

City Council Minutes
Regular Meeting
May 21, 2019 ~ 5:00PM
City Hall, Delta Junction, Alaska



The regular meeting of the Delta Junction City Council was held on Tuesday, May 21, 2019 at City Hall. Mayor JW Musgrove called the meeting to order at 5:00pm.

City Council members present: Mayor JW Musgrove, Deputy Mayor Freda Degnan
Pete Hallgren, Alan Levinson, Charles Lester, Lou Heinbockel, Audrey Brown (telephonically)
City staff present: City Administrator Mary Leith, Finance Officer Stephanie Erickson
Administrative Assistant Flower Cole, City Clerk Pat White
Four local residents were present at the start of the meeting. The meeting was broadcast over KDHS 95.5 radio.

AMENDMENTS ~ APPROVAL OF AGENDA

Musgrove reported changes to the May 21 agenda:

- ✓ A new draft of the FY20 budget would replace what was in agenda packets (*Ordinance 2019-05*)
- ✓ A newer version of Chapter 1.37 would replace what was in agenda packets (*Ordinance 2019-04*)
- ✓ Jeff Krigbaum from the U.S. Census Bureau (*Request to Speak*) would be postponed to June 4
- ✓ Wendie MacNaughton from North Star Resources (*Request to Speak*) would be postponed to July

Heinbockel moved to approve the May 21, 2019 agenda as amended; Levinson seconded.
Motion passed unanimously on a roll call vote.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Brown moved to approve the May 7, 2019 minutes as presented; Lester seconded.
Motion passed unanimously on a roll call vote.

COMMENTS FROM THE AUDIENCE

Todd Zachgo, President of the Delta Skating Association (DSA), reported:

- The High School softball team's last home game is on May 22. The girls have done very well competing against 4A schools. They compete for State in Anchorage the last weekend of May.
- DSA had a good turnout for hockey rink cleanup. They cleaned glass, replaced boards and painted the little rink, and cleaned both indoor and outdoor rinks.
- DSA would like to increase security inside the Liewer-Olmstead Ice Arena and also monitor the outdoor rink when it's not in use. Zachgo explained a card lock system that is expensive, but effective.
- DSA's Building Planning Committee would like to move bleachers to the opposite side of the rink for better viewing that can eventually be kept warm with a propane heater. Zachgo described long-range plans to include another set of locker rooms and a girls dressing room.

Musgrove asked Zachgo to present the Council with a written proposal for upcoming budget discussions.

REQUEST TO SPEAK

Jeff Krigbaum, Partnership Specialist, U.S. Census Bureau – moved to June 4, 2019 Council meeting
Wendie MacNaughton, North Star Resources, Ltd – Pogo Annual Report – moved to a July meeting

CORRESPONDENCE

Deltana Fair Association – Request to Waive or Reduce Tipping Fees

Musgrove referenced Deltana Fair Association President Paul Myers' May 10 letter and asked for Council input about waiving or discounting landfill tipping fees for garbage generated during the fair, July 26/28, 2019.

Hallgren moved to offer a 50% discount on landfill tipping fees during the Deltana Fair; Heinbockel seconded.

Hallgren referenced the report from Community Cleanup on May 18 in which the community saved \$1,520.60 for household garbage delivered to the landfill (discounted 50%) plus \$267.20 on roadside garbage (tipping fees waived on all yellow bags delivered to the triangle). He compared the volume of garbage delivered to the triangle (14,500 pounds in 2018 and 3,340 in 2019) and questioned how much garbage would be generated during the fair weekend.

Leith said, based on the past two years, trash generated over the three days would fill one large dumpster. Any donation would free up funding for other fair expenses.

Brown suggested a 25% or 30% discount and said a \$1,000 loss in landfill revenue is the same as a donation.

Heinbockel amended the motion to offer a 50% discount, not to exceed \$1,000.00; Hallgren seconded.

