

City Council Minutes
Regular Meeting
August 6, 2024 ~ 5:00PM
City Hall, Delta Junction, Alaska



CALL TO ORDER / PLEDGE OF ALLEGIANCE / PRAYER

Mayor Igor Zarembo called the meeting to order at 5:02pm.

Council members present: Mayor Igor Zarembo, Deputy Mayor Mary Leith, Pete Hallgren, Lance Stricklin, Pamela Rawson, Michael Prestegard, Travis Riesner

City staff present: City Administrator Lori Roberts, Administrative Assistant Flower Cole, Finance Officer Kaylee Reiersen, City Clerk Pat White

Public present: Fourteen people were present at the beginning of the meeting plus four guest speakers, three who attended via Zoom.

AMENDMENTS ~ APPROVAL OF AGENDA

Zarembo reported *Resignation from Pamela Rawson* would be added to *Correspondence*. He asked if there were any objections to moving *Preliminary Plat - Yantsen Subdivision* earlier on the agenda because Sebastian Saarloos needed to coach soccer games at the park.

Motion: Leith moved to approve the August 6, 2024 agenda as amended; Reisner seconded.

Motion passed unanimously on a roll call vote.

NEW BUSINESS

Preliminary Plat – Yantsen Subdivision

Sebastian Saarloos referenced the subdivision, located north of Delta Building Supply warehouses on Emmaus Road, and said the landowner, Ruvim Yantsen, intends to subdivide 4.61 acres into three lots, 2A (1.31 acres), 2B (1.65 acres), and 2C (1.65 acres). There are no liens on the property. GVEA has no objection to approving the plat, but requests a review prior to final approval (August 20) to ensure all easements are shown on the plat. A small road, Yantsen Court, will access all three lots.

Discussion followed regarding whether Yantsen Subdivision is located near the flood zone.

Motion: Stricklin moved to approve the preliminary plat for Yantsen Subdivision as presented; Hallgren seconded.

Motion passed unanimously on a roll call (Hallgren, Riesner, Prestegard, Stricklin, Rawson, Leith, Zarembo).

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Motion: Hallgren moved to approve the July 16, 2024 minutes as presented; Stricklin seconded.

Motion passed unanimously on a roll call vote.

COMMENTS ON NON-AGENDA ITEMS - none

REQUEST TO SPEAK

Shelly Wade, Ambulance Service Community Advisory Committee (AS-CAC)

[Agnew::Beck was awarded a contract for \$14,940 on October 17, 2023. It was expended in three payments, \$1,978.25 on June 4, \$5,956.25 on July 16, and \$7,005 on August 6 (page 4).]

Shelly Wade, Agnew::Beck Consulting, reported they are under contract with the City to research and facilitate a process for community representatives, aka Community Advisory Committee (CAC), to identify a fiscally sustainable solution to meet ambulance needs for the community. She briefed those in attendance on progress since the initial meeting on March 26 and subsequent meetings, May 20 and June 25. Agnew::Beck developed a *Rules & Responsibilities* document to guide CAC members in gathering information. They communicated with legislative representatives, other municipalities that have been faced with the same challenge, communities on the road system, experts from Interior Region EMS Council. They researched industry standards and operation costs in Delta and other communities. Potential costs and revenue were presented at the June 25 meeting. Wade reported their initial cost for consulting service was a little over \$30,000, but they settled for \$15,000 with the previous Mayor and City Administrator.

Discussion followed regarding not finding solutions after five months, two CAC members resigning, making CAC meeting minutes and PowerPoint slides available to the Council, “moving the needle” on Payment in Lieu of Taxes (PILT), tasking CAC members with assignments, i.e., research community contributions, upcoming conversation

about the Alaska Supplemental Emergency Medical Transport Plan that provides billing revenue, and updating mutual aid with Fort Greely even though their priority remains with the installation and they are unable to honor the agreement if the local ambulance level of service is less than ALS (Advanced Life Support).

Rawson reported the research done so far is worth moving forward, although there are CAC members that need removed because they are pushing their own agendas, which is not finding a solution toward ambulance services.

Wade said she did not feel the composition of the CAC is detouring progress. There are negative conversations outside of meetings and comments on social media, but they are not focused on facts. She intended to address those discussions at the August 7 meeting to determine if any were viable. Outstanding questions, information on fixed and itemized costs, insurance coverage for ambulance personnel, and a possible revenue stream from the City budget and other corporate partners were also on the August 7 agenda.

