

City Council Minutes
Regular Meeting
February 4, 2025 ~ 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 ZAREMBA, Deputy Mayor Mary LEITH,
Michael PRESTEGARD, Lance STRICKLIN, Stormie MITCHELL

Council excused: Pete HALLGREN, Travis RIESNER

City staff present: City Administrator Lori Roberts, Finance Officer Kaylee Reiersen,
Library Director Tiki Levinson, City Clerk Pat White

Public present: Estimated 120, including 29 on Zoom. The meeting was broadcast over KDHS 95.5 FM radio.

AMENDMENTS ~ APPROVAL OF AGENDA

Zarembo asked those in attendance to save comments about the *EMS Ballot* to later in the meeting. He also reported *Shaw Avenue* would be removed from *New Business*.

Motion: Leith moved to approve the February 4, 2025 agenda as amended; Stricklin seconded.

Motion passed by unanimous consent.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Prestegard asked to correct his statement during discussion about the Hess Property in the January 21 draft minutes (page 3) to read, "... one foundation for a single dwelling or a duplex for two families complies with City Code, but three foundations do not."

White reported she altered part of Hess Property discussion, "Hallgren referenced City Code (4.20.015) that was added (Ordinance 2011-09) to permit neighborhood business construction in the residential zoned area. Thereafter, a Conditional Use Permit (Ordinance 2011-09) was drafted, and Timbercrest Dental was built on Nistler Road."

Motion: Leith moved to approve the January 21, 2025 draft minutes as amended; Stricklin seconded.

Motion passed by unanimous consent.

PUBLIC COMMENTS

Dean Seibold suggested separating the fire department from emergency medical services (EMS) because they are two different entities. Fire redistricting will lead to borough formation. Deltana has not exhausted their options for insurance. They are working toward standing alone. Voting for a merger of the two fire departments, Delta Junction Volunteer Fire Department (DJVFD) and Rural Deltana Volunteer Fire Department (RDVFD), is voting to destroy the greater Deltana area. He said he does not appreciate socialist grow-the-government ideology, Marxist tactics to fool the public, and short-timers who live outside of the community who incite people and provoke fear.

Amber White reported the number of people in attendance are not regular attendees but concerned citizens who have been misinformed and lied to. She encouraged Council to listen to the public and the public, to ask questions.

REQUEST TO SPEAK - none

CORRESPONDENCE

EMS Brochure

[Roberts drafted the brochure in October to update the community on EMS issues, particularly ambulance services. It was removed from discussion because of the length of recent meetings.]

Roberts reported the trifold brochure provides history about EMS in the local area, why volunteerism is no longer sustainable, EMS partners within the community, and suggested solutions.

Discussion followed regarding not knowing how much money suggested solutions would generate, grant funding too unstable to speculate, and costing \$400 to mail brochures to 4,000+ local mailboxes.

Zarembo said the brochure was an attempt to inform the public about concerns in providing ambulance services.

Motion: Stricklin moved to update the informational brochure for approval on February 18, 2025; Leith seconded.

Motion passed by unanimous consent.

UNFINISHED BUSINESS

FY25 Budget Update, Q2

Reierson reported *FY25 Budget v. Actual*, dated January 15, 2025, was on the January 21 agenda, but not discussed because of the extended length of the meeting. She distributed copies to Council but received no inquiries.

Reierson reported 70% of estimated income has been received and 48% has been spent. Heavy equipment expenses are higher than budgeted because of unexpected maintenance and repairs. Northern Star / Pogo have not made their annual donation (\$200,000) yet.

Hess Property

[The *Residential Subdivision Policy* was adopted April 17, 2007: The City Council's preference that residential subdivisions contain individual residential lots of at least one acre (43,560 square feet) in size.]

Prestegard asked to postpone discussion until Alaska Department of Environmental Conservation (ADEC) responds to the neighbor's complaint about well and sewer separation. He expressed concern about drainage and how Koval's two lots (15,270 square feet each) tie into the City's *Residential Subdivision Policy* and City Code 4.75.040(b)(1), "Lot dimensions shall conform to the requirements of the zoning ordinance provided that no residential lot shall be less than 40,000 square feet in area." Three two-bedroom structures also violate City Code 4.20.020(b).