Discussion followed regarding the state of the landfill operation and no longer needing to subsidize it, budgeting \$25,000 for both landfill equipment and closure funds, and history of the City supporting the Deltana Fair, i.e. paving the fairgrounds (2009), waiving landfill fees associated with cleaning up debris from a burnt storage shed (arson in 2012), etc. Degnan asked to abstain from voting because she was a former treasurer of the Deltana Fair Board.

Musgrove called for objection to Degnan abstaining with none being offered.

Motion passed on a roll call vote with five voting in favor (Heinbockel, Hallgren, Levinson, Lester, Musgrove), one abstaining (Degnan), and one opposed (Brown).

UNFINISHED BUSINESS - none

NEW BUSINESS

City Purchases over \$1,000

CK# **220088** to Wells Fargo Credit Card in the amount of \$8,084.98 for credit card purchases (\$217.13 – postage, \$30.00 – Kenworth title, \$41.23 – library materials, \$59.66 – City emails, \$48.00 – bear spray, \$858.00 – Liewer-Olmstead Ice Arena electricity in March, \$20.65 – sensor for landfill, \$6,810.31 – ambulance repairs)

CK# **220089** to Guess & Rudd in the amount of \$2,285.50 for legal services pertaining to EPA matters

CK# **220090** to Airport Equipment Rentals in the amount of \$1,096.75 to rent equipment for grave digging

CK# **220091** to GVEA in the amount of \$4,191.28 for April electricity

CK# **220092** to ACS in the amount of \$1,675.91 for phone and Internet

CK# **220093** to Delta Building Supply in the amount of \$3,418.28 for key copies (\$41.25), library trim (\$47.50), trash catcher at landfill (\$3,329.53)

CK# **220094** to Buffalo Center Service in the amount of \$3,023.54 for equipment fuel

Heinbockel moved to approve checks #220088 through 220094; Brown seconded.

Discussion followed regarding the Department of Environmental Conservation (DEC) requiring trash catcher nets to control wind-blown garbage at the landfill (CK# 220093).

Motion passed unanimously on a roll call vote.

Introduction and First Reading of Ordinance 2019-04, An Ordinance for the City of Delta Junction, Alaska Amending Chapter 1.37, Permanent Fund

Musgrove reported Alaska Permanent Capital Management (APCM) provided the initial ordinance rewrite and he and City Attorney Jim DeWitt provided multiple edits. He explained changes to the City Code that pertained to the Permanent Fund, noting verbiage that was removed, changes between the red-lined version and the latest draft, and establishing both an annual review of the asset allocation strategy with APCM and a procedure for all discretionary adjustments.

Brown moved to introduce and hold the first reading of Ordinance 2019-04 and set the public hearing, second reading, and possible adoption date to June 4, 2019; Hallgren seconded.

Discussion followed regarding obtaining clarification from APCM about whether withdrawal of income and sustainable rate includes inflation proofing, whether withdrawal includes unrealized and realized income, clarifying types of fund level investments, and history of the Permanent Fund code (created in 1984 and amended in both 1990 and 2001).

Musgrove asked to get input from APCM, share it with DeWitt, and add it to the ordinance rewrite for the June 4 meeting.

Motion passed unanimously on a roll call vote.

Introduction and First Reading of Ordinance 2019-05, An Ordinance for the City of Delta Junction, Alaska Providing for a Budget for the Fiscal Year 2020

Musgrove asked Council to refer to the most current budget draft, identified as “Draft 1 - Mayor.”

Brown moved to introduce and hold the first reading of Ordinance 2019-05 and set the public hearing, second reading, and adoption to June 18, 2019; Hallgren seconded.

Discussion followed regarding a cost estimate to replace a leaky window, miscellaneous equipment requests, and scheduling a work session before adopting the budget by June 30.

Brown moved to schedule a work session on June 11. Motion failed for lack of a second.

