

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



CALL TO ORDER / PLEDGE OF ALLEGIANCE / PRAYER

Deputy Mayor Emily Dove called the meeting to order at 5:00pm.

Council members present: Mayor JW MUSGROVE, Deputy Mayor Emily DOVE, Pete HALLGREN, Mike PRESTEGARD, Travis RIESNER, Igor ZAREMBA (until 7:01pm)

Council member excused: Pamela RAWSON

City employees present: City Administrator Ken Greenleaf, Administrative Assistant Flower Cole, Library Director Tiki Levinson (arrived at 6:30pm), City Clerk Pat White, Contract Finance Stephanie Groppe (attended via Zoom until 6:40pm)

Public present: Two members from the community attended. The meeting was not broadcast over the radio.

AMENDMENTS ~ APPROVAL OF AGENDA

Motion: Riesner moved to approve the July 5, 2023 agenda; Hallgren seconded.

Motion passed on a roll call with six in attendance.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

Motion: Zarembo moved to approve the June 20, 2023 minutes; Prestegard seconded.

Motion passed on a roll call with six in attendance.

COMMENTS ON NON-AGENDA ITEMS - none

REQUEST TO SPEAK

Alan Levinson referenced the \$50,000 check issued to the State of Alaska (*New Business - City Purchases over \$1,000*) and said, on behalf of Lou Heinbockel (5-18-41/5-30-23), he would vote against it. Lou believed the City of Delta Junction should not have been held prisoner to a debt that was incurred by out-of-state interests who tried to take over Fort Greely. Musgrove said the prison was proposed by the Delta-Greely Community Coalition. The State Legislature would not contract with the prison developers and the City of Delta Junction was ultimately held accountable for defaulting on the contract. Governor Knowles gave the City an interest-free loan, resulting in payments of \$50,000/year for 20 years. Hallgren reported the privately owned prison split the community. The Department of Defense and Congress designated Fort Greely's residential buildings and cantonment area for closure during Base Realignment and Closure Act (BRAC '95). The State Legislature would not contract with the prison developers, so the City had to act as the local reuse authority. The City signed a contract with Allvest concerning the private prison and had a deadline to submit a financially feasible operation plan to the United States government to obtain title to Fort Greely. Hallgren was hired as City Administrator to oversee it. Mayor Roy Gilbertson (mayor from October 1998 to July 2006) felt a prison was not good for the community, but there were few options. Missile Defense was considered "pie in the sky." President Bush was inaugurated, and Congress withdrew Fort Greely from BRAC, choosing it as the site for Missile Defense. Allvest filed a multi-million-dollar lawsuit against the City but settled prior to trial for \$1.1 million. The City was bankrupt at the time and could not have paid the debt without the loan from the State of Alaska. The City Council has asked for forgiveness of the loan more than once and the Legislature has approved it, but the State Attorney General deemed it unconstitutional. Hallgren said he votes to pay the debt each year, but, out of respect and to honor Lou, he would vote against it. Lou Heinbockel believed the State Legislature was at fault. Hallgren agreed.

CORRESPONDENCE - none

UNFINISHED BUSINESS – none

NEW BUSINESS

FY24 Charitable Donations

Musgrove reported \$5,000 was set aside in the FY24 budget for donations, of which \$1,000 is already allocated to the Deltana Fair Association and \$2,000 to the Delta Junction Trails Association. He suggested donating \$1,000 to the Delta-Greely Youth Baseball League as requested in an email.

Motion: Riesner moved to donate \$2,000.00 to the Delta Junction Trails Association; Hallgren seconded.

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

Motion: Zarembo moved to donate \$1,000.00 to the Delta-Greely Youth Baseball League; Riesner seconded.

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

Repair or Sell Volvo L220

Greenleaf referenced Construction Machinery's June 22 quote (\$49,560) to repair the L220 Volvo. A Volvo in good condition with less than five years, costs \$460,000 to \$560,000. A new one costs \$700,000. The Volvo is not necessarily the right machine for the job. Combining savings with proceeds from selling the Volvo, could be enough to purchase a compactor, which would be ideal. He asked whether to fix the Volvo.

