

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



CALL TO ORDER / PLEDGE OF ALLEGIANCE / PRAYER

Mayor JW Musgrove called the meeting to order at approximately 5:00pm.

Council members present: Mayor JW MUSGROVE,

Deputy Mayor Mike PRESTEGARD, Lou HEINBOCKEL, Pete HALLGREN, Emily DOVE, Alan LEVINSON

Council attending by phone: Erin CATTERSON

Staff present: City Administrator Mary Leith, City Clerk Pat White

Staff present via phone: Administrative Assistant Flower Cole, Library Director Tiki Levinson

Two community members and one guest speaker attended telephonically and the meeting was broadcast over KDHS 95.5 FM radio.

AMENDMENTS ~ APPROVAL OF AGENDA

Musgrove reported he will call for *New Business: Resolution 2022-05* after Blake Phillips' presentation under *Request to Speak*.

Motion: Levinson moved to approve the December 7, 2021 agenda as presented; Hallgren seconded.

Motion passed unanimously on a roll call vote.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Motion: Levinson moved to approve the November 16, 2021 draft minutes as presented; Hallgren seconded.

Motion passed unanimously on a roll call vote.

COMMENTS ON NON-AGENDA ITEMS - none

REQUEST TO SPEAK

Blake Phillips, Alaska Permanent Capital Management

Blake Phillips, Director of Institutional Solutions, Alaska Permanent Capital Management, referred to a handout, *City of Delta Junction Investment Review* for the period ending October 31, 2021, and reported the only change from the FY20 investment (Resolution 2020-02, dated October 1, 2019) was the expected sustainable distribution rate, 2.7% for 2020 and 2.4% for 2022. The City's Permanent Fund (\$1,602,866) market value was \$1.96 million as of September 10, 2021 and \$1.98 million as of December 6, 2021. Phillips explained the investment report, which was based off 45% fixed income, 47% stocks, and 8% alternatives. He touched on a variety of topics: elevated supply chain expected to continue, low deficits projected over the next seven or eight years, difficulty in stimulating the economy, surge in last year's coronavirus count and mortality rate, not expecting the same from the Delta variant, confidence in treating the new Omicron, wage inflation and associated problems, fiscal spending, etc. Phillips shared concern with the level of deficit and advised the Council to expect less returns than the last couple of years. Adjustments can be made to the portfolio, but he was comfortable with it. The resolution process is to affirm asset allocations and should be done annually. It was not done in 2020 due to COVID lockdowns. Hallgren said the 2.4% sustainable distribution would be approximately \$48,000/year and he was not interested in adding more risk.

See adoption of *Resolution 2022-05*.

Resolution 2022-05, A Resolution Pertaining to the Authorized Investments of, Investment Allocations of, and Establishing Appropriate Benchmarks to Measure Performance of the City's Permanent Fund for Fiscal Year 2022

Discussion followed regarding typos: "tear" corrected to "year" (paragraph 9, page 2 of *Resolution 2022-05*) and Infrastructure spelling corrected (*Asset Allocation Plan* insert, page one of *Resolution 2022-05*).

Motion: Heinbockel moved to approve Resolution 2022-05 as corrected; Dove seconded.

Motion passed unanimously on a roll call vote.

CORRESPONDENCE

Nenana Ice Classic – Gaming Permit Renewal

Motion: Heinbockel moved to show no opposition to Nenana Ice Classic's permit renewal; Hallgren seconded.

Motion passed unanimously on a roll call vote.

UNFINISHED BUSINESS

Heinbockel asked to not forget about researching competitive wages (discussed in October and November).

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

CK# 221642 to Interior Hardware - \$1,477.34 for welding and Fire Hall supplies

CK# 221643 to Construction Machinery - \$1,014.06 for loader parts

CK# 221644 to Guess & Rudd - \$2,340.00 for legal services (ambulance contract renewal, elections, mayor term, Legislative EIS range expansion)

CK# 221645 to ESRI, Inc. - \$1,727.00 for mapping software renewal

CK# 221646 to NC Machinery - \$24,112.17 to repair/replace D6 track

CK# 221647 to ProComm Alaska LLC - \$3,309.32 to service the emergency radio system (troubleshoot and repair equipment)

CK# 221648 to Arctic Fire & Safety - \$1,744.95 to recharge and update fire extinguishers

CK# 221649 to Delta Transport Services - \$8,070.56 for heating and equipment fuel, half of which was for unscheduled deliveries

Motion: Heinbockel moved to approve checks #221642 through 221649; Levinson seconded.

Discussion followed regarding whether the 2006 MOA with USARAK was part of fire protection (CK# 221644), funding for the D6 track (221646), backup in case main phone line fails (221647), and Delta Transport Services providing fuel for the Fire Hall and Public Works building on a weekend (221649).