Zaremba reported Koval's foundations and sewer systems were cleared by a realtor and an engineer.

Koval said the number of bedrooms and square footage are within ADEC's regulatory recommendations.

Debbie Joslin, Joslin Realty, questioned why the property sold without any knowledge of the one-acre policy or residential use restrictions. Koval's construction does not follow City zoning codes, but neither do a lot of others.

Roberts asked Koval to apply for a *Conditional Use Permit* per City Code 4.20.015. A public hearing would be scheduled to address Koval's concerns and those of neighbors within 500 feet of Koval's lots.

Mitchell asked to advertise changes in the local paper to make the public aware how the City handles land issues.

Employee Policy Plan Revisions

[Updating the *Employee Policy Plan* was first discussed on December 3, postponed to January 7 on December 17, and not discussed again because of the length of recent meetings.]

Mitchell suggested tabling discussion until a work session with only Council members can be scheduled. An employee policy is about management decisions.

Roberts reported clarifications, edits, and changes (in blue font) included changing pre-employment drug screening to random drug screening and making background checks a requirement. Input was requested from Council members on November 1 and feedback was received from Mary Leith, Pete Hallgren, and Igor Zaremba. Roberts said she spoke with the Department of Labor and the policy was reviewed by City Attorney Pam Weiss, Hale & Associates (City insurance), and City employees.

Mitchell reported there were too many changes to the policy that should be revised by the Council body. She said, "we need to figure out if we can afford the employees that we have ... if we should combine jobs to save money ... are there possibilities of discrimination ... are any labor laws violated?"

Prestegard reported he wanted changes on one draft, eliminating multiple versions.

Discussion followed regarding being prepared to address the Employee Policy at the next meeting (February 18),

2025 Holiday Schedule

Roberts reported the City's holiday schedule has been on the agenda since December 17. Two State-recognized holidays were added, Juneteenth (June 19) and Alaska Day (October 18).

Motion: Leith moved to adopt the 2025 Holiday Schedule as presented; Stricklin seconded.

Motion passed on a roll call with four in favor (Leith, Prestegard, Stricklin, Zaremba) and one opposed (Mitchell).

Fire Department Merger

Roberts reported that Rural Deltana Volunteer Fire Department (RDVFD) has not been able to operate since last year. A merger enables RDVFD and Delta Junction Volunteer Fire Department (DJVFD) firefighters to respond to house fires throughout the community, utilizing fire apparatus from both departments and all three fire stations.

Dave Neuberger, RDVFD Board Director, reported they were forced to shut their doors in January 2024 after learning they had no insurance coverage. They approached previous Mayor JW Musgrove and previous City

Administrator Ken Greenleaf to create a Memorandum of Understanding (MOU) to merge the fire departments into one cohesive unit. The final document has yet to be finalized.

Mitchell asked whether the City would expand its boundaries if they absorbed RDVFD.

Neuberger said boundaries would not change. Districts would not change. The merger would cover the same area that both departments cover now, north to Banner Creek, south to Trims Camp, and east to Johnson River.

Roberts reported expanding borders to create an areawide fire district was a question posed during an Ambulance Service - Community Advisory Committee (AS-CAC) meeting. Would it generate revenue to fund ambulance services? Currently the City is paying to insure Rural Deltana vehicles and firefighters. Rural Deltana is insuring their fire stations.

Neuberger reported the automatic aid agreement between DJVFD, RDVFD, and Fort Greely has not been updated.

Nelson Grier, RDVFD Treasurer, reported they researched multiple insurance companies and assistance throughout Alaska without success. The two fire departments have a handshake agreement for the sake of the community. It is not a legally binding agreement. Rural Deltana can purchase their own insurance, but only after carrying it for four years. Grier said that it may prove to be more efficient to remain as one merged unit, but for now, the fire departments are operating on separate budgets.

Tony White, DJVFD Fire Chief, reported there are two separate fire departments that have “played in the same sandbox” for the past 40 years.

Discussion followed regarding consolidating training, Dean Seibold’s disbelief in Rural Deltana’s circumstances, and RDVFD’s goal to stand alone.

