

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



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

Mayor JW Musgrove called the meeting to order at 5:03pm. Emily Dove (City Council) and Ken Greenleaf, Flower Cole, and Kaylee Reiersen (City staff) were in Anchorage attending the AML Conference.

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

**Council member excused:** Emily DOVE

**City employees present:** Library Director Tiki Levinson, City Clerk Pat White

**City staff attending via Zoom:** City Administrator Ken Greenleaf, Administrative Assistant Flower Cole, Contract Finance Stephanie Groppe

**Public present:** Seven community members attended the meeting, including five from Zoom.

**AMENDMENTS ~ APPROVAL OF AGENDA**

**Motion:** Zarembo moved to approve the December 5, 2023 agenda; Riesner seconded  
**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 November 21, 2023 meeting; Hallgren seconded.  
Hallgren said the minutes were informative. He appreciated the details, especially because he was unable to attend.  
**Motion passed** on a roll call with six in attendance.

**COMMENTS ON NON-AGENDA ITEMS**

Musgrove reported:

- Members of the Seventh Day Adventist Church are interested in renting the Community Center for a ten-week period starting in January. They plan to host two-hour sessions that address mental health and depression.
- Caring Hearts is soliciting volunteers to assist senior residents in Delta Junction with companionship and help with reading, writing letters, gardening, lawn care, meals, cleaning, holiday decorating, snow removal, transportation, accompaniment during doctor visits, running errands, or miscellaneous projects. Call (907-987-3026) or email (caringhearts@hatsofwisdom.com) for more information.

**REQUEST TO SPEAK** - none

**CORRESPONDENCE** - none

**UNFINISHED BUSINESS**

**Pioneer Park Memorandum of Agreement**

Musgrove reported:

- The City purchased the Pioneer Park (\$32,265, which was half of the appraised value) after leasing it for 25 years (1996/2021). The property, according to State of Alaska Patent No. 25004, dated October 14, 2021, must be used for public use or the title reverts to the State of Alaska. For that reason, the Pioneer organization cannot have exclusive control over the Pioneer Park.
- The Pioneers have concerns about insurance on the improvements they made to the property. They pay to insure those amenities (well, septic, building with restrooms, kitchen, and picnic area), but would rather reimburse the City who could get cheaper rates. The City pays to insure the Pioneer Park property but cannot insure the Pioneer improvements because the City does not own them.

**2009 Ambulance Award**

Musgrove reported the 2012 ambulance was donated to Partners for Progress last August for their emergency medical training program. The 2009 ambulance was advertised twice but resulted in no bids.

Greenleaf reported, even after lowering the minimum bid by \$4,000, it was clear no one is interested in paying to repair it. The City could pay the \$12,000 for repairs and let the Fire Department use it for a rescue vehicle. The

Public Works crew expressed interest in using it as a work truck. At the same time, Kinross is researching emergency vehicles that can carry Jaws of Life and other rescue equipment, as well as provide a warm environment in the event of a vehicle accident. Another option would be to donate it to Rural Deltana Volunteer Fire Department (RDVFD). He has had verbal and text conversations, but no formal requests.

Hallgren agreed with donating to Rural Deltana. He asked if Kinross would pay to repair the 2009 ambulance. Zaremba said an old beater truck would be more useful to the Public Works crew. The ambulance package will be difficult to remove because it is designed to stay as an ambulance. It would be difficult to convert to a flatbed. Discussion followed regarding the Betty Crocker fire engine in pieces at the old landfill, grant funds to purchase Jaws of Life, and deciding about the ambulance once RDVFD submits a formal request.