Heinbockel said the next time Vitus fails to meet the terms of the fuel contract, the contract should be terminated.

Motion passed unanimously on a roll call vote.

Alaska Municipal League (AML) Shared Services - Financial Solutions

Musgrove reported the finance position has not been filled, although one person is interested. He suggested reducing the job requirement to a two-year degree, changing the full-time position to part-time, and contracting with AML Shared Services, a new department, to manage the City's accounting.

Leith said Coronavirus Aid, Relief, and Economic Security (CARES) funds must be used by December 31. The remaining \$20,867 could be used to pay the \$2,500 upfront fee and subsequent monthly fees. AML would be a buffer during the interim period and will not cost more than wages and benefits of a full-time employee. A part-time employee could work into full-time once AML services are no longer needed.

Discussion followed regarding AML accessing City records through the finance computer, not knowing the total monthly cost to contract with them, revisiting the contract annually, still advertising a full-time position on the City's website, estimated four to six hours to do each payroll (26/year), paying \$60/hour to keep up with financial responsibilities, and it being too late to consider other community programs utilizing leftover CARES funds.

Motion: Levinson moved to hire AML Shared Services as an interim measure to cover the City finance position, to hire a part-time local employee, and to explore changing it back to full-time in the future; Heinbockel seconded.

Motion passed unanimously on a roll call vote.

AML Shared Services - American Rescue Plan Act (ARPA) Compliance Support Service Agreement

Musgrove reported AML helped manage the first COVID stimulus funds and they will charge \$750 as a base fee to manage the \$1,452,977.73 American Rescue Plan Act (ARPA) Coronavirus Local Fiscal Recovery Fund (CLFRF). Requirements of the second handouts are onerous and not yet established, but they promote "investments in water, sewer, or broadband infrastructure."

Leith reported \$500 was paid to AML and an agreement was signed (May 23, 2021) when it was understood that CLFRF funding would be \$400,000. (AML charges \$750 for allocations over one million.) The first half of the \$1.4 million (\$724,000+) was received and put in a separate account.

Discussion followed regarding whether to distribute funds to individuals or to promote projects that could be useful to the general public, i.e. commercial well, improved bandwidth, or expand meals-on-wheels to Tok.

Motion: Levinson moved to authorize signing the ARPA Compliance Agreement with AML Shared Services to manage the Coronavirus Local Fiscal Recovery Fund for its best use within the community; Hallgren seconded.

Motion passed unanimously on a roll call vote.

2022 City Holiday Schedule

White reported the draft schedule was shared with City employees. One discrepancy was the landfill operator's day off (Monday) and closing the landfill the following day (his observed holiday). Seven Tuesdays would have been affected, but Public Works will cover the landfill to keep regular Tuesdays open to the public.

Discussion followed regarding employees being paid time and a half for working on a holiday.

Motion: Heinbockel moved to approve the 2022 holiday schedule as presented; Levinson seconded.

Motion passed unanimously on a roll call vote.

Resolution 2022-05, A Resolution Pertaining to the Authorized Investments of, Investment Allocations of, and Establishing Appropriate Benchmarks to Measure Performance of the City's Permanent Fund for Fiscal Year 2022 – Moved to *Request to Speak* (page one)

Local Municipality Input - Proposed Changes to Title 13 of the Alaska Administrative Code – All-Purpose Vehicles Allowed on Public Roads with Maximum Speed of 45mph

[Beginning January 1, 2022, Governor Mike Dunleavy's administration will allow all-terrain vehicles, not including snow machines and hovercrafts, on public roads with speed limits up to 45mph. Municipalities can opt out of the proposed changes and prohibit all-purpose vehicles on public roadways within their jurisdiction.] Discussion followed regarding City streets lacking adequate rights-of-way and the State of Alaska requiring Class D driver's licenses (18 and older), license plates, motor vehicle registration, insurance, possibly seatbelts, etc. Hallgren said the AAC Code changes are more applicable to villages. He suggested taking no action. Heinbockel said he strongly supports snow machines, four-wheelers, and ATVs on roadways as long as they obey the law. Damage on Mil-Tan Road was caused by four-wheelers that were unable to drive on the road. Catterson questioned requirements on older model ATVs and said 45mph is fast for an off-road vehicle. Musgrove said if the City does nothing to oppose the regulation changes, safety requirements will be enforced by the local Alaska State Troopers.

Community Center Lease Fees

Musgrove reported the Community Center is leased each year for a community Thanksgiving dinner, except in 2020 when it was cancelled because of COVID. New hosts organized this year's event (and have already reserved the Community Center for 2022).

