

**City Council Minutes**  
**Regular Meeting**  
**September 7, 2021 ~ 5:00PM**  
**City Hall, Delta Junction, Alaska**



**CALL TO ORDER / PLEDGE OF ALLEGIANCE / PRAYER**

Councilman Pete Hallgren called the meeting to order at 5:02pm.

**Council members physically present:** Pete HALLGREN, Michael PRESTEGARD, Alan LEVINSON, Charles LESTER, Erin CATTERSON

**Council excused:** Mayor Lou HEINBOCKEL

**Staff physically present:** City Administrator Mary Leith, Administrative Assistant Flower Cole, Library Director Tiki Levinson, City Clerk Pat White

**Staff present via phone:** Finance Officer Stephanie Erickson

Four local residents and guest speaker Wendie McNaughton were physically present for parts of the meeting, one local resident attended by phone, and the meeting was broadcast over KDHS 95.5 FM radio.

**AMENDMENTS ~ APPROVAL OF AGENDA**

Hallgren explained that Wendy McNaughton would address the Council and public after the agenda is adopted.

Motion: Levinson moved to approve the September 7, 2021 agenda as amended (moving *Request to Speak* up on the agenda); Prestegard seconded.

Motion passed on a roll call with five in attendance.

Hallgren reported he would chair the meeting in Mayor Lou Heinbockel's absence (City Code 1.10.050(b)) and until a Deputy Mayor is appointed (bottom of page one).

**REQUEST TO SPEAK**

Wendie MacNaughton, Pogo Mine External Affairs Manager, narrated a slideshow and explained Northern Star Resource's annual report pertaining to Pogo Mine. Notwithstanding COVID challenges, they ended the year "in a good place." Northern Star has three main operation centers; Pogo, the only North American operation, and two in western Australia. Northern Star sold 204,000 ounces of gold from the Pogo operation, up 17% from the previous year. The mine life was very short when Northern Star purchased Pogo, so significant investment was required for both exploration and upgrading their facilities. Upgrading the mill to process ore faster and more efficiently is expected to cost \$36 million. The capital investment plan for 2021 is \$55 million. Mine life is difficult to predict, but resources grew to 6.9-million ounces with 1.5 million in reserves. McNaughton touched on restoration, plans to reduce emissions by 2030, zero by 2050, specifics in Northern Star's global company: 80% of employees being shareholders, 3,300 employees (515 at Pogo not including 150 contractors), more stability in hiring local residents, and several other statistics. Pogo has over 50 environmental permits, each one with scheduled testing and maintenance. Due to shortages during the COVID pandemic last year, Northern Star worked with Australia's procurement team to provide \$1.5 million in Personal Protective Equipment to Alaskans. Pogo increased their financial support to the City (from \$150,000), committing \$200,000 annually for the next three years.

Discussion followed regarding reestablishing quarterly meetings to discuss community support (\$150,000/year), Pogo's contribution being the City's second largest source of income, and more information online (nsrltd.com).

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

Motion: Levinson moved to approve the August 17, 2021 draft minutes; Lester seconded.

Motion passed on a roll call with five in attendance.

**APPOINT NEW DEPUTY MAYOR**

Hallgren reported Deputy Mayor Lou Heinbockel automatically stepped into the mayor role when Freda Degnan resigned, effective September 5, 2021 (City Code §1.25.040). The Council shall appoint one of their members as Deputy Mayor to serve until the next regular election is certified and newly-elected are sworn in (October 12), and new members take office (October 18). Hallgren offered to serve as Deputy Mayor through mid-October, but not as a candidate for Mayor or Deputy Mayor thereafter. He called for nominations with none being offered.

Motion: Prestegard moved to appoint Pete Hallgren as Deputy Mayor to serve through October 19, 2021; Catterson seconded.

Motion passed on a roll call with five in attendance (Prestegard, Catterson, Lester, Levinson, Hallgren).

**COMMENTS ON NON-AGENDA ITEMS - none****CORRESPONDENCE****Alcoholic Beverage Control Board – Proposed Regulation Changes**

White reported the Alcohol and Marijuana Control Board requested feedback from local governments regarding proposed changes to the Alaska Administrative Code, extending entrances of licensee's business premises by 50 feet, i.e. sidewalk or parking lot, to allow for curbside service.

Hallgren asked to postpone action until the proposed changes can be reviewed.

**UNFINISHED BUSINESS****Second Reading and Adoption, Ordinance 2022-02, An Ordinance for the City of Delta Junction, Alaska Providing for Amendment of the FY21 Budget**

Hallgren reported \$480,395 of the FY21 budget was unspent as of June 30, 2021. Ordinance 2022-02 provides allocation of unspent funds to pay for additional expenses (August 11, 2021 *FY21 Budget Reconciliation*). He called for public input with none being offered. He closed the public hearing.

Motion: Lester moved to adopt Ordinance 2022-02, amending the FY21 budget; Prestegard seconded.

Motion passed on a roll call with five in attendance (Levinson, Lester, Catterson, Prestegard, Hallgren).

**Resolution 2022-04, A Resolution Amending the *Employee Policy Plan* Regarding Salaried Employees**

Leith reported details were added to explain hourly employee increases since the August 17 Council meeting.

Motion: Levinson moved to adopt Resolution 2022-04, amending the *Employee Policy Plan*; Hallgren seconded.

Discussion followed regarding changes and Levinson abstaining from voting.

Motion passed on a roll call with four voting (Catterson, Prestegard, Lester, Hallgren).

