

City Council Minutes
Regular Meeting
June 20, 2023 ~ 5:00PM
City Hall, Delta Junction, Alaska



CALL TO ORDER / PLEDGE OF ALLEGIANCE / PRAYER

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

Council members present: Mayor JW MUSGROVE, Pete HALLGREN,
Igor ZAREMBA, Pamela RAWSON, Mike PRESTEGARD

Council member attending via Zoom: Travis RIESNER

Council member excused: Deputy Mayor Emily DOVE

City employees present: City Administrator Ken Greenleaf, Administrative Assistant Flower Cole,
Library Director Tiki Levinson, Contract Finance Stephanie Groppe, City Clerk Pat White

Public present: Four members from the community attended, including one on Zoom. The meeting was not broadcast over the radio.

AMENDMENTS ~ APPROVAL OF AGENDA

Musgrove reported he would like to give seed money to Hats of Wisdom and Five Loaves Pantry. He asked to add *Front Money for Healthy and Equitable Communities (HEC) Grant to New Business*.

Motion: Hallgren moved to approve the June 20, 2023 agenda as amended; Zarembo seconded.

Motion passed on a roll call with six in attendance.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

Hallgren asked to add a comment in discussion about the *Landfill Cell 2 Completion Contract* (first paragraph in *Non-Agenda Items* on page two of the June 6 draft minutes) to read, "Musgrove stated that he discussed the proposed contract with the attorney, who approved the process and justification."

Motion: Hallgren moved to approve the June 6, 2023 minutes as amended; Zarembo and Riesner seconded.

Motion passed on a roll call with six in attendance.

COMMENTS ON NON-AGENDA ITEMS

LTC Joey Orr expressed appreciation for the best two years of his military career and he invited the Council to the Change of Command at Fort Greely on Friday. He presented Mayor Musgrove with a medal coin engraved with a picture of the Northern Lights in front of their headquarters and "United States Army Garrison Fort Greely, Home of the Rugged Professional" and "Secure the High Ground." He said coins have been given as tokens of appreciation since Washington crossed the Delaware.

Riesner thanked LTC Joey Orr for building the relationship between Fort Greely and Delta.

REQUEST TO SPEAK - none

CORRESPONDENCE

Fairbanks Daily News Miner Article - Kinross to Start Trial Runs

Musgrove referenced the News Miner article, dated June 16, 2023, about Kinross starting trial runs between Tetline and Fort Knox, and reported controversy over the WWII-era bridges. Gary Wilkens, representing Advocates for Safe Alaska Highways (ASAH), sent an email, dated June 19, regarding concerns about safety and 280 school bus stops "in the midst of an industrial ore hauling enterprise."

Hallgren said Wilkens' email about the "ore trains" was interesting. The 95-foot tractors with trailers, weighing 80 tons each, would make 120-192 trips per day, 365 days per year. They would haul 10 million pounds of material to Fort Knox every day.

UNFINISHED BUSINESS

Audit Contract

Groppe reported Alliance agreed to conduct the FY23 audit, starting in July. Their fees will increase approximately \$3,000.

NEW BUSINESS**Front Money for Healthy and Equitable Communities (HEC) Grant**

Musgrove reported the City was awarded a \$25,000 grant from the Division of Public Health to split between two local organizations that provide public services. He would like to give one-quarter of the total grant to the recipients, but according to Grant Administrator Judy Holland, it could take up to two months to get reimbursed. Hallgren reported the City, as the passthrough entity of the one-year grant (leftover COVID funds), is taking little risk to support the two local organizations. The City and the grant recipients will be required to submit monthly reports and, because of that, Hallgren expressed concern with advancing funds should the reporting not get done in a timely manner.

Musgrove said he must file the report by the 10th of July. Hats of Wisdom and Five Loaves would submit their reports to him a few days earlier. The City would identify how much was spent and how it could be used. Spending is not reimbursable if paperwork is not filed.

Motion: Hallgren moved to front no more than one-quarter (\$3,125) of each portion (half of the Healthy and Equitable Communities Grant) to Hats of Wisdom and Five Loaves Pantry; Rawson seconded.

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

Appropriation of FY23 Surplus Funds

Musgrove reported money left after June 30 goes back into the general fund unless it is earmarked.

