

City Council Minutes
Regular Meeting
December 18, 2018 ~ 5:00PM
City Hall, Delta Junction, Alaska



The regular meeting of the Delta Junction City Council was held on Tuesday, December 18, 2018 at City Hall. Mayor Musgrove called the meeting to order at 5:00pm.

City Council members present: Mayor JW Musgrove, Deputy Mayor Freda Degnan (excused at 6:33pm)
Lou Heinbockel, Alan Levinson, Pete Hallgren (telephonically – excused at 6:45pm)

City Council members excused: Charles Lester, Audrey Brown

City employees present: City Administrator Mary Leith, Administrative Assistant Flower Cole
Finance Officer Stephanie Erickson, City Clerk Pat White

Seven members from the community and one guest speaker were present during different parts of the meeting. The meeting was broadcast over KDHS 95.5 radio.

AMENDMENTS ~ APPROVAL OF AGENDA

Musgrove requested Freda Degnan’s *reports* and Jacob Decker’s request to discuss the Granite Avenue right-of-way be moved before *Request to Speak* (bottom of page one and top of page two).

Degnan moved to approve the December 18, 2018 agenda as amended; Heinbockel seconded. Motion passed on a roll call vote with five in attendance.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

Heinbockel moved to approve the November 20, 2018 minutes as presented; Levinson seconded. Motion passed on a roll call vote with five in attendance.

Heinbockel moved to approve the December 4, 2018 minutes as presented; Degnan seconded. Motion passed on a roll call vote with five in attendance.

COMMENTS FROM THE AUDIENCE

Silas Hill reported he has lived at 2551 Rapids Street, adjacent to the airport, for 30-plus years and had a horrifying experience while walking his dog on December 9. His dog got caught in a trap, but he was able to release it after tearing the trap out of the ground. There are no regulations against trapping near residential areas, however he was informed that he’d broken the law (by removing the trap) when he turned it into the Alaska State Troopers. Another dog was caught in the same trap a day or two earlier. Hill expressed concern that several young families frequent the same trails between the runway and Brewis Subdivision. Discussion followed regarding researching how other communities address trapping and possibly drafting an ordinance.

Heinbockel recalled opposition to cow moose hunting inside the city limits (2007) and he suggested petitioning the State Fish & Game to exclude the City of Delta Junction from trapping just as Mat-Su and Anchorage did.

REPORTS

Public Health – Freda Degnan reported Public Health Nurse Elena Powers encourages anyone over the age of six months to get a flu shot. Flu season is here and it’s not too late to get vaccinated. She reminded everyone to wash their hands to prevent the spread of germs.

Library – Freda Degnan reported:

- The annual Chamber of Commerce Gingerbread House Contest entries were on display last week.
- Mrs. Lansing’s 3rd graders sang Christmas Carols at the library on December 13.
- Library staff hosted the City Employees Christmas Party on December 14. Everyone had a fine time.
- Fifteen members of the Junction Readers Book Club participated in their annual holiday gathering on December 17. Book Club is approaching its tenth anniversary next month.
- The Derina Harvey Band performed to an enthusiastic crowd on December 15 and in Fairbanks the next day. The band made a point to tell the Fairbanks audience about the exceptional hospitality in Delta Junction, which is due to efforts from the Delta Library Association and the Fairbanks Concert Association.

- Joyce McCombs expressed appreciation for Rob Bevard's dedication and positive attitude in recent weeks, which included some intense holiday decorating that involved many trips up/down the ladder and to/from the storage shed. He also set up the stage and chairs for the concert, then took them all down again.
 - The Library will be closed on Christmas Eve, Christmas Day, New Year's Eve, and New Year's Day.
- Schools** – Lou Heinbockel reported he was stopped while elementary school students crossed Nistler Road. He was surprised at the number of children, class after class, and that they were all dressed for the cold weather. Reports continued on pages 3+4.

Reestablish Resolution 2010-02, License to Use Granite Avenue Right of Way

Jacob Decker referenced his letter, dated December 12, 2018, and Resolution 2010-02, September 19, 2009, in which the City of Delta Junction granted a revocable license to Helen Orcutt / DBA Stanford Apartments to construct a leach field within Granite Avenue's right-of-way. Decker Estates purchased Stanford Apartments in June 2018. Jacob Decker asked to either sell the existing portion of Granite Avenue to Decker Estates or grant a permanent right-of-way for the leach field.

