operate their car wash until mid or late summer as it is.

Heinbockel said he felt the City should not incur any costs in granting a license to cross Jarvis Avenue.

Motion passed on a roll call vote 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 (Heinbockel, Saarloos, Musgrove, Hallgren) and two abstaining (Brennan and Degnan).

### **NEW BUSINESS**

#### **RFP to Truck Dealerships**

Leith reported the Request for Proposals for the City work truck is not finished.

Heinbockel reported Affordable Motors in Fairbanks has pickups that appear to be fair per mileage, price, and year.

#### **Final Plat – Tract K, Fred Cook Subdivision** (preliminary plat approved October 21, 2008)

Brennan was excused at 6:06pm.

Ralph Mathews referenced the Tract K, Fred Cook Estates Subdivision Plat #2003-15, surveyed September 10, 2008 and dated December 2, 2013 and said he believed the Council was waiting to approve construction of the subdivision road.

Hallgren said the gravel pit was reclaimed and is nicely covered, but he questioned the gravel thickness of the road because he felt it was too thin and too narrow.

Mark Gentz, subdivision owner, said the roadbed was dug a minimum of three feet because of permafrost. Saarloos asked to allow more time to review the plat because of incomplete items: lack of vicinity map, subdivision road name, identity of adjacent properties to the south and east, a current platting certificate, and the Platting Checklist (adopted December 2011).

Discussion followed regarding road standards (Code of Ordinances §4.55.020 requiring 20 feet clearing on each side of roads constructed 100 feet or more in length, clearing 15 feet on each side of roads that are 60 feet or more, and requiring a minimum of four inches of gravel for 20-foot road widths) and bringing the topic back on May 17.

### **Resolution 2016-07, A Resolution Requesting FY17 Payment in Lieu of Taxes Funding from the Department of Commerce, Community, and Economic Development**

Musgrove moved to approve Resolution 2016-07 requesting FY17 PILT from the Department of Commerce, Community, and Economic Development (DCCED); Saarloos seconded.

Hallgren reported a resolution is required to receive the Federal Payment in Lieu of Taxes (PILT), which comes from DCCED and is the City's #1 source of income. Delta Junction receives the largest PILT of any municipality in the State of Alaska outside of a borough. \$927,848 was received in 2014 and \$989,272 was received in 2015. \$987,000 is expected for the upcoming fiscal year, but it could be \$50,000 or \$60,000 less.

Heinbockel said he did not view PILT funds as free money because of paying income tax every year.

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

### **Chamber of Commerce – Permission to Remodel Visitor Center**

Hallgren reported the lease agreement for the Chamber of Commerce to rent the Visitor Center from the City of Delta Junction (since opening in 1985) is \$1/year. Rent was budgeted last year for \$425/month. The Chamber intends to increase their sales on local merchandise because they are no longer in the pull-tab business and they have asked to remodel the Visitor Center because it is highly cluttered and poorly set up. The main counter is a beautiful handmade work of art, but no longer fits the modern décor. Hallgren recommended approving the request to renovate the facility. Discussion followed regarding the counter and a mural, which were part of the Percent-for-Arts Program, keeping the upstairs open and removing office furniture so that tourists can view the mountains, lack of bus traffic compared to past history, the small storage building next to the Visitor Center needing maintenance in the near future, and finding a new home for the counter.

Debbie Joslin, President of the Chamber of Commerce, reported they have new board members and are currently changing insurance companies. Bus traffic totaled 13,000 people last year and they sold a significant amount of knick-knacks. They anticipate another good year because of early bookings on buses. The new board plans to publish the nicest Visitor's Guide in the past 26 years, focus on end-of-the-highway products that are not sold locally, and promote Delta Junction's destination. They would like to replace the counter, which takes up a third of the floor space with a smaller six to eight-foot counter and keep the encased bison and swans that also take up floor space, but are a special attraction. Joslin said they want to replace the counter, remove clutter, replace shelves with a slat wall, install commercial grade carpet squares, and paint walls before opening on May 14th.

Saarloos said he supports the remodel, does not want to micromanage it, but wants to salvage Frances Brann's counter.

Heinbockel and Musgrove asked how many vendors or local businesses are represented in items sold at the Visitor Center. Joslin said postcards are custom ordered from local photographers, but she did not know about all the items purchased to sell at the Visitor Center except that the Chamber is promoting the end-of-Alaska-Highway theme. She said the Chamber, all volunteers, are trying to promote the community and local businesses. Most of the people that come off the buses are seniors and they are not interested in climbing stairs to see the swans. The stairs also present a liability and is part of the reason to negotiate new insurance coverage.

Leith said she agreed with carpet and paint upgrades, but removing the counter negates preservation of public art and that there would be more floor space if the swans were put back upstairs.

Saarloos moved to approve the Chamber's request to remodel the Visitor's Center including but not limiting to removal of the counter, carpet replacement, and repainting walls with the condition that the main counter be preserved, stored, or donated to another facility; Heinbockel seconded.

Hallgren disclosed that he is a Chamber member, but does not make policies. He pays dues and attends luncheons.

Musgrove said he felt the Chamber should provide a list of proposed upgrades or the scope of work that was put out for bid because the City owns the building and "do this and this, but not limited to" discussion is too open ended.

Hallgren said he would normally agree with Musgrove, but in this instance "it is the Chamber or no one running the Visitor Center."

Joslin handed Musgrove a handwritten list of the Chamber's remodel plans, "replace carpet, remove counter, remove shelves, paint wall, hang slat wall" and said she would hate to be held to just those listed.