Clark Richeson, RDVFD Captain, reported assets (bunker gear, fire hoses, extrication equipment, hydraulic hoses) are expensive and need to be routinely tested and replaced. Most assets are extremely outdated.

NEW BUSINESS

Purchases over \$1,000.00

CK #23446 to PERS - \$4,273.42 for retirement payroll, January 17, 2025

CK #23447 to Aetna - \$18,920.54 for February group health insurance

CK #23448 to PERS - \$4,501.31 for retirement payroll, January 3, 2025

CK #23449 to Bank of America - \$1,313.48 for credit card charges

CK #23450 to Delta Medical Transport - \$34,500.00 for February ambulance contract ending February 21, 2025

CK #23451 to Prestige Home by Design - \$6,750.00 for landfill scale house boiler, payment 2 of 2

CK #23452 to Vitus - \$1,497.65 for January landfill heating fuel and off-road diesel

Motion: Stricklin moved to approve checks 23446 through 23452; Leith seconded.

Motion failed on a roll call with two opposed (Prestegard, Mitchell) and three in favor (Leith, Stricklin, Zaremba).

Discussion followed regarding fees associated with Roberts and Reierison attending the Alaska Municipal League (AML) conference in December, a charge for coffee adjusted from Reierison’s per diem, check #23408 (\$11,044.21 in credit card charges for November and December) approved during the special meeting on January 8, and Reierison making Bank of America statements available to Mitchell and Prestegard on January 12.

Reierison asked to authorize paying a \$35 minimum if the full \$1,313.48 is not approved.

Motion: Leith moved to pay checks 23446 through 23452 minus #23449 and the minimum fee to Bank of America; Stricklin seconded.

Motion passed on a roll call with five voting in favor (Stricklin, Prestegard, Leith, Mitchell, Zaremba).

City of Delta Junction Security Camera Policy and Procedures

Roberts reported the *Delta Junction Security Camera Policy & Procedures* coincides with the new section of City Code (3.08.010) that was adopted on December 3, 2024 (Ordinance 2025-01). The document was first emailed to Council members in November, edits were made as requested, but it has not been approved.

Mitchell referenced “Security Camera Oversight Group” (page 4) and reported she, Prestegard, Stricklin, Riesner, and Hallgren voted to remove the City Administrator from the group. [Clerk note: No such action was taken at any meeting since November (Dec. 3, Dec. 17, Jan. 7, Jan. 21). Makeup of the oversight group was discussed during the December 3 meeting, but no motion was made to remove anyone.]

Roberts reported that the Oversight Group consists of the Mayor, Deputy Mayor, City Administrator, Attorney, and manager of Information Technology (IT). They are to audit the camera system, ensure policies and chain of command are followed, and ensure everything is documented. Both the City Attorney and the IT manager

recommended not having all the Council members on the group. Roberts reported she received a subpoena for footage from the Alaska State Troopers in January. The IT manager assisted in the transfer of the requested data to a thumb drive.

Discussion followed regarding security cameras being protected by firewalls, Prestegard preferring hard wire instead of Cloud storage, and Mitchell wanting to see the IT contract.

Levinson reported the library had experienced multiple thefts and vandalism and said, “we now have cameras, but without the policy we can’t look at the footage to find out who stole the flowerpots!”

Zaremba reported the policy can be revisited at any time should anyone have questions, concerns, or revisions.

Motion: Stricklin moved to adopt the *Delta Junction Security Camera Policy & Procedures*; Leith seconded.

Motion failed on a roll call with two opposed (Mitchell, Prestegard) and three voting in favor (Stricklin, Leith, Zaremba).

Fuel Tank for Public Works

Reierson reported she researched buying a fuel tank to have bulk fuel delivered to the Public Works building, a question brought up a couple months ago.

Zaremba asked to consider penalties for oil spills and inconvenience of getting fuel at the pump compared to a small amount of savings by buying in bulk.

Introduction and First Reading of Ordinance 2025-02, Amending City Code §3.21.100, Sanitary Landfill Fees

Roberts reported landfill tipping fees were increased July 1, 2024, but City Code 3.21.100 was not updated because the fees were to be revisited in October 2024 and January 2025.

