

City Council Minutes
Regular Meeting
February 7, 2023 ~ 5:00PM
City Hall, Delta Junction, Alaska



CALL TO ORDER / PLEDGE OF ALLEGIANCE / PRAYER

Mayor JW Musgrove called the meeting to order at 5:08pm.

Council members present: Mayor JW MUSGROVE, Deputy Mayor Emily DOVE,
Mike PRESTEGARD, Travis RIESNER

Council members attending via Zoom: Pete HALLGREN, Pamela RAWSON (until 7:15pm)

Council members excused: Igor ZAREMBA

City staff present: City Administrator Ken Greenleaf, Library Director Tiki Levinson,
Landfill Equipment Operator Tenali Hicks, City Clerk Pat White

City staff attending via Zoom: Administrative Assistant Flower Cole

Public: Six residents were physically present at the beginning of the meeting, thirteen local and out-of-town residents attended via Zoom, ten Kinross Manh Choh personnel were in attendance throughout the meeting, and the meeting was broadcast over the Delta-Greely High School radio, KDHS, 95.5 FM.

AMENDMENTS ~ APPROVAL OF AGENDA

Musgrove reported *Ordinance 2023-02* would be removed from *New Business* and *Repairs of the Arctic Cat Snowmachine* would be added.

Motion: Dove moved to approve the February 7, 2023 agenda as amended; Riesner seconded.

Hallgren questioned why 911 and E911 Dispatch were not mentioned in Ordinance 2023-02.

Motion passed on a roll call with six in attendance.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

Motion: Riesner moved to approve the minutes from the January 17, 2023 meeting; Prestegard seconded.

Motion passed on a roll call with six in attendance.

COMMENTS ON NON-AGENDA ITEMS

James Squyres reported Alaska Municipal League (AML) passes resolutions each year at the annual convention in which Delta Junction City Council members attend. Resolution 2023-03 pressures the Local Boundary Commission (LBC) to use the legislative review process to organize boroughs without a vote of the people who would be affected by it. The Delta City Council should have discussed Resolution 2023-03 in advance and voted against it at the AML conference last December because it is contrary to the way of life in the unorganized borough. It passed unanimously at the December conference along with other concerning resolutions in previous years. Squyres asked Council to read Article 10, Section 12 of the Alaska Constitution about constitutional power of the LBC and to withdraw their membership from AML because AML is seeking to use their power as lobbyists with the City of Delta Junction's membership dues and votes that work against our best interests. The LBC plans to add the topic of borough formation to their spring workshop.

Hallgren agreed that, like any large organization, AML pushes issues that are not always in the best interest of Delta Junction, but a Delta Borough would not be useful at this time. AML and AMLIP (Alaska Municipal League Investment Pool) have been helpful and they continue to be with a new administrator and new Council members.

Bill Ward shared written comments, *Safety – Truck Operations – Highway Impact*, about Kinross / Manh Choh's ore transportation plan, of which he is very critical because of his 50+ years of experience in trucking. Many details in the transportation plan are not fully understood. Kinross employees are miners, not truckers. Ward estimated the truck design is a simple computer printout of a weight distribution plan. Kinross trucks will be extremely large and heavy, 165,000 pounds gross weight; the heaviest trucks in Alaska without an overweight permit. They will create dangerous conditions and they will frustrate other traffic because they will be unable to maintain highway speeds. They will destroy roads and bridges between Tetlin and Fairbanks. The weight and size of the trucks will create nightmares for public safety, emergency services, and school buses. Other than license fees and fuel taxes, Kinross will contribute nothing toward what it will cost the State of Alaska to maintain the roads. It would be less expensive for the State of Alaska to write Kinross a check to build a plant in Tetlin.

David Cornberg reported he is part of the Advocates for *Safe Alaska Highways (SAH)* group, who have repeatedly asked Kinross how they intend to manage northbound trucks approaching the school entrance to Salcha Elementary School on the Richardson Highway because the stopping distance for trucks at highway

speed requires about half a mile. Kinross has given no explanation. According to current information provided by the Department of Transportation (DOT), they initially planned to build 26 pullouts between Delta and Eielson, but now only ten. The pullouts are based on 2016 data that assume the size of the vehicle entering the pullout would be a 40-foot RV, not a 96-foot truck. DOT has no plans to update their data. Also, ASAH has asked Kinross how they will accommodate additional traffic on the road, i.e., military convoys and school buses. There are 100 bus stops between Tetlin and Fort Knox. To date there has been no answer from Kinross.