Motion: Heinbockel moved to permanently waive the \$150.00 building fees to rent the Community Center for the annual Community Thanksgiving dinner, but not the \$300.00 cleaning deposit; Hallgren seconded.

Motion passed unanimously on a roll call vote.

REPORTS

Mayor – JW Musgrove reported the landfill equipment operator and maintenance positions were filled, but a part-time employee to assist the equipment operator is still pending. Two people applied for after-hour equipment operator positions and have already plowed the runway and airport subdivision roads. All new hires passed pre-employment drug testing.

Airport – no report

Library – Emily Dove reported:

- The library is hosting the Annual Gingerbread House Competition, courtesy of the Boeing Company who sponsored the event. Entries are due on December 11 and will be on display all next week.
- The Delta Library Board “decked the halls” of the library on November 29.
- The Lego Challenge had 102 entries in November. Colt Coen, Zoe McDaniel and Kirk Saarloos were the lucky winners that took home new Lego sets.
- ACS has been upgrading the broadband signal at the library. If all goes as promised, the speed will double (50 megabytes per second).

Tiki Levinson reported:

- Twelve gnomes were hidden at the library for scavenger hunts.
- She attended a resource fair at Fort Greely on December 3.

Health & Safety – Emily Dove reported:

• There are 77 current COVID hospitalizations in Alaska, down from 104 the previous week. There were 196 COVID cases in Alaska in the past seven days. Five were from Delta Junction. Updates are posted online (coronavirus.alaska.gov). According to the Department of Health and Social Services, the Omicron variant has not yet been detected in Alaska.

- COVID testing is available at both the local clinics. The Delta Public Health office is offering free home test kits, limited to one per person (2 tests per kit).

- To date, 56% of Alaskans are fully vaccinated, but only 35% from the Southeast Fairbanks Census Area.
- Family Medical Center accepts walk-in appointments for vaccines on Wednesdays. Capstone will hold a vaccine clinic on December 10. Public Health office appointments can be made online (myhealth.alaska.gov). Discussion followed regarding Delta Junction having the lowest vaccination rate in the entire state, the Public Health's position to encourage and educate about vaccines, and personal choice being the deciding factor.

- Visit the National Weather Service site (weather.gov) for current weather advisories and preparedness information. Dress for cold weather and carry winter survival gear, even on short trips.

Schools - Erin Catterson reported:

- A Christmas Art Gala will be held at the Delta Elementary School on December 14. There will be art displays, a Christmas concert, a scavenger hunt, and pictures with the Grinch.
- Christmas break will be December 17 through January 4.
- The Delta Junior High will have a Christmas Band / Choir Concert at the High School on December 11.
- The High School Hockey team plays Wasilla at UAF on December 11 and Tri-Valley in Delta on December 16 and 17.

Emergency Services – no report

Emergency Preparedness – Mike Prestegard referred to a power outage on December 3 that left many homes in Deltana and the Tanana Flats without electricity (7:00am to 5:00pm when temperatures were around -40°). He encouraged everyone to make sure their alternative power sources are functional and ready for emergencies.

Park & Recreation – Mike Prestegard reported plans to communicate with park, trails, and recreation users.

Public Works – Lou Heinbockel asked to do a better job in advertising landfill closures (-30° cutoff).

Landfill – Lou Heinbockel reported some areas still have hard pack, but roads are in good condition.

Discussion followed regarding landfill operating expenses and concern about them increasing.

Cemetery – no report

At Large – no report

City Administrator – Mary Leith reported:

- She is still researching \$700/month fees from AT+T for electricity at the Donnelly Dome television tower.
- Coastal Television Broadcasting (FOX/ABC) wants to install a translator at Donnelly before January 10.
- The Department of Natural Resources, Division of Forestry is soliciting public input for revision of the Tanana Valley State Forest Management Plan. Written comments are due by 5:00pm, January 2, 2022. Information is online (<http://dnr.alaska.gov/commis/pic/pubnotfrm.htm>).
- The Alaska Department of Transportation and Public Facilities will conduct a study of the Richardson Highway between MP 206 and 233 (Paxson and Delta Junction) to bring the road up to current design standards, address safety and operational deficiencies, and reduce maintenance costs. More information is online (<https://richardson-highway-mp-206-233-akdot.hub.arcgis.com/>).

City Clerk – Pat White reported she and Flower Cole recertified as passport agents. The annual review took three hours and the test took ten minutes.

Finance – no report

Additional Reports – Lou Heinbockel reported the U.S. Army opened the road to Donnelly Flats.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Hallgren wished everyone a Merry Christmas.

ADJOURNMENT – 8:02pm

JW Musgrove, Mayor

CITY
SEAL

Pat White, City Clerk

Approved: December 21, 2021