

City Council Minutes
Regular Meeting
June 17, 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, Travis RIESNER, Pete HALLGREN, Michael PHELAN

Council present via zoom: Lance STRICKLIN (called in at 5:09pm)

City staff present: City Administrator Lori Roberts, Finance Officer Kaylee Reiersen, City Clerk Pat White

Public present: Nineteen people were present (six on zoom) at the start of the meeting.

AMENDMENTS ~ APPROVAL OF AGENDA

Motion: Leith moved to approve the June 17, 2025 agenda as presented; Riesner seconded.

Motion passed on a roll call with six in attendance.

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Hallgren asked to define “public” in the motion (individuals and commercial woodcutters) under *Cemetery Berm Removal* discussion on page two of the June 3 draft minutes.

Motion: Leith moved to approve the June 3, 2025 minutes as amended; Hallgren seconded.

Motion passed on a roll call with six in attendance.

PUBLIC COMMENTS

LTC Keith Marshall introduced LTC Alissa Clark, the incoming Garrison Commander, and thanked the Council for support as she continues her role.

REQUEST TO SPEAK

John Lyons – Gutters

[On June 3, Well Hung Gutters was awarded the contract to replace gutters at the Community Center for \$4,377. In the same motion, AK Built was awarded the contract for gutters at City Hall for \$5,925.]

John Lyons, Well Hung Gutters, reported his bid price was high due to preparation work and increasing the number of employees and associated insurance coverage. He explained potential to reduce the City’s cost by installing drip edges at entrances, not using seamless gutters around the buildings.

CORRESPONDENCE

Loyal Order of Moose #911 - Liquor License Renewal

Motion: Hallgren moved to notify the State of Alaska that the Delta Junction City Council has no objection to the Moose Lodge renewing their liquor license; Riesner seconded.

Stricklin accessed the meeting at 5:09pm.

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

UNFINISHED BUSINESS

Delta Industrial Services (DIS) Proposal to Build 6th Street

Discussion was held regarding benefits and costs associated with building 6th Street, impact on neighboring residences and roads, difficulties in maintaining Grizzly Lane, whether the Department of Transportation (DOT) would provide material from their nearby gravel pit, and whether DIS, Black Gold, or Kinross would widen the road and pay to engineer, survey, and maintain it.

Hess Property

[Bogdan Koval has been constructing rentals on Hess Street since Fall 2024. Neighbors complained to the Department of Environmental Conservation (DEC) about concerns with well and septic separation. DEC has yet to investigate. Neighbor Michael Prestegard presented issues to the Council about Koval violating City Code 4.20.020(b) because of restrictions to the number of structures in the only neighborhood-zoned area of town.]

Phelan, referencing City Code 4.20.015, reported a *Conditional Use Permit* application and \$750 non-refundable filing fee were required for neighborhood businesses. He quoted §4.20.015(c), "... the burden of establishing the right to a *Conditional Use Permit* shall be on the applicant."

Bogdan Koval expressed frustration over delays in his building project and poor communication from the City. He would submit the necessary application but asked Council to waive the filing fee.

Discussion followed regarding M2C1 Construction and Engineering signing off on Koval's construction plans, scheduling a public hearing and notifying neighbors within 500 feet of the property in question at least 15 days after receipt of *Conditional Use Permit* (City Code 4.20.015(c), grandfathered subdivisions not subject to the one-acre lot size preference (adopted in 2007), other property owners currently constructing commercial businesses in the neighborhood-zoned area (Block 21), and following an ordinance process, the final step in granting the *Conditional Use Permit*.

Motion: Hallgren moved to waive the \$750.00 fee upon receiving the *Conditional Use Permit* and notifying neighbors of a scheduled public hearing; Stricklin seconded.

Motion passed on a roll call with six voting in favor (Stricklin, Riesner, Phelan, Hallgren, Leith, Zaremba) and one abstaining (Prestegard).

NEW BUSINESS

Fee Increases: Cemetery Plots, Burial Services, Address/Mapping Services, Airport Tie-Downs, City Facilities Rentals (Community Center, Public Works, City Hall), House Identification Signs

Roberts reviewed current fees and proposed increases in the FY26 budget (cemetery plots - \$450 to \$1,000, assistance with cremation burials - no charge to \$300, assistance in placing headstones - no charge to \$250, addressing - \$100 to \$200, airport tie-down without electricity - \$30 to \$40, tie-down with electricity - \$33 to \$50, Community Center rental - \$100 to \$200 plus cleaning deposit - \$300 to \$200, House Identification signs - \$42 to \$50 plus current cost of posts). Increased cemetery fees are comparable with other cemeteries in Alaska.

