

City Council Minutes
Regular Meeting
June 4, 2024 ~ 5:00PM
City Hall, Delta Junction, Alaska



CALL TO ORDER / PLEDGE OF ALLEGIANCE / PRAYER

Deputy Mayor Igor Zarembo called the meeting to order at 5:00pm.

Council members present: Deputy Mayor Igor ZAREMBA, Travis RIESNER, Mike PRESTEGARD, Pamela RAWSON, Mary LEITH, Pete HALLGREN

City staff present: Finance Officer Kaylee Reiersen, Administrative Assistant Flower Cole, Library Director Tiki Levinson, City Clerk Pat White

Public present: Seven people were present at the beginning of the meeting.

AMENDMENTS ~ APPROVAL OF AGENDA

Motion: Hallgren moved to approve the June 4, 2024 agenda as presented; Zarembo seconded.

Motion passed on a roll call with six in attendance.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Motion: Hallgren moved to approve the May 21, 2024 minutes; Riesner seconded.

Motion passed on a roll call with six in attendance.

COMMENTS ON NON-AGENDA ITEMS

Lisa Conrad, Kinross Manh Choh Community Relations Coordinator, reported:

- The Kinross barbeque will be hosted by the Delta Lions at their club house June 25, 5:00-7:00pm.
- July will mark one year of her attendance at Council meetings in Delta.
- True North Transport supplies the 120-man camp in Tok with home-grown products from local vendors (Delta Meat & Sausage, Sunny Side Up, Alaska Flour Company).

Amber White reported:

- Eight organizations participated in the Open House at the fire station on May 18, celebrating First Responders during Emergency Medical Services (EMS) Week, May 19/25. Over 200 hotdogs and 200 bike helmets were given away along with trees and native plants from Forestry.
- Delta Medical Transport (DMT) is hosting a Babysitter's CPR class. Instructors will be brought in for two additional classes because class size is limited to 12 and over 30 kids have applied.
- During EMS Week, Fire Chief Tony White was recognized by the State of Alaska EMS because of his impact and contribution toward EMS in the Interior.

REQUEST TO SPEAK - none

CORRESPONDENCE

Mayor JW Musgrove Resignation

[Musgrove was appointed (August 15, 2006) and elected the following October, again in 2007 and every three-year term thereafter. He served as Mayor Pro-tem / Deputy Mayor in 2015 and 2016, rolling into the mayor role when Hallgren resigned in October 2017. Musgrove served as mayor through 2019, was elected back on the Council (October 1, 2019), and reelected as mayor by the Council body on October 8, 2019 for the length of his three-year term. He resigned on November 19, 2020. He was elected as a write-in during the October 5, 2021 election and the Council re-elected him as mayor on October 19, 2021. His three-year term would have ended in October 2024.]

Zarembo referenced City Code §1.10.070(b), requiring the Council accept a resignation. He read Musgrove's letter, dated May 28, 2024, "This is my formal notice of resignation from the office of mayor and City Council person, effective May 28, 2024. I do not intend to be present at the June 4, 2024 Council meeting. Please, no gifts or celebrations. Glad to have been of service."

Motion: Hallgren moved to accept JW Musgrove's resignation with regret; Prestegard seconded.

Zarembo said Musgrove taught him a lot and he was grateful for the years of personal time that Musgrove dedicated to the community.

Motion passed on a roll call with six in attendance (Leith, Rawson, Hallgren, Prestegard, Riesner, Zaremba). Hallgren said Musgrove will never receive the recognition he deserves. With the heart and mind of an airplane mechanic, he was precise in all he did. Hallgren said he appreciated Musgrove for all that he contributed. Amber White said she too appreciated the time Musgrove poured into the community. She challenged anyone who has dedicated more hours as a public servant.

Flower Cole reported on one of the worst snow days of her life, JW showed up with a backhoe to open her driveway so she could get to work on time.

Zaremba recalled when Musgrove volunteered his backhoe for firefighters to clear snow to veterans' firewood. [Alaska State Statutes §29.20.180 requires filling a vacancy with a qualified voter within 30 days. City Code §1.10.060 requires soliciting applicants to fill the vacancy until the next regular election (October 1, 2024) and "until a successor is elected and has qualified." City Code §2.10.010 requires a candidate for any City office be a registered voter living inside City limits for a minimum of one year prior to filing. Anyone interested in filling the seat until the next regular election can submit a letter of interest addressed to the City Clerk no later than 5:00pm, Monday, July 1 for appointment on July 2.]