Zaremba said the loader should have three years of life left. He questioned the seeping or leakage and asked what it would cost just to replace the hydraulic pump. He would hate to fix it and find out a new engine was needed.

Discussion followed regarding hydraulic oil in the engine, reviewing CMI's report, guesstimated current value of the L220 Volvo (\$150,000 to \$200,000), almost \$362,000 in landfill equipment savings, and continuing discussion at the July 18 meeting.

Dispose of Fire Engine

Greenleaf reported six of seven committee members from North Pole Council chose to award Engine 24 to the Delta Junction Volunteer Fire Department (DJVFD). They will host a ceremony on July 29 to hand off Engine 24 to Delta and push their new truck into the bay. Greenleaf and Musgrove traveled to North Pole to inspect the truck and DJVFD firefighters will receive training in North Pole. Upon bettering our own fleet of emergency vehicles, the City is expected to contribute to another less fortunate community. Tender 161 is used almost exclusively. He recommended donating Tender 162, the oldest tender that is used for backup and training but will require significant maintenance.

Riesner questioned whether Forestry qualifies for consideration.

Musgrove said hurdles must be followed to dispose of the fire engine.

Motion: Riesner moved to start the process of disposing of Tender 162; Hallgren seconded.

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

City Purchases Over \$1,000

CK #22630 to Numbers Count, LLC - \$3,180.00 for accounting services (6-11-23/6-23-23)

CK #22632 to Airport Equipment Rentals - \$12,900.00 to rent dozer for Cell 2 project

CK #22633 to Alaska Municipal League - \$1,640.19 for annual membership

CK #22634 to Auto Trim Design - \$4,779.27 to upfit Fire Department command truck

CK #22635 to Delta Transport Services - \$3,071.55 for equipment fuel for Cell 2 project

CK #22636 to M2C1 - \$15,249.80 for EPA Class V Injection Well Compliance, Finalize Closure Plans, Field Investigation, Closure Report, and Wastewater Sampling

CK #22637 to NC Machinery - \$10,406.83 for dozer parts to repair radiator

CK #22638 to Vitus Energy LLC - \$1,016.62 for landfill equipment fuel

CK #22639 to Wells Fargo - \$13,026.61 for credit card charges

CK #22640 to Delta Rental Services - \$18,125.00 to rent excavator for Cell 2 project

CK #22641 to Bill's Small Tractor Service - \$5,920.83 for lawn contract, payment 1 of 3

CK #22642 to Delta Medical Transport - \$46,000.00 for FY24 monthly payment

CK #22643 to State of Alaska - \$50,000.00 for prison debt, payment 19 of 24

CK #22644 to Tenderfoot Gold LLC - \$43,750.00 for Landfill Cell 2 Contract, payment 2 of 4

Motion: Hallgren moved to approve checks #22630, 22632 through 22642, and 22644; Dove seconded.

Musgrove reported:

- The City was fined for violating the Safe Water Drinking Act (in 2019). Professional design and building inspectors overlooked new Environmental Protection Act (EPA) regulations for oil and water separators. Deemed non-compliant, Stephen Hammond of M2C1 agreed to provide engineering services to resolve the issue. Check #22636 covers charges that accumulated over the years when Hammond hired outside of his technical skills. It also includes payment for fees to file paperwork on an old septic system that was never properly closed out. Contractors, USKH and MACTEC, are no longer in business.

Hallgren reported hundreds of others across Alaska were unaware of the new EPA regulations. Were the professionals liable? The City attorney advised settling on a mutual agreement during an executive session.

- According to the expired contract (7-1-22/6-30-23), Delta Medical Transport will continue providing ambulance services on a month-to-month basis (check #22642).

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

Motion: Hallgren moved to approve check #22643 to pay the prison debt; Prestegard seconded.