James Squyres reported the bottleneck in the ore haul plan is the Johnson and Gerstle River bridges that need to be replaced before the ore haul begins (2024). The State Permanent Fund invested \$10 million in Contango, a joint partner with Kinross, prior to the Johnson River bridge appearing on the Statewide Transportation Improvement Program (STIP). Replacing the Johnson River bridge won't be until 2024 and if it does not get bumped by other statewide priorities. The Gerstle River bridge is not on the STIP.

David Cornberg agreed that the Johnson River and Gerstle River bridges need to be replaced, but the Robertson and Chena Hot Springs bridges are also problematic. They have asked DOT multiple times whether the Chena Hot Springs bridge can handle the repeated weight. The project should be stopped. There is nothing positive about it. Black Gold Transport was created when Kinross could not find a trucking company in Alaska, Canada, or the Lower 48. Cornberg said ASAH has heard of no training program from Kinross or Black Gold.

Discussion followed regarding noise from air brakes, whether trips to Fairbanks will take longer due to the number of trucks on the road, finding experienced drivers, and if the rail is a consideration.

REQUEST TO SPEAK

Kinross Manh Choh Project Update

Tyler Bruce, Manh Choh Project Director, followed a PowerPoint and reported they are in their final stages of the study portion of the project and have half of the permits. They expect to get the rest before starting construction this year. In 2022, they exceeded 150,000 personnel hours on site without injuries; filled in 50% of the five acres of wetlands, replacing culverts along Twin Tetlin Road; purchased, refurbished, and expanded the Westmark Hotel in Fairbanks, now Manh Choh Camp, to accommodate 176 non-local personnel; completed construction of Twin Tetlin Road, a five mile road to the Alaska Highway and three of the 11 miles of road to access the mine; signed contracts with Black Gold Transport (BGT) for ore hauling, their mining partner (not yet announced publicly), most of the summer construction projects; and completed exploration, 17 drill-holes around the existing pit (results not back yet). Manh Choh had a four-and-a-half-year mine life and will open in March. It is unknown if there is anything else to mine. Pending receipt of operation permits, Bruce explained construction plans for 2023, starting in March or April. Fifty people are on presently on site and will exceed 200 during the construction season. A year from now there will be 150 people each day. Mining will commence this summer once 14 trucks of equipment is delivered. They plan an average of 60 round trips per day, varying on breakdowns and bad weather; 30 trucks on the road in a 12-hour shift. There will be a truck on the road traveling in either direction every 15 minutes. They will be 95 feet, a tractor and two trailers, with 16 axles and more than 50 tires. The more tires, the more brakes and stopping power. Trucks will use new, high-efficiency, and low emissions engines that meet the EPA 2021 standards. Emissions will be reduced by 90% compared to a normal truck. Payloads will be 50 tons per truck (25 tons per trailer). DOT has worked closely with Kinross since they purchased the property; they helped select the truck style and offered feedback to ensure trucks are safe with legal loads. Rocks will be 16" and smaller, and trucks will be weighed on site before they hit the road.

Discussion followed regarding 16 new passing lanes (ASAH reported 10 – see Cornberg comment at top of page) and Kinross inviting local businesses to contract with them.

Sherry Decker said the project will not work if the pullouts are not bigger.

Bill Ward questioned why Kinross proposed processing 5,000 tons per day to operate a processing plant, but now estimate 3,000 tons. Ore deposits extend all the way to the Canadian Border.

Bruce said 3,000 is a better target. A processing plant in Tetlin would not be permitted because of the amount of ore body and tailings required to store on site. Manh Choh would never get developed if they had to build a processing plant because it would cost hundreds of millions of dollars. They cannot count on projected ore deposits.

Al Edgren asked whether Kinross implemented comments that were previously made during a public meeting. Can trucks stop during school bus hours, similar to fuel haulers not traveling during Salcha Elementary School's? Can trucks stop on Saturdays, so the public can travel without having to compete for the road?

Bruce said there were a number of suggestions that were adopted, but he could not answer Edgren's questions.