Heinbockel moved to schedule a work session on June 10; Hallgren seconded.

Motion passed on a roll call vote with six in favor and one opposed (Brown).

Discussion followed regarding possibly knowing more about Community Assistance revenue by June 10.

Motion passed unanimously on a roll call vote.

Airport Subdivision II Electricity

Leith referenced her May 13 memo regarding options about installing electricity at the airport subdivision and said 16 poles would provide power to all 21 lots. Each pole costs \$5,000. She suggested installing five poles in Block 3, enough

to auction the first ten lots. Thereafter appraisals could be done to determine minimum bids. Block 4 would require 11 more poles. The \$25,000 invested could be recovered if lot owners hook up to electricity within five years.

Brown said property value automatically increases by having electricity available.

Heinbockel said he agreed with installing electricity in two phases and starting with five poles.

Brown moved to authorize City Administrator Mary Leith to contract GVEA to proceed with installing the first five poles in Block 3 at \$5,000.00 per pole; Hallgren seconded.

Discussion followed regarding approximately \$135,000 spent to date on airport lot development, net proceeds from sale of any real property required to be deposited in the Permanent Fund (City Code §1.37), minimum bid not less than the appraised value or not less than costs associated to develop lots, selling lots over-the-counter that do not sell at auction, and projecting a fall or spring auction after GVEA weighs in on the five poles.

Motion passed unanimously on a roll call vote.

REPORTS

Mayor – JW Musgrove reported:

- He, Leith, and Stephen Hammond attended a teleconference with two people from the Environmental Protection Agency (EPA) who agree that there is only one leach field that serves both the fire station and the Public Works building. Hammond, M2C1 Environmental Engineer, and two Guess & Rudd attorneys are working with EPA to close an abandoned septic tank and leach field in the same area. The City will be fined an estimated \$22,000 for using oil/water separators against code that went into effect in 2005. The EPA will provide instructions and a schedule on what and how to test for contamination at the injection wells (Public Works/Fire Station and landfill leach fields).

Discussion followed regarding Hammond and attorneys negotiating with engineers who designed construction plans and Richard Bonwell who served as president of the Alaska Chapter of SWANA (Solid Waste Association of North America) at the time.

- He and Leith are working on disposing 42 five-gallon buckets of Aqueous Film-Forming Foam (AFFF) concentrates, used to smother petroleum product fires, and 20-some drums of a liquid used to control dust on gravel roads. Both are stored at the old landfill and being tested to determine proper disposal. [Clerk note: Dust control product may actually be crack sealing material.]

City Administrator – Mary Leith reported:

- Eagle Scout Patrick Cassidy, Boy Scouts, troop leaders, and volunteers built and delivered six dark blue ADA-compliant picnic tables to the City Park, Pioneer Park, Visitor Center, and fairgrounds on May 10.

- Derek Mills has been mowing and cleaning roadsides. Two more part-time employees will be hired for the summer.

City Clerk – Pat White – no report

Finance – Stephanie Erickson reported:

- Cook & Haugeberg will present the FY18 audit at the June 18 meeting.
- An error needs corrected on the Employee Salary / Step Schedule (adopted July 7, 2015) between Grade 5 and Grade 7 for hourly employees. It will need to be done before the FY20 budget is adopted.
- The Community Assistance Program application was submitted today. The FY18 audit and FY20 budget will be submitted as soon as they are available. It is understood that some municipalities do not adopt budgets before June 1, when applications are due.
- The Consumer Index for Anchorage (CPI-W) was changed to Consumer Price Index for Urban Alaska. A 3% Cost of Living Allowance (COLA) is included in the FY20 budget draft.

Musgrove said the *Employee Policy Plan* will be edited to reflect State of Alaska terminology.

- **LEPC** – Audrey Brown the May 13 LEPC meeting was cancelled due to lack of a quorum.