Liquor License Renewal – Trophy Lodge

Motion: Hallgren moved to show no opposition to the Trophy Lodge's liquor license renewal; Riesner seconded.

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

VOTE IN NEW DEPUTY MAYOR

[Per City Code §1.25.040, the Deputy Mayor automatically becomes Mayor, and the Council appoints one of their other members to serve as Deputy Mayor. Both serve until the next regular election is certified, after which the Council shall elect a Mayor and a Deputy Mayor.]

Zaremba called for nominations to fill the position of Deputy Mayor.

Prestegard and Leith agreed to serve as Deputy Mayor.

Ballots were distributed and counted by Flower Cole and Pat White. Leith was appointed Deputy Mayor.

UNFINISHED BUSINESS

Public Discount at Landfill

Zaremba reported public participation in this year's Community Cleanup was weak. He suggested offering a discount to residents on a different day.

Discussion followed regarding scheduling the annual Community Cleanup after the snow is gone and before the ground turns green, avoiding overlap with the library's annual fundraiser, and revisiting the subject next year.

Motion: Riesner moved to host a 50% discount at the landfill for residential trash, excluding commercial trash, on Saturday, June 15, 2024, 9:00-3:00; Rawson seconded.

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

Cemetery Expansion

Zaremba referenced a waiver / release of liability for residents to access and harvest firewood in the area at Rest Haven Cemetery that is marked for development. By having residents sign a waiver, there is more ability to ensure cutting remains within the five acres. A schedule of two-hour timeslots at City Hall will prevent overcrowding. Discussion followed regarding excluding commercial woodcutters, leaving a certain stump length (12 or 18 inches) to make clearing easier for the contractor, and whether to allow proxy cutters.

Stormie Mitchell said the condition of gravesites at the cemetery is a disgrace. The City should be responsible for fixing crosses, headstones, and sunken graves because family/friends may be unable to tend to them.

Discussion followed regarding City Code §1.70.090, "Care, maintenance, and installation at the cemetery shall be the responsibility of the City of Delta Junction. This does not prohibit owners from maintaining and upgrading plots," possibly creating a group of volunteers to act as caretakers, and whether to increase rates in the new section.

Motion: Riesner moved to open the 5.7-acre expansion project by allowing the public, excluding commercial woodcutters, to sign up for two-hour timeslots to cut firewood, while leaving stumps; Leith seconded.

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

NEW BUSINESS

Pay Scale for New Hires: Street Equipment Operator and Landfill Operations Assistant

Reierson reported both positions were recently filled. City Administrator Lori Roberts suggested Grade 3, Step 5 (\$21.90/hour) for the Streets Equipment Operator, a permanent, full-time position with 40 hours per week, based on experience. Grade 3, Step 2 (\$17.62/hour) was suggested for the Landfill Operations Assistant, a permanent, part-time position with 25 hours per week. Michael Richardson, Streets Equipment Operator, started June 3, 2024.

Motion: Leith moved to approve the Equipment Operator and Landfill Assistant wages as presented; Rawson seconded.

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

Street Repairs

Zaremba reported new-hire Michael Richardson will identify repairs that are needed on City streets. He left a message with Robert Hanson, local Department of Transportation (DOT) Foreman, about filling cracks and potholes in the first two miles of Nistler Road and to repair the cracks in the outdoor ice rink.

Hallgren asked to inspect other streets besides Nistler, especially the edges that are cracking.

\$25/month Cell Phone Reimbursement

Zaremba asked to compensate City employees \$25/month for using their personal cell phones for City business.

Reierson reported five employees currently get reimbursed quarterly.

Discussion followed regarding bringing the topic back at the next Council meeting.

Hallgren reported cell phone reimbursement is considered taxable income.

Riesner said it is no different than getting reimbursed for mileage.

Davis-Bacon Wages for Cell 2 Project

Reierson reported the savings draw was removed from the proposed budget, however \$90,000 was budgeted under *Landfill Professional Services*.

Zaremba said Tenderfoot Gold is currently being audited by the State. Corey Groppe's email to JW Musgrove said it was around \$90,000, but the exact amount of what they owe their employees is not yet known. He asked to postpone discussion about Cell 2 wages until the Department of Labor finalizes their audit.

