

City Council Minutes
Regular Meeting
May 19, 2020 ~ 5:00PM
City Hall, Delta Junction, Alaska



CALL TO ORDER / PLEDGE OF ALLEGIANCE / PRAYER

Mayor Musgrove called the meeting to order at 5:00pm in the large conference room.

Council members physically present: Mayor JW MUSGROVE

Deputy Mayor Freda DEGNAN, Lou HEINBOCKEL

Council present via phone: Audrey BROWN, Alan LEVINSON, Charles LESTER

Council member excused: Pete HALLGREN

Staff physically present: City Administrator Mary LEITH, City Clerk Pat WHITE

Staff present via phone: Finance Officer Stephanie ERICKSON, Library Director Tiki LEVINSON

Public present: Mike PRESTEGARD was physically present. Chris MAESTAS, Bryce WRIGLEY, and Kara MOORE attended via phone. The meeting was not broadcast over KDHS.

AMENDMENTS ~ APPROVAL OF AGENDA

Motion: Brown moved to approve the May 19, 2020 agenda; Heinbockel seconded.

Motion passed on a roll call with six in attendance.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Motion: Brown moved to approve the May 5, 2020 minutes; Heinbockel seconded.

Motion passed on a roll call with six in attendance.

COMMENTS FROM THE AUDIENCE

Chris Maestas reported Mr. Fromm was hired to fill the Deputy to the Garrison Commander position at Fort Greely.

REQUEST TO SPEAK

Cook & Haugeberg, LLC – FY19 Audit Review

Kara Moore, Senior Advisor, referenced three documents that pertained to the City's FY19 audit: 1) *Cook & Haugeberg, LLC Basic Financial Statements, Required Supplementary Information, Supplementary Information, and Single Audit Reports, Year End June 30, 2019 and Report of Independent Certified Public Accountants*, 2) *Communication of Internal Control Related Matters*, dated April 6, 2020, and 3) an audit letter to the Mayor and City Council, dated April 6, 2020. Moore explained a material weakness related to financial reporting and segregation of duties (pages 72/73 of bound *Financial Statements*), not uncommon in small organizations with limited staff. She stressed the importance of reconciling accounts at regular intervals throughout the year, so financial statements reflect accurate account balances. Nothing fraudulent was found, but segregation of duties would mitigate potential for it. Moore said FY19 findings will not likely be an issue when the FY20 audit begins. Discussion followed regarding establishing internal controls (a second person opening mail, handling cash, and reviewing monthly reconciliations), steps taken in FY19 to mitigate FY18 problems (a second party reviewing payroll and depositing checks), establishing a policy to track fixed assets so those purchased with federal and state funds can be disposed of properly, required reporting about the FY19 audit explained in the four-page letter, and scheduling a preview of the FY20 audit draft next year.

Change Visitor Center Opening Date

Bryce Wrigley reported the COVID pandemic hit within a few weeks of the Delta Farm Bureau being awarded the Visitor Center contract (Resolution 2020-04, dated February 18, 2020). The virus created problems with opening on Memorial Day weekend. Wrigley said he was prepared to ask for an extension, to open on June 15, but there is still uncertainty about when Alaska's border will open.

Motion: Brown moved to permit Bryce Wrigley to choose the 2020 opening date of the Visitor Center; Degnan seconded.

Motion passed on a roll call with six voting (Lester, Degnan, Heinbockel, Brown, Levinson, Musgrove).

Motion: Brown moved to move *Community Cleanup* from *Unfinished Business*; Heinbockel seconded. **Motion passed** on a roll call with six voting (Lester, Degnan, Heinbockel, Brown, Levinson, Musgrove).

Community Cleanup

Leith reported Community Cleanup will be held on May 30 in the Visitor Center parking lot, as in the past.

CORRESPONDENCE

City Logo Trademark

Musgrove reported the Council approved obtaining a trademark of the City logo from the State of Alaska (March 17, 2020). The certificate was received, and part of the cost was waived because of the COVID situation. [Alaska Service Mark #10131597 registered 04/14/2020 and expires 4/14/2025.]

New Liquor License Application – Sloan’s Restaurant

Motion: Degnan moved to show no objection to Sloan’s Restaurant liquor license application; Brown seconded. Leith reported wine and beer would be served with meals at Sloan’s Restaurant, but hard liquor would not. **Motion passed** on a roll call with six in attendance (Degnan, Heinbockel, Levinson, Lester, Brown, Musgrove).

Marijuana Transportation

Musgrove referred to a May 8, 2020 email and reported the State of Alaska rescinded an emergency regulation that was adopted to prevent the spread of COVID-19 by limiting travel into small communities. The regulation permitted marijuana and marijuana products to be transported unaccompanied on commercial air and marine carriers without being accompanied by a marijuana handler permittee.