Discussion followed regarding no issues with the septic system, research to assure other properties are not impacted should a portion of the platted street be sold, and recent history of issues on Granite Ave (2009/2015).

Hallgren said he opposed selling portions of Granite Avenue and that the only reasonable solution would be a license of at least ten years with potential for additional extensions.

Degnan agreed with drafting another resolution and a long-term use agreement.

Musgrove suggested the City Administrator make contacts to initiate a license to the new owners and to research an alternate solution. Both a sale and a permanent right-of-way will require extensive research.

Decker said a permanent right-of-way is the only option if they cannot buy part of Granite Avenue.

Heinbockel moved to offer the same agreement to Decker Estates as for Helen Orcutt; Degnan seconded.

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

REQUEST TO SPEAK

Raymond James Financial Services, Inc.

Musgrove reported Morgan Stanley invested the City Permanent Fund (August 2017) and since decided to get out of municipal investments. The City is seeking a firm that can replace Morgan Stanley.

Vonna Husby, Registered Investment Advisor Representative & Branch Manager, Raymond James Financial Services, Inc., distributed binders and two proposals: 1) The Hybrid Proposal, a combination of mutual funds and Exchange-Traded Funds (ETFs), is similar to how the Permanent Fund is presently managed, and 2) ETF only. ETFs are known to be the most cost effective investment. Husby said Raymond James has a long track record of conservative portfolio management. They are able to lower the City's overall exposure to risk, offer management costs at 1.25%, and improve potential performance based on Morgan Stanley's portfolio.

Discussion followed regarding choosing an investment firm before Morgan Stanley's end date, March 29, 2019.

CORRESPONDENCE

Gaming Permit Renewal – Nenana Ice Classic

Heinbockel moved to show no opposition to Nenana Ice Classic's gaming permit renewal; Degnan seconded.

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

UNFINISHED BUSINESS

Request to Reduce Landfill Tipping Fees

Musgrove reported not enough information has been gathered regarding the property in question, so it is difficult to determine the humanitarian need. No one has been able to reach Chisa Stephenson who submitted a request on November 30 to reduce landfill fees "as low as 0.02 cents per pound."

Discussion followed regarding when the house burned (2010), new owners aware of expense to clean up debris when they purchased the property, and traditionally reducing fees when homeowners suffer extreme loss.

Heinbockel moved to politely decline the request to reduce landfill tipping fees; Degnan seconded.

Heinbockel said he would be willing to reconsider a fee reduction if more information is available.

Hallgren said the burnt building is an eyesore that diminishes the value of the neighborhood. He agreed with obtaining more details to encourage cleaning it up.

Leith said the Department of Environmental Conservation (DEC) requires paperwork on all demolition projects delivered to the landfill. [Forms are available online (www.deltajunction.us/landfill/).]

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

NEW BUSINESS

Landfill Loader

Musgrove reported the Volvo loader is currently out of service because of quick-disconnect failure. It was purchased in 2003 and is used at the landfill for work that it probably was not designed for. Meanwhile the City is renting a John Deere from Airport Rentals for \$12,500/month.

Leith referenced her memo, dated December 18, and presented options: 1) Repair the 2003 loader, which has 18,000+ hours, for approximately \$22,000 plus rent of the John Deere (\$12,500 x three months). 2) Order a Volvo connector and a new bucket (\$35,000 to \$40,000). 3) Buy the rented loader, which has 11,000 hours and will require some maintenance (\$120,000). 4) Purchase a new loader for \$300,000 to \$350,000. Leith reported there is currently \$103,000 available in the equipment account. She questioned purchasing a new loader to use exclusively at the landfill and using the old one in town.

Degnan was excused at 6:33pm.

Musgrove suggested Leith research repairing the existing loader locally.

Hallgren asked Leith to contact Pogo about referral of a local mechanic and about potential for a surplus loader.

Heinbockel reminded Council that new loader tires were purchased for \$20,000 (September 2018) and the existing loader must be fixed no matter what direction is taken. He was reluctant to have two loaders and asked to wait for Lester's opinion before making a decision.