Roberts referenced an emailed invoice (\$4,980) to prepare, facilitate, document, and conduct the August 7 meeting and said it was not advertised because the contract funds were already spent.

Discussion followed regarding postponing the August 7 meeting, permitting Tony White to serve on the CAC because of his useful knowledge, and the mayor having discretion to remove CAC members per *Rules and Responsibilities*.

Motion: Hallgren moved to extend the consulting contract with Agnew::Beck in the amount of \$5,000.00 and to authorize the mayor to review the composition of the Community Advisory Committee; Rawson seconded.

Motion passed unanimously on a roll call (Riesner, Stricklin, Hallgren, Rawson, Leith, Prestegard, Zaremba).

Delta Skating Assoc. President BJ Sloan – Year-Round Rink / Park Manager

[The Council approved hiring a part-time, seasonal rink manager during the November 21, 2023 meeting. There were no applicants, and the advertisement was taken down when the 2023-2024 skating season ended last April.]

BJ Sloan, Delta Skating Association (DSA) President, expressed concern that the rink manager position was not advertised, and the new skating season will begin soon. According to the 2023-2024 Memorandum of Agreement, the City was to hire a rink manager. DSA's responsibility was to fund the position. Meanwhile all responsibilities fall on volunteer coaches and parents who are already taxed with running programs, scheduling games and practices, and other obligations that are not part of the MOA. He appreciated City employees who helped with rink projects throughout the summer, i.e., removal of trash, electrical issues.

Discussion followed regarding misunderstandings due to recent turnovers in Council and City staff, discrepancies that need clarified before drafting the 2024-2025 MOA, and City employees trying to resolve sewer issues.

TVI, APCM, AMLIP – Status of Investment Accounts

Blake Phillips, Director of Alaska Permanent Capital Management (APCM), reported he has worked with the City since September 2019. Using PowerPoint slides, he briefed the Council on the City's portfolio and said there are no recommended changes. Controlled contributions were \$1.6 million. There were no withdrawals. The current market value was just under \$2.5 million at the end of June. There was \$443,000 in net earnings, just over 6% in annualized account returns since 2019. Phillips said the growth was good considering COVID and 2022, the worst year for balanced portfolios in 40 years. The City's permanent fund is in a conservative growth strategy, which gives the ability to take more risks. 52% is invested in risk assets, primarily stocks and bonds. The purpose of the Permanent Fund is longtime financial stability and economic health. Phillips said over the next ten years, they expect the City's portfolio to return an average of 6.7%. He cautioned against making changes to the City's portfolio during turnover in the Council structure and to communicate any changes to the City's finances.

Discussion followed regarding whether any money could be funneled toward continuing ambulance services, not making changes to the Permanent Fund portfolio at this time (maintain lower returns on conservative investments), Fairbanks making 6% profit on marijuana sales, APCM's fees to manage the City's Permanent Fund (.87%), Hallgren recalling when the City took on more risk after changing firms in 2019, and global growth more resilient than what was expected.

Alex McCann, True Value Investments (TVI) broker based in Seattle, reported they have 70 clients in Alaska. They are an investment company. The City's investment (\$2.3 million) was making 2% interest 15+ years ago. TVI reinvests savings when investments mature. Diversifying maturity is scheduled for review on August 15 and

August 19. McCann reported TVI manages a City savings account (\$2,306,365 as of June 30, 2024) and a landfill closure account (\$6,776,354 as of June 30).

Hallgren reported the City has 13 cash-flow savings accounts with Alaska Municipal League Investment Pool (AMLIP). They offer better interest rates than bank savings accounts.

CORRESPONDENCE

Resignation Letter from Pamela Rawson

Zaremba asked to accept Pamela Rawson's resignation, effective September 3, 2024.

Rawson said she will be moving to the Lower 48 permanently, depending on the sale of her home.

Hallgren reported Alaska Statutes 29.20.180 does not require soliciting letters of interest to fill a vacancy "if less than 30 days remain in a term." Rawson's seat (B) will be added to the 2024 Municipal Election ballot.

State of Alaska Primary Election (August 20), School Board (October 1), and General (November 5)

White reported:

- The State of Alaska Primary Election will be held at the Community Center (2287 Deborah Street) on August 20, 7:00am-8:00pm. Early voting is available Tuesday through Friday, August 6/16, 12:00-8:00pm, in the small conference room at City Hall (2288 Deborah Street). Information is available on the City's website (deltajunction.us/upcoming-state-and-local-elections/) and the State of Alaska's (elections.alaska.gov/absentee-and-early-voting/#In-Person).