Motion: Leith moved to introduce Ordinance 2025-02, hold the first reading, and set the public hearing, second reading, and adoption for February 18, 2025; Stricklin seconded.

Motion passed on a roll call with five in attendance (Stricklin, Prestegard, Mitchell, Leith, Zaremba).

Introduction and First Reading of Ordinance 2025-03, Amending Sections of City Code Title I, Legislative, Judicial, and Administrative

Mitchell asked to table the ordinance until the next meeting.

Motion: Leith moved to introduce Ordinance 2025-03, hold the first reading, and set the public hearing, second reading, and adoption for February 18, 2025; Stricklin seconded.

Motion failed on a roll call with two opposed (Mitchell, Prestegard) and three in favor (Leith, Stricklin, Zaremba).

EMS Ballot

[Comments were inserted into discussions of each suggested fundraising option.]

Gerald Pugh questioned dedicating Payment In Lieu of Taxes (PILT) to EMS instead of catering to the hockey rink, library, and senior center. Referring to numerous options to raise money, he expressed concern with dumping a lot of additional fees on older citizens who live on fixed incomes.

Roberts reported the AS-CAC first met in March 2024 to identify revenue to support an ambulance service.

Referring to the draft ballot (public opinion poll), she said area residents offered options/ideas. They will not all be implemented and some suggestions were not placed on the ballot because they can be done in-house:

[Collecting voluntary donations, similar to fire donations](#)

[Hiring EMS professionals to operate a City-run ambulance service.](#) Startup costs are estimated to be \$777,000. Annual operating costs are \$1.4 to \$1.8 million with only 30-40% recovered from private insurance. Contracting with Delta Medical Transport (DMT) will cost \$1,000,000 annually and would buy time to locate an ambulance and stand up a City-run service. Roberts explained progress in navigating through government bureaucracy, i.e., reestablishing State and Federal requirements (NPI, Medicare, Medicaid, DEA provider IDs).

[Establishing a 3% federal contract fee.](#) It would require discussion with Fort Greely officials and Federal contractors as well as drafting an ordinance to expand the City’s extraterritorial authority (City Code 7.01.010). The City must have a system in place before starting a conversation.

Collecting alcohol tax from the State of Alaska. Roberts reported the City of Fairbanks (not Fairbanks North Star Borough) charges 5% on all alcohol sales and gets \$1.5 million in returns.

Stricklin reported existing State law already taxes alcohol sales. Delta received one quarterly payment (\$7,100 reported on March 6, 2018) but never took action to continue collecting it. Stricklin said he is working with the Alcohol & Marijuana Control Office (AMCO) to create policy to qualify for those funds that are already collected by the State.

Charging a service fee on purchases at the Visitor Center would require drafting a resolution. Last year, 14,000 tourists stopped at the Visitor Center, which is owned by the City and leased to the Delta Farm Bureau.

Local businesses can give customers the option to **round up sales** that would be donated to EMS

Community-run fundraisers, i.e., thrift store, barbecues, musical shows, bake sales.

Other ideas that needed community support were the reason for Delta and Deltana residents to vote:

2% sales tax from all businesses

3% convenience fee on sales at gas stations

Al Edgren asked for better clarification of the 2% sales tax and to enforce all o them, not making any voluntary.

Marijuana sales - Marijuana businesses were banned in 2016 and included businesses 10 miles outside of the City limits. Would the public reconsider if they could raise funds to support an ambulance service?

Cody White reported marijuana sales, based off Anchorage, Palmer, and Fairbanks data, breaks down to \$19.50 per person. The max Delta would see in a sales tax is \$78,000 annually. Palmer is instituting a cultivation tax, another 5%. Using their data, it would generate \$150,000. He questioned if “the juice was worth the squeeze.”

Zaremba said he opposed pot shops, making it easier for kids to access marijuana, and that he would rather build a gymnasium. He also questioned the irony of affording EMS while increasing the number of accidents due to people under the influence of alcohol and marijuana.

Mitchell questioned revenue associated with each option. Are they worth pursuing? Will the City need to increase manpower and wages?