### **2023 AML Conference – Carryforward Resolutions and Legislative Bills**

Musgrove reported Alaska Municipal League’s 2024 resolutions (2024-01 through 2024-11) were addressed at the November 21, 2023 Council meeting. AML membership will vote on them at their annual business meeting on December 8 and lobby the Alaska State Legislature starting in January. AML’s 52 previously passed resolutions, aka carryforward resolutions (2019-03 through 2023-18), will be part of the consent agenda at their December 8 business meeting. Any that are not lumped into one vote will be voted on individually. Musgrove recommended asking Emily Dove, representing Delta Junction at the AML conference, to vote against all of AML’s carryforward resolutions since they have not yet been acted upon by the Alaska Legislature. He asked for Council input.

Motion: Hallgren moved to oppose all carryforward resolutions that were previously passed by AML membership; Prestegard seconded.

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

Greenleaf referenced a two-page list of House and Senate Bills and recommended addressing:

- HB 72, a new formula for the Alaska Permanent Fund (25% reserved for dividends and 75% reserved to help address State revenue deficit). AML supports HB 72 because it helps address the State revenue deficit.
- HB 151 would require the Local Boundary Commission to have consent from over 50% of voting age residents in the area proposed for borough creation. AML does not support HB 151 because it increases barriers of borough formation.
- HB 156 would impose a statewide income tax (\$20 for people earning less than \$200,000/year plus 2% on any earnings above \$200,000/year). Once the income tax structure is in place, it gains momentum as time passes. AML supports HB 156 because it helps address the State revenue deficit.

Riesner said he would like to:

- show opposition to HB 142 that would impose a 2% statewide sales tax as part of a long-term budget plan to balance expenses and income. (AML supports it.)
- support HB 134 that would forbid cities and boroughs from applying sales taxes on real estate sales. AML opposes the bill because they want the decision to be on the local level.

Hallgren said he does not want a municipality imposing a tax on the sale of his home.

Motion: Hallgren moved to support House Bill 134; Reisner seconded.

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

Motion: Riesner moved to oppose House Bill 72 / Senate Bill 107; Zaremba seconded.

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

Motion: Riesner moved to oppose House Bill 142; Zaremba seconded.

Motion passed on a roll call with five in favor (Rawson, Prestegard, Zaremba, Riesner, Musgrove) and one opposed (Hallgren).

Motion: Zaremba moved to support House Bill 151; Hallgren seconded.

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

Motion: Reisner moved to oppose House Bill 156; Hallgren seconded.

Hallgren reported residents in Alaska used to pay \$10 in school tax. It was repealed. HB 156 would re-impose a State income tax, starting at \$20, but that dollar amount could easily change.

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

## NEW BUSINESS

### **Second Reading, Public Hearing, and Adoption of Ordinance 2024-02, An Ordinance Amending Title I, Subchapter G, Professional Services**

Motion: Hallgren moved to hold the second reading and public hearing of Ordinance 2024-02; Zaremba seconded.

Musgrove reported five words were added to clarify Professional Services Ordinance §1.41.600(d)(4):

(d) For the purposes of this section, "professional services" shall include:

1. Architect, engineer, or land surveying services;
2. Legal services;
3. Lobbyist services; and

4. Consulting **and other** services where the consultant **or service provider** to be retained by the City must have special training or expertise not generally available to meet the needs of the City, and the City concludes a formal competitive process is not likely to benefit the City.

Musgrove said the verbiage would include other services where the service provider has special training or expertise as opposed to just a consultant. He called for public comment.

Sherman Stebbins referenced a court case in Kenai, Alaska, in which the Alaska Supreme Court deemed no-bid contracts for management services were not professional services. He said rewording the Professional Services Code will "take away transparency and broaden what will be considered professional services in the future."

Musgrove reported City Attorney Mike McLaughlin said last summer's Cell 2 project, aka the Big Dig or second hole, was not related to the Kenai case.

Motion: Prestegard moved to close the public hearing; Hallgren seconded.

Motion passed on a roll call vote with six in attendance.

Motion: Hallgren moved to adopt Ordinance 2024-02; Zaremba seconded.