Hallgren suggested leaving it in the draft budget because of the projected \$203,980 surplus. The \$90,000 would be paid directly to Tenderfoot Gold employees.

Motion: Hallgren moved to keep \$90,000 in the general budget; Prestegard seconded.

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

Landfill Tipping Fee Increase

Zaremba reported landfill rates were last raised in May 2015 (6.25¢ or \$125/ton to 8¢ or \$160/ton). He referenced Reierson's *Landfill Rate Increase* memo, dated May 31, 2024, and read three options that were based on volume from 2022 and 2023: 1) 11¢ per pound, 2) 12¢ per pound, or 3) 14¢ per pound, as recommended by the Alaska Department of Environmental Conservation. Each option would bring in significant revenue.

Reierson said Fairbanks charges non-residents 14¢/lb. If landfill tipping fees increased to 11¢ per pound (\$220/ton) it would bring in \$277,600.80 in additional revenue. If increased to 12¢ (\$240/ton), it would bring in \$370,134.40 and if increased to 14¢ (\$280/ton), it would bring in \$555,201.60 extra revenue.

Rawson and Leith agreed to take the hit (14¢/lb.) and move on.

Riesner favored less impact by raising rates by one or two cents a year. A recent trip to the landfill cost him \$60. With the price hike, it would cost \$90-\$100. Raising rates will affect residents who use commercial haulers also.

Hallgren said to increase septage rates accordingly (gallon of waste same as pound of refuse). No matter which option, the City could contribute \$300,000 to the \$900,000 projected cost to fund the ambulance service.

Discussion followed regarding using additional revenue toward replacing aged equipment, developing Cell 3, closing Cell 2, and a startup volunteer BLS ambulance service in Alaska costing \$750,000.

Zaremba expressed concern with increasing prices too fast. Charging high rates is going to result in less refuse.

Motion: Hallgren moved to increase the landfill tipping fee to 12¢ per pound (and 12¢ per gallon for septic waste), dedicating 3¢ per pound to the local Emergency Medical Services, effective July 1, 2024, and to revisit the topic in three months; Leith seconded.

Hallgren noted that the ambulance crew houses its operation out of the fire station where apartments are available.

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

Change June 18 Regular Meeting to June 17, 2024

Zaremba reported he is unable to attend the June 18 Council meeting and asked to move the meeting to June 17, so a full Council could be present to adopt the FY25 budget. Otherwise, he could try to attend via zoom.

Leith said she would chair the meeting, so changing the meeting date was not necessary.

Introduction of Ordinance 2024-03, An Ordinance for the City of Delta Junction, Alaska Providing for a Budget for the Fiscal Year 2025

Motion: Hallgren moved to introduce and hold the first reading of Ordinance 2024-03, providing for the FY25 budget, and to set the date for the second reading and adoption on June 18, 2024; Leith seconded.

Hallgren agreed with transferring \$50,000 to the landfill closure account (*TVI - LF Sinking Fund*). He asked to increase landfill equipment (*AMLIP.2 LF Eqpt*) from \$25,000 to \$50,000. Transfers would come from FY24 budget surplus.

Reierson reported the new tipping fee (12¢) would bring in \$206,250 under *EMS Professional Services*. The changes drop the surplus from \$203,980 to \$38,750.

Motion: Hallgren moved to amend the draft budget by adding 4¢ to landfill tipping fees and to add \$25,000 to the landfill equipment fund; Leith seconded.

Hallgren agreed to revisit the landfill fees in three months.

Motion passed on a roll call with six in attendance (Prestegard, Riesner, Hallgren, Leith, Rawson, Zaremba) to amend the draft budget that was introduced.

Motion passed on a roll call with six in attendance (Prestegard, Hallgren, Rawson, Riesner, Leith, Zaremba) to introduce the budget and to hold the second reading and adoption of Ordinance 2024-03 on June 18, 2024.

City Purchases over \$1,000

CK #23109 to Aetna - \$16,868.63 for June health insurance

CK #23110 to Agnew::Beck Consulting, Inc. - \$1,978.75 for March AS-CAC contract

CK #23111 to Delta Medical Transport - \$46,000.00 for June ambulance contract

CK #23112 to Vitus - \$4,534.88 for May heating and equipment fuel

Motion: Riesner moved to approve checks #23109 through 23112; Rawson seconded.