Motion passed on a roll call with four voting in favor (Prestegard, Riesner, Musgrove, Dove) and two opposed (Hallgren, Zaremba).

REPORTS

Finance – JW Musgrove reported on Stephanie Groppe’s behalf:

- The FY22 audit is almost finished and the FY23 audit will begin soon.
- Auditors are expected to be at City Hall on July 25-26.
- A quarterly budget report will be presented at the July 18 Council meeting.
- A reconciliation of the FY23 budget will be presented in the fall.

Mayor – JW Musgrove asked Council members if they were interested in attending the Alaska Municipal League Summer Legislative Conference in Homer (August 9-11).

Discussion followed regarding \$5,000 budgeted for Council travel and training, Newly Elected Officials training (November 29 via zoom), and the winter conference in Anchorage (December 4-8).

Health & Safety – Emily Dove reported:

- WIC Program recipients (women, infants, and children) receive \$45 in coupons to buy fresh produce from approved vendors at the local Farmers Market. Information about the Farmer’s Market Nutrition Program and how to qualify as a recipient or a vendor are online (health.alaska.gov/dpa/pages/nutri/fmnp/default.aspx).
- Scammers pretend to be from well-known organizations. They use problems or prizes to lure victims. They require immediate payment and in a specific way. Never disclose personal or financial information. Talk to trustworthy family or friends about potential scams. Block calls and text messages.
- Dial 911 for emergencies. Dial 907-895-4800 for non-emergencies. Report non-urgent crimes online (dps.alaska.gov/crimereport).

Library – Tiki Levinson reported:

- She ordered the Ferguson water fountain (with filters). Presently, water bottles are filled for patrons and bicyclists from the staff sink in the break room.
- Octopus-looking streamers hang from the ceiling at the library to display all the reading accomplished by the Summer Readers. A big finale will end the program next week.
- All library staff filed paperwork to be commissioned as a Notary Public for the State of Alaska. There is no other place in town to get a notary on a Saturday.

Schools – no report

Emergency Services – no report

Emergency Preparedness – Travis Riesner reported:

- Temperatures are expected to be up to 75° throughout the week. Because of the high level of Red Flag Warning, Riesner asked people to be mindful of parking vehicles on dry grass.
- Subsistence hunt permits for caribou will be issued at the Career Advancement Center, July 12-15. Only in-person applications will be accepted. Online processing will not be offered this year.

Park & Recreation – Igor Zaremba reported:

- The rink/basketball court and the park are busy. A replacement part was ordered for the section of the playground that was vandalized.
- The Kiwanis pavilion is leaning significantly. One post is splitting and is reason why one contractor is not interested in the project. Zaremba is still trying to locate someone to straighten the structure before snowfall.

Riesner reported the Deltana Youth Soccer season is July 6 through mid-August. Be cautious of increased foot traffic from little pedestrians and a lot of vehicles along Aurora on Tuesdays and Thursdays, 5:00-8:30pm.

Landfill – Igor Zaremba reported windblown trash was cleaned up and Cell 2 is about one-quarter done.

White reported stats from the June 3 Community Cleanup: There were 87 private vehicles that delivered household garbage to the landfill (35,600 pounds discounted 50% = \$1,621 in public savings). Yellow bags from the Triangle weighed 9,660 pounds (\$773 in savings). In 2022, there were 103 private vehicles that delivered household garbage (47,440 pounds), but there was only 3,360 pounds in yellow bags. Garbage collected along roadsides in 2023 was almost three times what it was in 2022.

See more landfill discussion under *City Administrator Report*.

Airport – Mike Prestegard reported he is still working to get the ski strip leveled. A pilot was forced to land on the ski strip because of 90-degree crosswinds on the main runway. The landing was a bit rough.

Musgrove reported the ground beneath the ski strip is semi-permeable layers that hold water, resulting in frost heaves. It could be disked, graded, and planted, but it would heave again.