Hallgren said he agreed that the updated verbiage gives more power to the City Council. The Council must make a determination based on circumstances and state those findings, particularly when a competitive bid process will not benefit the City. Being as open as possible to the bid process may not always fit. He recalled when the prime contractor on the first hole was sued. The City was not involved in the lawsuit, but it resulted in the subcontractor being awarded a substantial settlement (changed circumstances when more rock was found). The contractor who was hired last summer to finish the second hole was a previous employee who had dug part of the first hole. Hallgren said he favored expanding the wording in the Professional Services Code.

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

Discussion followed regarding upcoming ambulance bids and McLaughlin's legal opinion pertaining to the Kenai case; that added verbiage "would make it clear that it is intended to apply more broadly beyond just consulting."

### **Case Backhoe Repair**

Greenleaf reported the initial cost to repair the backhoe was \$5,842.50, dated November 11. The latest invoice (\$14,889.11), dated December 5, is more than what was quoted when the agenda was advertised on December 1. The council voted to pay \$8,000 towards backhoe repairs on November 21. Most of the repairs in the past month have been because of poor maintenance. The primary use of the backhoe is to dig graves and load sand onto trucks. Because the backhoe was in the shop, the City had to rent one from Airport Rentals (CK #22866 under *Purchases*). Greenleaf recommended pre-approving payment to repair the backhoe.

Zaremba said Yukon is not overcharging for shop time or parts.

Motion: Zaremba moved to pay Yukon Equipment for repairs, not to exceed \$18,000.00; Prestegard seconded.

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

### **City Purchases over \$1,000**

CK #22866 to Airport Equipment Rentals - \$3,659.50 for backhoe rental (11-7-23 / 11-20-23)  
CK #22867 to Alliance CPAs - \$6,937.76 for FY22 audit

CK #22868 to Heritage Rock and Services - \$1,940.00 to deliver Case 580N backhoe to Yukon Equipment in Fairbanks on November 7 (\$1,140.00) and deliver Fire Engine 161 to DJVFD from Auto Trim Design in Fairbanks on November 16 (\$800.00)  
CK #22869 to Numbers Count, LLC - \$2,940.00 for accounting services (11-16-23 / 11-30-23)  
CK #22870 to Vitus Energy LLC - \$8,441.62 for November fuel

**Motion:** Prestegard moved to approve checks #22866 through 22870; Riesner seconded.

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

### **Holiday Bonuses**

**Musgrove** reported a list of 22 City employees and volunteers including those who were employed in the past year, but not volunteer firefighters because the Fire Department is undergoing serious reorganization.

**Groppe** reported \$4,500 was allocated to a line item, *Employee Christmas Bonus*, during the budget cycle.

**Motion:** Reisner moved to give \$100.00 holiday bonuses to City employees and volunteers; Hallgren seconded.

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

### **2024 City of Delta Junction Holiday Schedule**

[A draft schedule was distributed to staff on November 15. No changes were made. Six of the nine City-recognized holidays in 2024 fall on Mondays. Both the 4th of July and Thanksgiving fall on Thursdays that would disrupt commercial garbage haulers. Closures following Thanksgiving (Friday), Christmas Day (Wednesday) and New Year's 2025 (Wednesday) would also impact the public.]

**Motion:** Prestegard moved to adopt the City's 2024 Holiday Schedule as presented; Riesner seconded.

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

### **Selection of Ambulance Provider**

**Greenleaf** reported he, Mayor Musgrove, and Kaylee Reiersen met with a Review Board (Council member Pamela Rawson, business manager Nelson Grier, and business owner Jackie Becker) on December 1. The deciding factor between LifeMed and Delta Medical Transport will be cost. The Review Board's recommendation will be presented to the Council on December 19 and Notice of Intent will be issued, starting the period of protest. The contract will be negotiated thereafter. Agnew::Beck is finalizing selection of the Advisory Board, who will determine how to pay for the contract.