- The School Board (REAA) Election will be at the Community Center on October 1, 8:00-8:00pm. Early voting will be available at City Hall Tuesday and Thursdays, September 17, 19, 24, and 26, 12:00-8:00pm.

- The State of Alaska General Election will be at the Community Center on November 5, 7:00am-8:00pm. Early voting will be held at City Hall Monday through Friday, October 21 through November 4, 12:00-8:00pm.

Municipal Election Candidate Filing Period (August 22 / September 6)

White reported:

- Candidate packets are available at City Hall. Three seats will be on the October 1, 2024 ballot: Seat A (three-year term), B (one-year), and E (three-years). City Code §1.10.020 requires candidates be registered voters who have lived within the City limits for one year when filing. City Code §2.05.020 explains voter qualifications.

- The last day to register to vote in the Municipal Election is September 1, 2024. State of Alaska voter registration forms are available at City Hall, Division of Motor Vehicles, or online (elections.alaska.gov).

UNFINISHED BUSINESS

Delta Junction Trails Funding

Zaremba reported Mindy Eggleston requested \$2,000 during the May 7, 2024 Council meeting to support Liewer Community Trail projects. FY24 contribution funds were gone and the FY25 budget was not yet finalized. Delta Junction Trails Association intends to build a foundation for an igloo, located at the opening of the trail and used as a warm-up hut, that will be open during school and DJTA events.

Motion: Leith moved to donate \$2,000.00 to Delta Junction Trails Association as requested; Stricklin seconded.

Motion passed unanimously on a roll call (Leith, Prestegard, Riesner, Hallgren, Sticklin, Rawson, Zaremba).

NEW BUSINESS (continued)

Construction Machinery – Repair L150 Loader

Roberts reported Construction Machinery quoted \$13,362.29 to repair the L150 loader and they will do the repairs at the landfill. Meanwhile, the Volvo 220 has completely broken down (hydraulic oil in the engine). It will require transport to/from CMI. Roberts inquired with Pogo because their mechanic could inspect the Volvo.

Zaremba suggested getting CMI's diagnostics because of previous experience with them charging, but not actually performing the oil sample tests. He asked to get quotes from other mechanics, preferably local.

Hallgren moved to extend the Council meeting to 8:15pm; Stricklin seconded.

Motion passed by unanimous consent.

Information Technology (IT) Contracted Services

Reierson reported a three-year contract would cost \$633.31/month to fully protect each facility (City Hall, Library, Landfill, Public Works, Fire Department) as well as provide IT support help.

Zaremba recommended postponing the topic to the August 20 meeting.

Security for City Facilities

Roberts reported \$46,631 was quoted to install 15 motion-activated indoor/outdoor cameras and RFID (radio frequency identification) cards that would replace keys in seven facilities (City Hall, Library, Community Center, Landfill, Visitor Center, Liewer-Olmstead Ice Arena, Public Works / Fire Department). The hardware comes with a one-year warranty. Roberts said \$5,831 was quoted for just City Hall last May.

Discussion followed regarding the expense of changing locks, recently changing locks again at the landfill, prioritizing replacement of Community Center doors, and postponing discussion to August 20.

City Purchases over \$1,000

CK #23182 to Aetna - \$15,652.76 for August employee health insurance

CK #23183 to Agnew::Beck - \$7,005.00 for contract to facilitate Community Advisory Committee for June

CK #23184 to Alaska Library Network - \$1,224.70 to renew annual membership for 2024

CK #23185 to Bill's Small Tractor Service - \$6,009.00 for lawn maintenance contract, payment 2 of 3

CK #23186 to Delta Building Supply - \$1,482.15 for facilities maintenance fees

CK #23187 to Delta Girls Softball Association - \$1,000.00 donation (approved July 16, 2024)

CK #23188 to Delta Medical Transport - \$46,000.00 for August EMS contract

CK #23189 to Hale & Associates - \$3,847.88 to insure the Pioneer Pavilion (\$196.92) and two Rural Deltana fire trucks (\$3,650.96)

CK #23190 to LN Curtis - \$2,750.00 for five air tanks for Fire Department's Self-Contained Breathing Apparatus

CK #23191 to State of Alaska - \$50,000.00 for prison loan payment, #19 of 24

CK #23192 to The Delta Estates - \$17,000.00 to pour concrete pad in front of the Public Works

CK #23193 to Traffic Signs - \$1,316.55 for signs at the school crosswalk on Nistler Road

CK #23194 to Wanda Sorensen - \$1,604.00 for reimbursement of supplies for the milepost marker sign at the Visitor Center

Roberts reported flashing LED crosswalk signs (approximately \$4,000) will arrive in September or October.