City Purchases over \$1,000

CK# 219849 to Aetna in the amount of \$14,255.57 for December group health insurance

CK# 219850 to Delta Chamber of Commerce in the amount of \$1,700.00 for \$50 gift certificates for staff and volunteer firefighters

CK# 219851 to Alaska Communications in the amount of \$1,683.71 for December phone and Internet

CK# 219852 to GVEA in the amount of \$4,900.64 for November electricity

CK# 219853 to Airport Equipment Rentals in the amount of \$1,480.00 to rent excavator to clear trees along Nistler Road in the public utility easement

CK# 219854 to Thomas H. Duncan in the amount of \$1,337.50 to update mapping software and provide training

CK# 219855 to Lynden Transport in the amount of \$1,434.37 to ship new spreader

CK# 219856 to Western Peterbilt LLC in the amount of \$7,481.81 for new plow for City pickup

CK# 219857 to Interior Hardware in the amount of \$1,808.08 for maintenance supplies and tool bags (\$868.44), vehicle lift parts (\$487.02), water filter for City Hall (\$29.97), building repairs at Liewer-Olmstead Ice Arena (\$158.71), supplies for Public Works building (\$21.18), library building repairs (\$84.20), supplies for Fire Station (\$34.38), fence repair at Rest Haven Cemetery (\$124.18)

Heinbockel moved to approve checks #219849 through 219857 as presented; Levinson seconded.

Discussion followed regarding obtaining a list of volunteer firefighters (CK# 219850) and using remaining grant funds to pay for problems with the existing plow (219856).

Heinbockel said a new plow should have been purchased two years ago.

Motion passed on a roll call vote (Hallgren, Heinbockel, Levinson, Musgrove).

REPORTS (continued from pages 1+2)

Mayor – JW Musgrove reported a reconciliation will be done next year to make adjustments for overspending.

Hallgren was excused at 6:45pm.

Musgrove said the meeting would continue without a quorum, but no action would be taken.

City Administrator – Mary Leith reported:

- She is working with Neil Lehner, DEC Environmental Program Specialist, to revise the landfill inspection form. He extended the landfill permit an extra month, through January 31. Changes in the landfill operation are communicated with Bristol Engineering, i.e. how refrigerators are processed and how electronics are recycled.

- Overhead Door is inspecting and repairing approximately 20 different doors in City facilities. Signals were thrown off when lights were switched to LED. It was also discovered that the framework for the overhead doors in the Public Works Building were detached from the ceiling.

City Clerk – Pat White reported:

- All passport agents are required to pass an online training exam by January 31, 2019. The annual Passport Acceptance Program certification was completed on December 14.
- City Hall will be closed Christmas Eve, Christmas Day, and New Year's Day during the holidays.
- The January 1 and January 15 Council meetings will be postponed to January 8 and 22 because of New Year's falling on the first Tuesday.

Finance – Stephanie Erickson reported Cook & Haugeberg LLC auditors are waiting on BDO paperwork. She hopes to have a progress report by the January 8 meeting.

Heinbockel referenced the City Permanent fund and discussion about loader issues (page 3) and said he would support using Permanent Fund money to purchase a loader.

LEPC – Stephanie Erickson reported 27 addresses in the House Identification Program are currently being verified and 75 more signs were ordered. Grant funding pays for reflective signs that are posted near driveways.

Emergency Preparedness / Public Safety – no report

Airport – Lou Heinbockel reported electricity has not yet been installed on the newly constructed 240-foot tower behind Delta Industrial Services, but a generator temporarily provides power for the aviation warning lights.

Public Works – no report

Park / Recreation – no report

Cemetery – Lou Heinbockel reported Billy Mason passed away on December 7 and was buried on December 15. His grave was prepared ahead of time.

At Large – no report

Additional Reports – Lou Heinbockel questioned the old sander, now that the new one has arrived.

Discussion followed regarding the school district possibly interested in the old sander, ongoing tree removal between the Junior High School and Nistler Road, and doing maintenance on the standby generator behind the Public Works Building, so it can be utilized in the event of an emergency.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Flower Cole, Al Edgren, and Lou Heinbockel wished everyone a Merry Christmas and Happy New Year.

Leith reported Chamber of Commerce gift certificates were given to employees and volunteer firefighters.

ADJOURNMENT

Heinbockel moved to adjourn at 7:08pm.

Pat White, City Clerk

Approved: January 8, 2019