Zaremba reported the \$46,000 contract payment to DMT is on a month-by-month basis.

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

REPORTS

Mayor – Igor Zaremba said, “our community never ceases to amaze me” and reported:

- DOT and local businesses, Morley Electric and University Redi-Mix are willing to contribute toward the school crosswalk. The goal is to have the project completed before school starts.
- The Kiwanis Pavilion was taped off on May 31. He is scheduled to meet with Stephen Hammond, M2C1, to get an engineer’s opinion to repair or replace it. Today, Michael Phelan of Silverline, offered to replace the foundation and repair the posts. Hammond needs to sign off on the repairs, so it can be done before snow flies.
- Gary Hall’s High School welding class finished building the frame for the milepost sign. It needs moved and installed to its place in front of the Visitor Center and thereafter, Auto Trim Design will make the facing. Wanda Sorensen said the existing foundation had to be replaced. Ryan Gilbertson welded a temporary support for the sign and Michael Phelan is overseeing the Boy Scouts doing the cement work.

Leith reported Phelan and the Boy Scouts refurbished all the signs at the Sullivan Roadhouse over the winter.

Zaremba expressed gratitude toward Delta’s close-knit town and people who come together when given a reason.

Finance – Kaylee Reiersen reported:

- Employees appreciate the speed and efficiency of the credit card machine because of the new Internet.
- There is an approximate \$370,000 at the end of the FY24 budget. It will change, but she asked to provide input before it is put back into the general fund, i.e., move money into an AMLIP or establish other sinking funds. She is working with the school district to catch up on unpaid use of the skating rink (approximately \$30,000).

Library – Mary Leith reported:

- The Summer Reading Bookmark Contest ended today. Winners will have their designs made into bookmarks that will be distributed at the library throughout the summer.
- Summer Readers starts next week. Activities include bees, outdoor adventures, and making tiny books.
- The library will host a rock painting class with North Pole artist Ruth Segler on June 17. Registration is required because class size is limited.

Levinson reported the library is transitioning to the new Internet provider, Starlink. A new contractor, Microcom, will install new equipment in a week or two.

Health & Safety – Travis Riesner warned of another virus that is circulating.

Emergency Preparedness – Travis Riesner reported Delta Forestry will host another Red Card class June 18/22. The firefighting opportunity is an adventure for kids getting out of High School. He highly recommended the class.

Schools – Pamela Rawson thanked everyone involved in building the school crosswalk.

Emergency Services – Pamela Rawson reported DMT had 25 ambulance runs last month and the Fire Department responded to three fires.

Park & Recreation – Igor Zaremba reported:

- He is looking into getting cracks sealed at the outdoor rink and repairing the Kiwanis Pavilion at the park.
- A group of teens have volunteered to paint the floors and locker rooms at the indoor rink.

Landfill – Travis Riesner reported he is expecting a quote from a local contractor to install the Toyo stove in the scale house.

Airport – Mike Prestegard reported airport activity has increased and:

- Blue cones, placed to mark the taxiway, have already been an issue (hit by an airplane).

Public Works – Mike Prestegard reported he is grateful for the new hires that filled recent job openings.

At Large – no report

City Administrator – Kaylee Reiersen reported in Lori Roberts' absence:

- The cemetery expansion will be put out to bid once trees have been removed.
- The Ambulance Service Community Advisory Committee (AS-CAC) will invite Fort Greely Commander LTC Keith Marshall, Lockheed Martin, and Kinross to discuss continuation of ambulance services.
- Roberts is working with the Fairbanks Fire Marshall about putting a barrier around the beams at the Liewer-Olmstead Ice Arena. They must be sprayed with fire retardant first.
- David Dawe is repairing the well at the Public Works building.

Cemetery – Pat White reported the Public Works crew have been busy marking graves for cremation burials, overseeing casket burials, and repairing broken water lines.

City Clerk – no report

Additional Reports - none

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Tim Holoday said levity and enjoyment were evident in tonight's meeting.

Zaremba expressed appreciation to Flower Cole for preparing snacks for Council meetings. He, like most of the Council, comes straight from work and as a volunteer felt Council members were deserving of the perk.

Hallgren said funding for Council snacks was reduced during the May 28 budget work session (\$2,500 to \$1,250).

ADJOURNMENT – 7:29pm

Approved: June 18, 2024

Igor Zaremba, Mayor

CITY
SEAL

Pat White, City Clerk