Motion passed on a roll call vote with five in attendance (Heinbockel, Degnan, Saarloos, Musgrove, Hallgren). Hallgren said he would present a long-term lease agreement at the May 17 meeting.

### **City Purchases over \$1,000**

CK# 218350 to Aetna in the amount of \$20,086.90 for April health insurance

CK# 218364 to Buffalo Fuel in the amount of \$8,330.65 for heating fuel and equipment fuel used on landfill cell

CK# 218365 to Guess & Rudd in the amount of \$2,988.71 for legal services (Andreassen tree theft, drug testing, and records retention standards)

CK# 218366 to Airport Equipment Rentals in the amount of \$63,495.00 for equipment rentals (pickup for Public Works crew and two rock trucks and excavator used at landfill cell development project)

Musgrove moved to approve purchases 218350, 218364, 218365, and 218366; Saarloos seconded.

Heinbockel referenced the tree theft at the airport subdivision (218365) and said some split firewood has been delivered to Ptarmigan Heights Senior Housing Complex, but it is not the agreed settlement of 12 cords. He said he doubted if there were four cords that were dumped, not stacked as agreed upon. And he said the wood is not quality firewood either. Heinbockel said he would vote to pay the attorney bill, but only because the bill needs to be paid. The City paid more in legal fees than what was received over the dispute.

Hallgren said lawsuits are expensive and aggravating. Both sides generally lose, but Andreassen was held accountable.

Leith reported Matthew Andreassen said he intends to deliver one and a half more loads of firewood.

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

### **REPORTS**

**Airport** – JW Musgrove reported:

- The Delta Pilots Advisory has transferred remaining funds that were collected on airport use (tie down and boundary crossing fees) to the City's account for all but one recalcitrant pilot.
- The runway was graded two years ago and is in good shape, but may need graded and compacted by late summer.

**Mayor** – Pete Hallgren reported:

- He and City staff have started work on the first budget draft. He expects a surplus as of June 30, 2016. The Public Works crew only worked four hours under their regular budget during the last pay period plus there was little road maintenance because of the low-snow year. They have been drawing wages from grant funds while working on the excavation project at the landfill. Income trending will continue to be less, but the "fiscal cliff" remains several years away.

- He and JW Musgrove will volunteer to work at the landfill during Community Cleanup on May 7.
- He and Leith will meet with researchers on May 5 to discuss Air Force activities and its effect on Delta. He reviewed the F-35 Environmental Impact Statement (EIS) regarding sonic booms, which he intends to bring up because it is a community interest.
- Senator Mike Dunleavy is scheduled to meet with Council members at City Hall on May 6.

Heinbockel asked to inquire about the request to the Legislature to excuse the annual \$50,000 prison payments.

**City Administrator** – Mary Leith reported:

- The excavation crew is clocking 50 hours/week, no more than the monthly hours allotted in the equipment contract, and averaging 80 to 100 loads per day. She explained how the operation works and, after finding fine gravel on the dig site, they used 66 loads on the road and ramp for the new pit.

Discussion followed regarding possibly completing the project this year.

- Final paperwork was submitted to get title to the Visitor Center property, which has been a 40-plus year process.
- Tony White, owner of Delta Medical Transport, requested the contractual payment be issued early (before July 2016) because one of their ambulances is being repaired.

Discussion followed regarding whether DMT would utilize Rescue Squad ambulances (currently not in use) in exchange for financial support (\$25,000/year) and staff putting together a proposal with options for the Council to consider.

- There should be some resolution by the end of the month about the State of Alaska's proposal to expand the size of their gravel pit (2.043 acres to 29.6 acres), which conflicts with City Code §4.45 (a topic since December 15, 2015).

**School District** – Pat White reported topics that would be discussed at the School Board meeting on May 5 and that Superintendent Laural Jackson was appreciative that the High School was able to host their Prom at the Community Center on April 30.

**Library** – Sebastian Saarloos reported:

- More than 360 people attended the Library Association Open House and Basket auction on April 23 to bid on 126 baskets and take chances on 40 raffle items. The fundraiser totaled just over \$10,000.

- The Library Board will meet on May 10 to begin planning purchases and activities for the FY2017 budget.
- Elementary classes will tour the library and be invited to join the Summer Reading Program during field trips to the library during the week of May 16. Library Aide Linda Nebeker will visit the Delta Middle School to invite students to Teen Summer Reading.

**Public Works** – Lou Heinbockel reported:

- Four-wheeler traffic is once again breaking down pavement edges, destroying the sides of Mil-Tan and Nistler.
- Morley Electric will practice crack sealing on the outdoor skating rink next week (per April 19 reporting).

Discussion followed regarding the State Department of Transportation (DOT) providing crack sealing services on City streets in the past and City Code §1.41.025 requiring quotes for services up to \$25,000, now that there is more than one vendor providing the service.

#### **ADDITIONAL PUBLIC COMMENTS**

Sherman Stebbins referenced discussion about charging the Chamber rent for the Visitor Center and said he thought their using the facility was the City's contribution toward helping the community. He thanked the Council for reducing the tipping fees for Lyn Plomaritis because most insurance companies do not cover disposal of burned homes. Vasilyi Malyk was ordered to pay restitution for his crimes (burning Plomaritis' home and the Clearwater Lodge), so the City should forward its bill to the District Attorney's office.

#### **ADJOURNMENT**

Musgrove moved to adjourn at 8:05pm; Hallgren seconded. Motion carried.

Pat White, City Clerk

Approved: May 17, 2016