Shane Parrow, Manh Choh Operations Director, reported the operations team will take over once construction is finished. He referenced several websites listing job opportunities between Northway and Fort Knox (page 14 of the February 7 PowerPoint) including their own (manhchoh.com/careers). They will host another job fair in March for Black Gold and Afognak and one in April or May for mining contracts. Mining and Petroleum Training Service was granted \$300,000 to train locals, giving people opportunities to develop necessary skills. They are also working with Northern Industrial Training (NIT) to train people in maintenance. Regarding community relations, Parrow reported in the past year project representatives have engaged with more than 4,200 community members. Only 31 were in open public meetings. They invested over \$190,000 locally, plan to create a Community Advisory Committee, and enhance community involvement and investments.

Riesner questioned whether Kinross or BGT would take responsibility and loss for cracked windshields. It would be a common occurrence because of 50+ tires per truck and passing them multiple times to/from Fairbanks.

Would they provide a hotline for people to call? Kinross trucks will increase the likelihood of damage to vehicles.

Bruce said occurrence would be no more than with any other vehicle, usually when they leave a pullout. At this time Kinross does not have a mechanism in place to address damage to private vehicles.

Discussion followed regarding Kinross trucks being highway-legal, naivety to not expect accidents, a tow truck capable of moving large vehicles (equipment not necessary), and Kinross putting together a detailed response plan to such incidents.

Bill Ward suggested creating an independent safety officer to monitor the safety and driving of trucks.

Bruce reported there will be safety officers that work for Kinross and safety officers that work for Black Gold.

There will be cameras in the cabs and they have capability to communicate with drivers.

Mary Ferrall asked if DOT had concerns with the legacy bridges.

Bruce said they worked with bridge engineers at DOT in selecting the truck configuration, which is reason why there are so many axles.

CORRESPONDENCE - none

UNFINISHED BUSINESS

L150 Landfill Loader Disposition

Greenleaf reported the 20-year-old small loader at the landfill has a broken hydraulic pump that sheared bolts and caused other damage. It was hauled to the dealer in Fairbanks, who quoted approximately \$20,000 to fix it. Greenleaf recommended auctioning it in a silent bid to recover costs of transport and assessment (roughly \$3,000). He reported North Star Mine (Pogo) donated \$150,000 to purchase a new loader.

Motion: Hallgren moved to thank Pogo for their generosity and to sell the L150 loader as recommended; Prestegard seconded.

Discussion followed regarding auctioning the L150 in Fairbanks or locally.

Motion passed on a roll call with six in attendance (Dove, Hallgren, Prestegard, Rawson, Riesner, Musgrove).

NEW BUSINESS

Introduction and First Reading of Ordinance 2023-02, Amending Extraterritorial Jurisdiction that was adopted on September 20, 2022 – postponed

Repairs of Arctic Cat Snowmachine

Musgrove reported the 2008 Arctic Cat snowmachine was leaking gasoline. One vendor estimated \$1,300 to repair it. It does not get used often. The odometer reads 74 miles. Tracks have very little wear.

Erin Catterson, Delta Junction Fire Chief, reported the snowmachine was purchased with a Code Blue grant and was valued between \$3,000 and \$5,000. The cracked fuel tank needs to be replaced by an actual snowmachine shop. Money is in the budget to repair it.

Riesner suggested repairing the snowmachine because it would cost \$25,000 to replace it.

Motion: Riesner moved to repair the Fire Department's Arctic Cat snowmachine; Dove seconded.

Catterson reported both the Delta Junction Volunteer Fire Department (DJVFD) and Fort Greely have off-road rescue vehicles. DJVFD also has a four-wheeler that was purchased with the Code Blue grant.

Motion passed on a roll call with six in attendance (Riesner, Prestegard, Dove, Hallgren, Rawson, Musgrove).

City Purchases over \$1,000

CK #22455 to Alliance CPAs - \$5,410.00 for FY21 & FY22 audit

CK #22456 to Arctic Fire & Safety - \$3,676.48 for fire extinguisher updates

CK #22457 to GVEA - \$12,259.49 for electricity

CK #22458 to Numbers Count - \$1,710.00 for accounting services (1-26 / 2-3)

Motion: Prestegard moved to approve checks 22455 through 22458; Riesner seconded.

Motion passed on a roll call with six in attendance (Rawson, Dove, Hallgren, Riesner, Prestegard, Musgrove).

REPORTS

Mayor – JW Musgrove reported:

- The Department of Commerce, Community, and Economic Development issued a letter stating the population determination for the City of Delta Junction is 983. It would cost about \$10,000 to contest and prove it otherwise.
- Katmai Solutions' plan for supplemental emergency transportation would require a municipality to take over ambulance billing. The old Delta Rescue Squad number will suffice for the required Medicare Provider Number. Groppe contacted IRS and received a supplemental confirmation.