Hallgren explained breakdown of proposed appropriations to individual sinking funds: \$40,000 to add to DJVFD (AMLIP.8) for radios and “Jaws of Life,” \$10,000 to add to Community Center (AMLIP.9) for doors, paint, and repairs, \$10,000 (new sinking fund) for windows, paint, furnace, and maintenance at City Hall, \$30,000 to add to Liewer-Olmstead Ice Arena (AMLIP.6) for improvements, \$10,000 (new fund) for Summer Hire for Library and Public Works, \$40,000 (new fund) to repair signs (Welcome-to-Delta, milepost marker at the Visitor Center, Community Park, City Hall, etc.), \$20,000 (new fund) to improve the runway and tiedown area, \$30,000 to add to Library (AMLIP.11) for expansion, and \$50,000 to add to Landfill Equipment (AMLIP.2). Hallgren referenced page 19 of the FY24 draft budget and said sinking funds are most often set up for capital projects that take more than one year of savings to fund, i.e., closing the landfill or purchasing heavy equipment. DJVFD has \$40,000 already in their sinking fund. The Community Center has \$3,000 remaining in its saving, plus \$35,000 budgeted in FY24 for the upgrades. City Hall has another \$10,000 budgeted in FY24. The Library sinking fund currently has \$10,000 that was matched by the Library Association. The airport runway project has another \$15,000 budgeted in FY24. Lou Heinbockel previously requested saving for landfill equipment (\$50,000 in 2018 and adding the same while reconciling the FY17 budget). The sinking fund currently has \$311,756.

Motion: Hallgren moved to appropriate \$240,000.00 in projected FY23 surplus funds to sinking funds as presented; Prestegard seconded.

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

Second Reading, Public Hearing, and Adoption of Ordinance 2023-03, An Ordinance for the City of Delta Junction, Alaska Providing for a Budget for the Fiscal Year 2024

Motion: Hallgren moved to hold the second reading and open the public hearing of Ordinance 2023-03; Zaremba seconded. Motion carried.

Musgrove called for comments with none being offered.

Motion: Hallgren moved to close the public hearing portion of Ordinance 2023-03; Zaremba seconded.

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

Motion: Prestegard moved to adopt Ordinance 2023-03, providing for the FY24 budget; Hallgren seconded.

Hallgren reported approximately \$600,000 was taken from savings, but it is a balanced budget due to years of underestimating income and overestimating expenses. The specific savings accounts (*Appropriation of FY23 Surplus Funds*) will be reconciled in the FY23 budget in October.

Discussion followed regarding reallocating \$76,000 left in the Public Works grant and not knowing the status about the grant application for emergency radios until September.

Motion passed on a roll call to adopt Ordinance 2023-03 with six in attendance (Hallgren, Riesner, Prestegard, Zaremba, Rawson, Musgrove).

City Purchases over \$1,000

CK #22618 to Alaska Communications - \$1,737.28 for June phones and Internet

CK #22619 to Buffalo Center Service - \$1,712.15 for May vehicle and equipment fuel

CK #22620 to GVEA - \$5,812.06 for May electricity

CK #22621 to Graphic North - \$1,357.49 to mail DJVFD donation letters

CK #22622 to Heritage Rock and Services - \$2,307.20 to deliver topsoil to Public Works on June 5 (\$307.20) and haul two rock trucks from Fairbanks for landfill Cell 2 project on June 6+7 (\$2,000.00)

Motion: Prestegard moved to approve checks 22618 through 22622 as presented; Hallgren seconded.

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

REPORTS

Mayor – JW Musgrove reported:

- The City Attorney advised to not renew the ambulance contract with Delta Medical Transport. A “technically tardy” provision was added to the contract renewal (Ordinance 2022-05, dated June 21, 2022) stating, “if the contract expires without a new medical transport provider being contracted by the City or the City itself becoming the medical transport provider, this contract shall continue on a month to month basis terminable on 30 days’ notice by either party.” The ambulance contract (July 1, 2022 / June 30, 2023) will automatically roll over to a monthly contract at the end of June. Enough funds remaining in the American Rescue Plan Act (ARPA) Grant will pay for ambulance services for one year.

Greenleaf reported Rural Alaska EMS applied for their 501(c)(3), which allows them to apply for grants, but had an administrative issue with IRS paperwork. They expect to get their non-profit status within the next two or three weeks. In the interim, they applied for two other grants and are preparing two more. They are in a nine-month window, similar to Delta Junction’s situation. Two of five RFPs are possibilities. There is no current support from the legislature in Juneau. Pogo and Kinross are probable resources. Is Alyeska? Greenleaf recommended people with a vested interest, i.e., Rural Deltana or residents, commit or abandon the plan. Should the City choose to do the same path as Rural Alaska, but at a smaller scale, they would compete for the same financial resources. Delta Medical Transport has partnered with Alaska Guardian Angels, an air ambulance. Ambulance service will cost \$500,000, but no one can provide a true operating cost.

Hallgren questioned whether 400 families in Delta would pay \$100/year for membership with Guardian.

Greenleaf suggested meeting with Rural Alaska EMS within the next 30 days.