UNFINISHED BUSINESS

Street Maintenance Priorities

Musgrove reported the street maintenance priority list was updated and he asked for Council input.

Motion: Lester moved to approve the street maintenance priorities as presented; Brown seconded.

Motion passed on a roll call with six in attendance (Levinson, Lester, Heinbockel, Degnan, Brown, Musgrove).

NEW BUSINESS

City Purchases over \$1,000

Motion: Heinbockel moved to approve checks #220646 through 220650 as presented; Degnan seconded.

Motion passed on a roll call with six in attendance (Brown, Lester, Levinson, Degnan, Heinbockel, Musgrove).

REPORTS

Mayor – JW Musgrove asked to schedule a budget work session before June 16.

Discussion followed regarding scheduling a one-hour work session on June 9 and significant expenses to consider.

City Administrator – Mary Leith reported:

- Delta Surveys received a list of requirements from the State of Alaska before the Pioneer Park can be surveyed. Once the requirements and the plat are approved by the Council, as the platting authority, the City can get the property appraised to determine its value. The lease with the State will be extended if necessary.
- The Memorandum of Agreement (MOA) with the Interior Alaska Medical Clinic (IAMC) was revised. (The agreement was drafted to accommodate COVID-19 overflow. Discussion was tabled during the May 5 Council meeting.) Leith reported the City of Delta Junction was added to IAMC’s liability insurance “as additionally insured ... for the duration of the contract.” A copy of the Certificate of Liability Insurance accompanies the revised MOA, which was signed by IAMC CEO James Whittington on May 18, 2020 and by Mayor Musgrove on May 19.

City Clerk – Pat White referred to COVID-19 and reported City Hall is no longer closed to the public, but is following *Alaska’s Plan to Reopen, Phase 2*.

Finance – Stephanie Erickson reported she is researching what expenses are considered COVID-related and how the relief funds are to be used. Anything remaining at the end of the calendar year, must be returned.

LEPC – Audrey Brown reported the next LEPC meeting will be on July 1 and, hopefully, the new membership applications can be approved.

Emergency Preparedness / Public Health – Audrey Brown reported Alaska has had over 300 cases of COVID-19 and 10 deaths. The most updated information about the pandemic can be found online (www.dhss.alaska.gov).

Library – Freda Degnan reported the library has been open on a limited basis for the past two weeks, the summer reading program may be delivered via online/distance delivery with, hopefully, small groups at the library, and state grant funds are being used to order elementary reading materials.

Schools – Lou Heinbockel reported he appreciated the High School graduation ceremony that was held outdoors at the fairgrounds.

Airport – Alan Levinson reported there is increased activity at the airport because of warmer weather and better conditions of the runway. The newer windsock is more visible because of its new frame.

Musgrove reported Airport Rentals provided a man-lift at no charge to help install the windsock and frame.

Public Works – Charles Lester reported the Public Works crew has been grading and compacting gravel roads. The rented compactor sprung a leak, was repaired, and is expected to be available tomorrow.

Leith expects to receive a quote from the Department of Transportation (DOT) by June 2 about how much it will cost to patch paved streets.

Park / Recreation – Lou Heinbockel asked about plans to maintain the ballfields at the park.

Leith reported some groups plan to practice, but all levels of statewide competitive sports have been cancelled.

Discussion followed regarding summer hire maintaining ballfields with the riding mower and weed whacker.

Cemetery – Lou Heinbockel reported the annual Memorial Day Ceremony will be held at Rest Haven on May 25. Discussion followed regarding American Legion and Veterans of Foreign Wars hosting the ceremony, observing State COVID restrictions (social gathering, providing chairs only for participants needing them, no food served afterwards at the Moose Lodge, requesting people who are susceptible or have symptoms of illness to refrain from attending), and plans to place the traditional flags on veteran’s graves on May 24.

At Large – JW Musgrove reported another spay and neuter clinic will be held in the Public Works building on June 23. Heart Fur Animals and veterinarian, Jeanne Olson, plan to follow safety guidelines as mandated by the State of Alaska. Pets will be dropped off. Anyone choosing to wait will be separated by six feet.

Additional Reports – Lou Heinbockel reported:

- “Downtown Delta Junction looks the best” he has ever seen it during breakup. He complimented the DOT for cleaning trash and picking up gravel.
- An Alaska State Trooper was dispatched to the Alaskan Steakhouse at 9:00am yesterday to escort customers from the building because a restaurant employee felt they were not six feet apart.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Brown expressed gratitude toward Heart Fur Animals volunteers who helped her locate her 13-year old blind dog.

ADJOURNMENT – 7:17pm

Mayor JW Musgrove

Pat White, City Clerk

CITY
SEAL

Approved: June ---, 2020