**River Walk Pipeline Weights**

Leith referenced her August 23 memo, recommending burying the pipeline river weights, and said she received another quote today that was \$7,000 less than Matt Walker's (discussed at the August 17 meeting).

Mindy Eggleston, President, Delta Junction Trails Association (DJTA), said she preferred burying the river weights now instead of spring because it is difficult to manage the River Walk project with the upcoming grant cycle and other trail projects. Geoffrey Orth, DJTA Project Manager, conveyed intentions with the Department of Natural Resources about burying the river weights and moving gravel.

Hallgren suggested getting legal input and possibly an escape clause in the event that digging must be terminated. He asked for assurance that the plan is lawful without a formal bid process.

Discussion followed regarding the majority of the river weights on City property, burying them next to where they are located, reconciling the FY22 budget at a later date, and Lester abstaining from voting.

Motion: Hallgren moved to allocate up to \$35,000 to bury the pipeline river weights, subject to advice by the City Attorney; Levinson seconded.

Motion passed on a roll call with four voting (Prestegard, Levinson, Catterson, Hallgren).

Steve McCombs said that developing the River Walk, another beautiful trail within the city limits, removed three major public nuisances: the unauthorized shooting range, the old dump, and the pipeline river weights.

**NEW BUSINESS****City Purchases over \$1,000**

CK# 221453 to Aetna - \$11,917.00 for September group health insurance

CK# 221454 to NC Machinery - \$1,790.42 for D6 Dozer parts

CK# 221455 to Alliance CPAs LLC - \$1,216.47 for FY21 audit, #2 payment

CK# 221456 to Fluent IMS – \$1,200.00 for annual Fire Department subscription and hardware rental fee

CK# 221457 to Bill's Small Tractor Service - \$5,756.00 for 2021 lawn contract, #3 of 3

CK# 221458 to 907 Fabtek - \$1,000.00 to weld aluminum frame to hold water bladder (to be bolted onto Tender 162)

Motion: Levinson moved to approve checks #221453 through 221458; Catterson seconded.

Discussion followed regarding firefighters using cell phones instead of handheld radios (CK# 221456).

Motion passed on a roll call with five in attendance (Lester, Prestegard, Levinson, Catterson, Hallgren).

**REPORTS**

**Mayor** – Pete Hallgren reported:

- The candidate filing period ends September 10.

- The Alaska Municipal League holds an annual conference that is extremely useful to councils and assemblies. The Local Government Conference is November 15-17 in Anchorage. Newly Elected Officials training, November 9/10, will be virtual and free, but participants must pre-register online. Discussion followed regarding benefits of networking, funds budgeted every year, and registering by October 15.

**Airport** – Alan Levinson reported:

- The airport has been fairly busy with good weather and hunting activity. One helicopter is renting space and another one is expected on September 9.
- Nearly all of the tie-downs are leased, so JW Musgrove is mowing another area.
- Winter is approaching, but nothing has been done to develop airport subdivision roads that are to be added to the road maintenance list.

**Schools** - Erin Catterson reported:

- The High School is active with soccer, volleyball, and cross country. The first home cross-country meet was on Mil-Tan on September 5. The Jr. High participated in an invitational at Kenny Lake.
- Bathroom remodels were finished at the Junior High School and near the High School lobby.

Leith reported the skating agreement between Delta Skating Association, the school district, and the City is due to be renegotiated.

**Emergency Services** – no report

**Emergency Preparedness** – Michael Prestegard reminded the public to prepare for the upcoming winter.

**Health & Safety** – Mike Prestegard reported:

- New variant COVID cases are increasing.
- Beginning October 24, the 907 prefix will be required on all long-distance and local calls. The entire nation will switch to 10-digit dialing.

**Park & Recreation** – Mike Prestegard reported kids challenge each other every spring when the roof of the pavilion is covered with snow. He asked to secure the rooftop before someone is injured. Use chain link fencing or build shutters and lock the bottom of the stairs. Post public notice on the pavilion explaining why access is denied. Discussion followed regarding more effort to make the park more presentable when different organizations host events and difficulty in cutting during rainy weather.

**Library** – Tiki Levinson reported she was awarded a grant through the American Library Association, intended for small rural libraries to work within their communities. The library partnered with the Delta Junction Trails Association to celebrate the grand opening of the River Walk Park on September 11, 11:30-2:00. She encouraged public participation in a Storywalk featuring local author Cindy Lou Aillaud's book, *Recess at 20 Below*, and to follow the signs and activities along the new trail.

**Public Works / Landfill** – Mary Leith reported:

- Henry Muth added gravel to unpaved streets and brushed street edges to prepare for snow removal.
- New tracks and maintenance of the Skid Steer will cost approximately \$10,000.
- Parts and new tracks for the D6 Dozer will cost around \$20,000.

**Cemetery** – no report**At Large** – no report

**City Administrator** – Mary Leith reported she communicated with the Department of Transportation Security Management in Fairbanks about additional pressures on the Alaska and Richardson highways from the Kinross project. DOT shares concerns about traffic patterns, road impact, and pavement monitoring systems. Leith suggested installing a stop light where Nistler Road intersects with the Richardson Highway.

**City Clerk** – no report**Finance** – no report**Additional Reports** – no report**ADDITIONAL PUBLIC AND COUNCIL COMMENTS** - none**ADJOURNMENT** – 7:06pm

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Lou Heinbockel, Mayor

CITY  
SEAL

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Pat White, City Clerk

Approved: September 21, 2021