Emergency Preparedness – Audrey Brown reported:

- LEPC is working on the House Identification Project and building a seven-day survival kit. The local newspaper, Delta Wind, is posting an ad each week about building survival kits over the 24-week schedule. Brown distributed the pamphlets, *Homeland Security & Emergency Preparedness 7 Day Survival Kit*, several weeks earlier (March 5, 2019).

- Medication disposal kits, used to safely dispose of unused medications, are available at City Hall.

Public Health – Freda Degnan reported the Department of Health and Social Services posted information about heart disease and strokes in Alaska. The 70-page report is available online at the DHSS website.

Library – Freda Degnan reported:

- The State Library will advertise the Library Director position in Alaska and on the Pacific Northwest Library Association job website.

- Thirteen teachers, six classroom aides, 38 parents, little brothers and sisters plus nine babies in strollers accompanied 263 elementary students to the library in the past week. Each class received a new book and every student received a pencil, bookmark, flyer about the Summer Reading program, and a lollipop.
- Baby Laptime finished today and will resume in the fall. Story Hour will break and resume on June 12. Six-week Summer Reading programs start with two elementary sessions on June 11 and teens on June 13.
- A part-time Summer Reading Program aide will be hired by the end of the week.

Schools – Freda Degnan reported the school year ends on May 22.

Airport – Alan Levinson reported:

- An excavator was used to dig a 150-foot French drain in a low spot on Puddle Jumper Way. The City's dump truck and one rented from Paul Myers were used to haul gravel until they both broke down. The cul-de-sac and 30 to 50 feet of road are too soft to finish.
- The airport is experiencing a fair amount of traffic.
- A notice was issued by the Federal Aviation Administration about modifications to airspace adjoining Eielson Air Force Base, but will likely not affect local pilots.

Public Works – Charles Lester reported a plan is being drafted to repair potholes and seal cracks in city streets.

Park / Recreation – Mary Leith reported:

- Four newly-constructed picnic tables were purchased from the High School construction trades class. They replaced four picnic tables at the park that were in the worst condition.
- Four swings were replaced in the playground.
- Graffiti was removed from the restrooms in the park pavilion.

Hallgren said he loves walking through the park and marvels at the number of people who use it. The bright yellow canopy (donated to the community with playground equipment in 2013) is still in good shape.

Cemetery – Lou Heinbockel reported another burial is scheduled for May 27.

Discussion followed regarding difficulty in digging graves because of frozen ground.

At Large – Pete Hallgren reported:

- He attended a public meeting at Fort Greely on May 20 about potential missile launches. An announcement over the Missile Defense PA system will likely be heard in town. Local residents need to do nothing. People on Fort Greely are to shelter in place. A plume of exhaust gases, resulting from the fired missile, may take time to dissipate. People are asked to go indoors, close windows, and wait for clearance. Missiles will only be fired from Fort Greely if America is under ballistic missile attack.
- The City Council was asked to draft a resolution in April to support a trans-continental railroad, but its construction is not on the near horizon. The privately-funded railroad would transport freight and crude oil between Alberta and Fairbanks. Hallgren expressed concerns with being left out of the planning process and asked that City Administrator Mary Leith draft a letter to State representatives requesting the railroad be engineered with overpasses should it come through Delta Junction. One to 300 boxcars could have detrimental effects on the safety of the town because of disrupting emergency services and people commuting to work.

Additional Reports – Lou Heinbockel asked about the status of replacing the milepost at the Visitor Center and the fire truck parked outside of the fire station.

Leith said completion of the milepost project was delayed to mid-June. The fire truck is the 1982 Seagrave (Engine 502) that was approved to donate to Glennallen in January.

Discussion followed regarding cleaning up the old vehicle outside the fire station that was used for training.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Flower Cole thanked the Council for their continued support of Community Cleanup Day (May 18, 2019).

ADJOURNMENT

Degnan moved to adjourn at 7:26pm; Heinbockel seconded.