Discussion followed regarding a couple airport property owners developing their lots in Subdivision II, and drafting an airport layout, not necessarily a master plan, to qualify for federal grant funding.

Public Works – See *City Administrator Report*

At Large – no report

City Administrator – Ken Greenleaf reported:

- The work crew at the landfill is starting to angle banks to fill in Cell 1 and start the final mound to close it. The current permit allows moving dirt from one area to another, but not stockpiling it. Stephen Hammond, M2C1, is managing the SWPPP (Stormwater Pollution Prevention Plan) that will allow stockpiling dirt, which will be necessary to close Cell 2 eventually. A large vein of topsoil, equal to “dirt money,” was found in the northwest corner of the landfill.
- Job openings were advertised for a Streets/Equipment Operator, Landfill Assistant, and the Finance Officer. Interested applicants can find the job descriptions on the City’s website (deltajunction.us). Two employees will be leaving for college. Henry Muth retired, leaving the streets/equipment operator position open. Two extra summer hires spend most of their time collecting windblown litter, preparing for the annual inspection.
- Parts arrived and the D6 dozer should be back in business soon. The rented John Deere dozer at the landfill will be retained for another week or two. It works better on slopes than the City’s D6.
- The Community Water Program Grant was designed for small communities with septic and sewer. It does not apply to Delta Junction. Once denied, the grant application can be shifted to Soil and Water Management where it can be angled toward water at the landfill.
- He hopes Rural Alaska EMS can present their 501(c)(3) certificate and disclose their vendor selection, so the Council can decide whether to contract with them. He will ask for a meeting in Delta to discuss operational costs. If no information is presented within 30 days, the City Council should look elsewhere.

Musgrove reported Rural Alaska EMS could contract with Delta Medical Transport. Additionally, the Supplemental Emergency Medical Transport Plan may be more cost effective with the City acting as the pass-through for funds.

Zaremba was excused at 7:01pm.

Cemetery – Pat White reported buried water pipes at the cemetery were replaced. The cracked pipes were found when two ladies had trouble getting water from the spigots.

City Clerk – Pat White reported:

- Information about the Visitor Center was posted on the City’s website and linked from Delta News Web (deltanewsweb.com) and Delta Junction Official End of the Alaska Highway (alaska-highway.org). People interested in getting end-of-the-Alaska-Highway certificates are asked to contact the Delta Farm Bureau, managers of the Visitor Center, by phone (907-616-1323) or email (deltajunctionfarmbureau@gmail.com). Advance notice is appreciated for large groups of travelers.
- Passport processing currently takes 10-13 weeks, 7-9 if expedited. According to an article in today’s NBC News, the State Department advised applying for passports at least six months prior to travel. The State Department is processing 400,000 applications a week, down from 500,000/week January through May. City Hall processed 60 applications in March, 35 in April, 26 in May, and 11 in June.

Additional Reports – JW Musgrove reported Mary Leith’s father, Wimpy, donated the trapper’s cabin at the Triangle, but it is now deteriorating. He put up orange tape to deter public access. He asked for suggestions to repair the logs, roof, and porch and whether to get public support to upgrade it.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Alan Levinson asked 1) to review landfill tipping fees that have not changed since 2015 and 2) to consider increasing wages for the recently posted job openings. Wages are low for the skills that are required, especially the equipment operator who plows roads in the dark and early in the mornings before traffic and school buses.

Musgrove reported wages, based off a salary schedule, could not be increased unless it was for every employee. Discussion followed regarding landfill fees on the July 18 agenda, employee wages with insurance benefits being the City’s largest expense, inability to offer union wages, requiring two employees at the landfill as a safety factor, and overwhelming rising costs for ambulance services and medical coverage.

Riesner said raising wages might be cheaper than repair costs of equipment.

ADJOURNMENT – 7:23pm

JW Musgrove, Mayor

CITY
SEAL

Pat White, City Clerk

Approved: July 18, 2023