Motion: Stricklin moved to approve checks #23182 through 23194; Riesner seconded.

Motion passed unanimously on a roll call (Prestegard, Riesner, Rawson, Hallgren, Stricklin, Leith, Zaremba).

Hallgren moved to extend the Council meeting another 15 minutes; Stricklin seconded.

Motion passed by unanimous consent.

Rawson excused herself at 8:14pm.

REPORTS

Mayor – no report

Finance – Kaylee Reierson reported:

- \$1,291,981.69 in FY25 PILT was received.
- The FY25 budget, part of the requirement to receive Community Assistance Program (CAP) funds, was submitted. The FY23 audit will be submitted as soon as it is done.
- She and Roberts are working with State of Alaska grant administrators.

Roberts reported there is a discrepancy in grant funds, specifically \$121,000 from the Alaska Municipal League Investment Pool and American Rescue Plan Act (AMLIP ARPA) savings account. The problem becomes an obstacle in closing audits. [Note: Misallocated funds were later moved to the proper account.]

Zaremba reported those funds, dedicated for ambulance services, will be gone in October instead of December.

Library – Mary Leith reported:

- A nerf gun battle is scheduled tomorrow, August 7, at the park.
- An Ice Cream Story Walk is also planned for August 7.
- Summer Reading and challenges ends August 9.
- Interactive Storytelling, featuring *Where the Wild Things Are*, is planned for August 10.

Health & Safety / Emergency Preparedness – Travis Riesner reported:

- There are reports about people getting swimmer's itch from the gravel pits on Spengler Road.

- The dock at the gravel pits was vandalized and screws were left that could cause potential injuries.
- There is a pothole at Milepost 190 on the Richardson Highway near Paxson that is destroying tires. Another pothole has caused damage to vehicles on the Richardson Highway near Tenderfoot.
- Strong winds have caused trees to fall on power lines. Contact GVEA to report them.

Schools – no report

Emergency Services – Lori Roberts reported she and Miles Patton are updating the *Emergency Operations Plan*, which must be done by the end of September when grant reporting is due on the Fire Department radios. Flower Cole is drafting an *Integrated Preparedness Plan*, a requirement from the State of Alaska.

Park & Recreation – Igor Zaremba reported the park has been well maintained all summer.

Landfill – Igor Zaremba reported:

- A trash compactor will be useful at the landfill.
- \$1,295 was received to recycle copper. It was used to purchase culverts for the school crosswalk.

Roberts reported:

- The landfill scales will be updated at the end of August.
- The Department of Environmental Conservation (DEC) requires an e-waste (electronic waste) and household recycle program by the end of September. Lithium batteries must now be declared at the scale house.
- C+R Pipe will deliver a container for recycling steel.
- Signage will be posted for aluminum cans that will be recycled at the landfill also.
- Michael Zastavskiy quoted \$6,300 to install the Toyo stove and fuel tank at the scale house.

Airport – Mike Prestegard reported:

- The airport is busy.
- Gravel was used to create another tie down spot (#17).
- The electrical post will be repaired once an airplane is moved out of the way.
- A D66 Airport pilots meeting is scheduled at City Hall on August 22 at 7:00pm.

Public Works – no report

At Large – no report

City Administrator – Lori Roberts reported:

- Marishka Weller, Landfill Operations Assistant, was bumped to full-time, so that Tenali Hicks, Landfill Equipment Operator, could assist David Dawe, Public Works Maintenance, when necessary.
- The insurance adjuster inspected City Hall offices that were flooded after the rainstorm (June 13) and determined there was no damage. Water escaped under the foundation. A contractor will clean carpets and repair/paint the walls.
- A meeting is scheduled with the two fire departments to discuss merging.
- A manlift will be used to change lightbulbs at the Fire Department on August 8.
- The Fire Department is getting quotes to repair a tender that has transmission issues.
- She inquired with AMLIP about securing Rural Deltana Volunteer Fire Department's finances in a savings account. She will keep the Council informed as new information becomes available.

Cemetery – Lori Roberts reported clearing at the cemetery is not yet ready for woodcutters to salvage the trees.

City Clerk – no report

Additional Reports – none

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

ADJOURNMENT – 8:30pm

Igor Zaremba, Mayor

CITY
SEAL

Pat White, City Clerk

Approved: August 20, 2024