Zaremba said the draft ballot lists suggestions that were voiced by area residents. The list needs narrowed (voted on) to research and determine what is feasible to implement.

5% transient fee from bed tax at hotels, motels, Airbnb, VRBO

Increase landfill tipping fees another 3¢ (to 15¢ per pound or \$300 per ton) - Tipping fees were increased last July to 12¢ per pound (up from 8¢, yet not the 14¢ that ADEC recommended). Three cents of the 4¢ increase from last July was dedicated to EMS and has generated \$206,000.

Add \$5/month to GVEA bill

Roberts reported GVEA membership (2,500 meters) would have to vote on adding the charge.

Stricklin asked if GVEA would charge a processing fee.

Add 5¢/gallon for fuel at the pump (\$1.00 for every 20 gallons of gas)

Add 5¢/gallon for all fuel (\$1.00 for every 20 gallons)

Roberts reported O’Morley’s is already collecting fees. At this point the 5¢ is voluntary.

Al Edgren said the extra fee should apply to all fuel distributors.

Clark Richeson argued that if an election is to be conducted, research and ordinances need to be done first.

Roberts explained the ballot and the need for an election process, which she hoped would be facilitated by the Division of Elections for a fair and honest outcome. Registered voters within Delta (Precinct 050) and Deltana (054) would vote on the best revenue sources before the Council would go through the process of codifying them. (The ordinance is introduced at the first meeting. The public hearing and second reading are held at the second meeting along with possible adoption before the ordinance becomes law.)

Discussion followed regarding all collected revenue going into dedicated EMS and AMLIP (Alaska Municipal League Investment Pool) accounts, considering the Permanent Fund Dividend (PFD) Pick.Click.Give, expanding City Code 7.01.010 to reach businesses outside the City boundaries, social media implicating a deep dive into

trimming the City's current budget, whether reviewing wages of City staff is necessary, whether volunteers could replace paid-positions, revisiting priorities before settling on the ballot, and considering potential income from family and friends of deceased who "donate to a worthy cause" instead of sending flowers.

Prestegard moved at 8:00pm to extend the meeting for 30 minutes; Mitchell seconded.
Motion passed by unanimous consent.

Chris Morley said he is a proponent of the City taking over EMS, but every suggested sustainable stream of revenue is labeled a tax. Taxes will get a lot of opposition. Government intrusion is why we live here.

Kathryn Duval also supported a community-run ambulance service, but expressed concerns about running out of time before DMT ceases to operate (February 21, 2025). She asked if funding is available to extend their contract for another year.

Angela Lentz reported once EMS goes off-line, dispatch is unable to forward 9-1-1 calls. EMS will never sustain itself. It is one of the hardest industries to operate. The community needs a long-term plan and if it takes paying an extra dollar at the gas pumps to maintain life-saving measures, so be it.

Amber White reported there are problems in rural communities across the nation. Even the State of Alaska does not have an operating model. She asked where the community will be in one year because there can be no progress if the community cannot agree on funding an ambulance service now. It will cost \$1.4 to \$1.8 million unless the ambulance service is volunteer or a hybrid BLS service.

Zaremba reported it has been a six-month process to get this far. He asked DMT to give a number, including a profit, to help stand up an EMS service without letting services lapse.

Mindy Eggleston suggested creating a plan through Foraker.

Leith moved at 8:31pm to extend the meeting another 15 minutes; Stricklin seconded.
Motion passed by unanimous consent.

Jeanne Pinkleman said the community needs to own this, but the City has no business running an ambulance service. She focused on an overall fuel tax, but questioned how it would be monitored.

Mary Woodbury reported her experience in collecting taxes. More money was spent auditing tax returns and taking people to court for unpaid taxes. The City would have to hire an accounting service to collect the 5¢ on fuel.

Lacking time, *Community Center Renovations Bids* and *Grader Tires* were carried over to February 18.

ADDITIONAL PUBLIC COMMENTS - none

ADJOURNMENT – 8:46pm

Igor Zaremba, Mayor

CITY
SEAL

Pat White, City Clerk

Approved: February ---, 2025