- He will put together an informational packet to explain when the City was fined by the Environmental Protection Agency (EPA) for a Safe Water Drinking Act violation (\$22,000 paid to EPA on October 12, 2019). Additionally, approximately \$15,000 was paid for attorney fees, M2C1 consulting, and other expenses. A payment to M2C1 will be on the July 5 agenda that relates to the oil/water separators (Class V injector wells). **Hallgren** recalled not having proper oil separators in interior drains at the landfill, Public Works, and fire station. Regulations were changed and more than 150 sites across Alaska were in non-compliance.

Greenleaf reported an engineering plan was already designed when he stepped in as the new administrator (April 2022). To fix the problem, a carbon filter system had to be established with an approved method of moving fluid through it. A flow meter log must be maintained and SGS in Fairbanks conducts analytics on every sample, which is quite pricey. Greenleaf praised Stephen Hammond of M2C1 Construction and Engineering for guiding the City through the five-year ordeal.

Finance – Stephanie Groppe reported:

- Alliance CPAs auditors will conduct field work on July 25/26.
- Alliance will provide an engagement letter to audit Fiscal Year 2023.

Library – Tiki Levinson reported:

- They are halfway through the summer reading program. Kids moved between stations today, one which was an inflated slide and bouncy house.
- More patrons are getting library cards.

Health & Safety – no report

Schools – no report

Emergency Services – Pamela Rawson reported Delta Medical Transport had 36 runs in May and 23 in June.

Emergency Preparedness – no report

Park & Recreation – Igor Zaremba reported:

- The park is very active. The rink/basketball court is busy with basketballs and bicycles.
- A contractor is scheduled to look at the (Kiwanis) pavilion tomorrow to determine how to straighten and secure it from leaning.

Hallgren reported the roof caps on the pavilion inside the ballfields need urgent attention.

Landfill – Igor Zaremba reported the hole is growing and quite a bit of material was used to cover the old site.

Airport – Mike Prestegard reported cones were replaced. The runway was graded and rolled. He is getting an idea on how much it will cost to level out the ski strip.

Public Works – Mike Prestegard asked to move the blue and silver road sign on the Alaska Highway (“The Northern End of the Alaska Highway – Milepost 1422 – You have just left the Richardson Highway – Milepost 266”) to the southern edge of the Farmer’s Market, so it is more visible to tourists and other northbound traffic. Discussion followed regarding outbuildings at the Triangle, deterioration of the roof on the cabin, and inspecting the condition of the Visitor Center parking lot.

At Large – Pete Hallgren reported the U.S. Army Garrison Change of Command Ceremony will be held at the Aurora Community Activity Center on June 23. LTC Keith A. Marshall will replace LTC Joey Orr.

City Administrator – Ken Greenleaf reported:

- An excavator and two 30-ton rock haulers were rented. It took six minutes to load a truck while the other one dumped its load. Both trucks were brand new. One is now broken. The CAT mechanics are unable to identify the problem. The crew is currently doing the best they can with only one rock truck.
- The landfill inspection will be in late July or early August. The landfill looks better than it has in six months because of the amount of cover material. Summer hires are cleaning up windblown trash.
- The City’s bulldozer is awaiting parts. An 840 John Deere bulldozer will arrive tomorrow.
- The landfill will be resurveyed tomorrow to validate how much airspace is left and to set benchmarks in the Cell 2 hole.
- Volvo 220 has been out of service for two weeks. It needs a new hydraulic pump and a rear main seal. Repairs are expected to cost \$10,000 to \$15,000.
- The new Fire Department command truck is in service. Only one light bar was added. A control head uses all existing lights during an emergency. It was used during two fires that occurred on the same day last week, one inside the City limits and one in Deltana.
- The Staffing For Adequate Fire and Emergency Response (SAFER) Grant will be awarded through mid-September. The grant will pay three years in wages and benefits for a Fire Chief.
- He submitted the donation packet to the City of North Pole to inherit Engine 24, a multi-purpose truck that can carry a large volume of water. There are four other departments that are competing for it.

Musgrove reported Katmai Solutions (hired in January 2023) helped draft the packet.

- He is researching how to create a master plan for the airfield before any development (expansion) is done.

Cemetery – Pat White reported she is tying up loose ends in cemetery records. The Public Works crew took care of two overgrowth issues today and will add topsoil and grass seed to other graves.

City Clerk – no report

Additional Reports – Igor Zaremba said he was approached about a second Community Cleanup. Maybe one cleanup for households and one for public roadsides? Maybe one in the spring and one in the fall?

Alan Levinson said people take advantage of spring cleanup, but fall is busy with hunting and harvesting. He suggested giving discount coupons as an incentive for people to participate in Community Cleanup.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Flower Cole reported she has attended Council meetings since 2007. Today marks her sixth year as a City employee.

ADJOURNMENT – 7:12pm

Approved: July 5, 2023

JW Musgrove, Mayor

CITY
SEAL

Pat White, City Clerk