### **REPORTS**

**Mayor** – JW Musgrove reported the Council approved hiring a part-time seasonal manager of the ice arena at the November 21 meeting. The Delta Skating Association (DSA) would contribute funding to pay the rink manager's wages. He is drafting the 2023-2024 joint use and maintenance agreement with the school district and DSA.

**Finance** – no report

**Library** – Tiki Levinson reported:

- The Boeing Corporation is this year's sponsor of the annual Gingerbread Contest. Entries must be delivered by December 9. The public is invited to vote for People's Choice while entries are on display, December 11-18.
- The Delta Brewing Company sponsored a Reading Treasure Hunt. Over 40 finishers participated in the extensive reading challenge. The December treasure hunt starts today with 12 challenges, i.e., read a story by a Christmas tree, or play outside in the snow.
- The Fiber Arts Club had their annual Christmas party at the library on December 4. The Junction Readers will have their Christmas gathering on December 18.
- A new temporary, part-time assistant was hired to fill in for staff absences and other needs.

**Health & Safety** – no report

**Schools** – Pamela Rawson reported:

- Delta High School is hosting wrestling regionals on December 9.
- The senior class is raffling tickets to raise money for their senior trip.
- The Student Council is raffling tickets to raise money for Close-up in Washington DC.

**Riesner** reported the Elementary Christmas Concert is December 12 at the High School gymnasium.

**Emergency Services** – Pamela Rawson reported during November, Delta Medical Transport had 28 ambulance runs and the Delta Junction Volunteer Fire Department did not respond to any fire calls.

**Emergency Preparedness** – no report

**Park & Recreation** – Igor Zaremba welcomed people to use loaner skates that are available at the Liewer-Olmstead Ice Arena for Sunday Skate, 2:00-5:00pm each Sunday.

Riesner reported the concession stand inside the ice arena will be open, the Skate Shack near the outdoor rink will be open, and skate sharpening will be available.

**Landfill** – no report

**Airport** – Mike Prestegard reported:

- GVEA replaced the orange balls on the power lines with ones with reflective tape.
- The main runway was plowed and the ski strip and taxiway, south of the main runway, are packed.

**Public Works** – no report

**At Large** – Pete Hallgren reported Ron Liewer wants to donate 12 lots to the City that are between Harper Street and the High School track. The Delta Junction Trails Association (DJTA) built the Liewer Community Trail, a year-round trail, through Liewer’s lots, across a platted, undeveloped street (Quartz Avenue), and through Block 14, which is owned by the school district. DJTA installed lights on the Liewer Trail, and they pay for the electricity. Liewer wants the lots to remain in public access. There will be no requirements for the City to upgrade the trails. Mayor Musgrove and City Attorney Mike McLaughlin will draft a deed if the City accepts Liewer’s gift.

Musgrove said the City will assume liability for the unimproved real estate.

**City Administrator** – Ken Greenleaf reported:

- The Department of Environmental Conservation received the landfill permit, which is under review.
- The Delta Rescue snowmachine was finally repaired (since February 2023). Because of recall issues, the only cost was to replace the battery. It is ready to be picked up at the repair shop in Fairbanks.

**Cemetery** – Pat White reported there were 67 available plots at Rest Haven Cemetery as of September 19, 2023. There are now 60. Many gravesites are reserved for future use, but they are not available to sell.

**City Clerk** – Pat White reported a translator was out at the Donnelly Dome Tower. Dave Castor, KTVF Chief Engineer, visited the tower on December 1 and again on December 4. It is temporarily fixed (manufacturer needs to replace power module). Anyone unable to receive local television needs to rescan for new channels and make sure there are no problems with their personal antenna.

**Additional Reports** – none

**ADDITIONAL PUBLIC AND COUNCIL COMMENTS**

Tiki Levinson thanked the Council for the Christmas bonus and said, she “appreciated being appreciated.”

**ADJOURNMENT** – 7:42pm

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JW Musgrove, Mayor

CITY  
SEAL

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Pat White, City Clerk

Approved: December 19, 2023