Library – Emily Dove reported:

- The new library software has made it more obvious how valuable the community library is. In the past month, hundreds of people updated their information as patrons. All board members and City staff are invited to update theirs or get a library card.
- The internet at the library was down for five days last week. It is once again up and running after a lot of phone time and testing. It was quite a hardship because so many people rely on it.
- *Love your Library Month* is in full swing. Reason folks visit the library are varied from checking out resources, learning English, escaping a dry cabin, using computers, or bringing kids to play with toys. This institution is essential to the wellness of our area.

Rawson was excused at 7:15pm.

Health & Safety – Emily Dove reported:

- Covid boosters, test kits, child immunizations, and Naloxone kits are available at the Public Health Center. Call the PHC (895-4292) for more information or to make an appointment.
- Because of increased criminal activity, it is advised to use extra caution and be aware of your surroundings. Always keep your doors locked. If you plan on being away from home and wish to have your house checked, contact the Alaska State Troopers for regular patrols.
- The Delta/Clearwater Seniors are hosting a fundraiser at the Community Center on February 11. Its theme, "Here Comes the Sun," celebrates the end of the ten darkest weeks of winter.

Schools – Emily Dove reported the Elementary School will host their annual Valentine dinner on February 11.

Emergency Services – no report

Emergency Preparedness – Travis Riesner asked the public to stay vigilant due to recent criminal activity (double homicide on January 20, burglary at E&G Cellars on February 4, and attempted theft, gunpoint, and vehicle chase on February 4). He suggested keeping possessions out of view or locked up. Keep vehicles locked, but don't keep valuables in your vehicles. Keep your home locked and invest in a security system if possible.

Park & Recreation – Mike Prestegard reported everything is quiet except for activity at the rink.

Landfill – Tenali Hicks reported the landfill is "trashy."

Airport – Mike Prestegard reported airport activity is quiet.

Public Works – see *City Administrator Report*

At Large – Pete Hallgren reported he appreciated the live view (Zoom).

City Administrator – Ken Greenleaf reported:

- Five grants are in the process of being submitted. He will solicit assistance from Council members to update several City documents, i.e., Emergency Operations Plan (EOP). They are not needed to submit grants, but they are before grants are awarded.
- A Solid Waste Association of North America (SWANA) grant may partially fund the new Environmental Protection Agency (EPA) requirement for a gas monitoring system. It can be for septic and water or solid waste.
- Another load of sand was ordered. Greenleaf said the Public Works crew have done an amazing job and he could not be happier with their work in maintaining roads.
- Conducting employee performance appraisals are planned in the next two weeks.
- Workshops will be scheduled for FY24 budget planning.
- He attended a North Pole City Council meeting and observed their setup, which affects the flow of the meeting. He was impressed how they shaped a document on the wall with everyone in attendance participating.
- An excavator will be rented next week to make cover material at the landfill.

Cemetery – no report

City Clerk – Pat White reported City Hall has been busy with pending burials at the cemetery and questions from passport applicants. Postage fees increased (5¢ for priority mail, 85¢ for priority express, and \$1.21 for return postage), which affects the cost of passports. Processing time increased to 8-11 weeks for routine passport applications and 5-7 weeks for expedited.

Finance – Stephanie Groppe reported the FY21 audit from Alliance CPAs will be delivered on February 8. Kara Moore would like to set up a time to discuss it with Council.

Additional Reports – Pete Hallgren questioned library funds from Fort Greely. Discussion followed regarding no funding for the past two years, but Greenleaf would make inquiries.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Al Edgren referenced the two homicides on January 20 and said most people were unaware of the halfway house on Tanana Loop Extension. Nearby neighbors may want to take extra precautions. He said the City needs to do the lay work for the community; boundaries should not be an issue.

Discussion followed regarding Edgren contacting Deltana Community Corporation (DCC) and rumors about locating the rehab facility inside City limits.

Greenleaf reported contact with three different State of Alaska agencies to gather information. Halfway houses are listed on the State of Alaska website.

Edgren said the Kinross transportation issues are universal, affecting Tok, Delta, Salcha, North Pole, and Fairbanks. He hopes they can be resolved. Safety issues are not unreasonable concerns.

Musgrove said people want to stop the project, but it is on a public highway.

ADJOURNMENT – 7:48pm

JW Musgrove, Mayor

CITY
SEAL

Pat White, City Clerk

Approved: February 21, 2023