Motion: Leith moved to approve the fee increases as discussed during the June 10 budget work session; Stricklin seconded.

Discussion followed regarding addressing services available to the whole area, not just within City boundaries, contracting mapping services with Tom Duncan, opening and closing of gravesites not changing (\$800 to \$1,000 in 2013), receipt of a letter from a concerned citizen suggesting a gradual or tiered price increase instead of the drastic change to cemetery plot prices (\$130 in 1971, \$200 in 1983, \$450 in 2016, \$1,000 in 2025), and no longer leasing the Public Works building (\$100 for bay area or \$50 for office space) because of having to move equipment to accommodate spay and neuter clinics.

Zaremba questioned the annual cost to provide electricity to airport tie-downs (\$500/year).

Prestegard suggested changing the yard light to LED, which would reduce the expense by 50%.

Roberts reported that tie-down and boundary crossing fees, paid by pilots, are a source of revenue that pays for electricity and maintenance. Total expenses to operate the airport in FY26 will be \$19,920, which includes a mower deck. Increasing tie-down fees brings airport income to \$19,500.

Discussion followed regarding larger communities in Alaska able to provide more amenities, some offering a free ten-day or two-week stay to transients, using airport savings for improvements in FY25, and billing cycles for airport related income according to calendar year, not fiscal.

Phelan suggested honoring pilots who prepaid tie-down fees through December 2025.

Motion passed on a roll call with six voting in favor (Hallgren, Stricklin, Riesner, Leith, Phelan, Zaremba) and one opposed (Prestegard).

Purchases over \$1,000.00

CK #23609 - \$3,166.55 to Alasconnect for June IT management

CK #23610 - \$2,442.00 to Carmen Jackson CPA LLC for FY24 audit prep

CK #23611 - \$1,076.96 to Delta Building Supply for May supplies used at Visitor Center and Rest Haven Cemetery

CK #23612 - \$10,491.00 to Delta Library Association for 2025 pass-thru (proceeds from annual library fundraiser)

CK #23613 - \$5,280.76 to GVEA for May electricity

CK #23614 - \$1,203.45 to Vitus for equipment fuel

CK #23615 - \$12,385.39 to Aetna for July group health insurance

CK #23616 - \$4,645.42 to Bank of America for May credit card charges

Motion: Leith moved to approve checks 23609 through 23616 as presented; Stricklin seconded.

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

Introduction of Ordinance 2025-08, an Ordinance for the City of Delta Junction, Alaska Providing for a Budget for the Fiscal Year 2026

Motion: Hallgren moved to introduce Ordinance 2025-08 and Budget Draft 3, dated June 12, 2025, to hold the first reading, and set the public hearing and adoption date for June 24, 2025; Riesner seconded.

Hallgren reported the draft budget showed a \$1,089 surplus but drew income from several savings accounts (\$120,000 for landfill thermos sensors, \$24,000 for cemetery expansion project, \$58,000 for Fire Department equipment, \$34,000 for library boiler repair, and \$477,262 for the ambulance contract through March 31, 2026). He broke down the \$641,324 budgeted to pay for the DMT contract and \$701,012 in EMS income; \$5,000 from interest, \$218,750 from landfill tipping fees (3¢/pound allocated when landfill rates increased from 8¢ to 12¢, effective July 1, 2024 and adopted February 18, 2025 after a trial period), and \$477,262 from AMLIP .03 savings draw.

Roberts reported Rural Alaska Emergency Services (RAES) collects community donations and contributes \$15,000/month toward continuation of the ambulance contract.

Discussion followed regarding possibly revising the step matrix of employee wages and cutting the inflation factor, changing the employee annual payroll increase to July 1 (instead of one month after anniversary hire date), increases based on employee evaluations, COLA and 3% blanket increases, cutting a part-time position, and debate over making the most current draft budget available to the public prior to meetings.

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

REPORTS

Mayor - Igor Zarembo reported:

- Removing the berm at the cemetery expansion is progressing.

Roberts reported they were forced to take a break because the dump truck was loaned to Partners for Progress' for their heavy equipment training academy. They will service the dump truck and replace the hydraulic oil. The grader, also loaned to Partners, will require a mechanic to identify a transmission leak and service it.

Zarembo reported that the Partners' welding class agreed to repair three dumpsters if the City paid the \$4,000 in materials. He was discouraged with damage to equipment because of employee carelessness.

- Two youth were hired to work for the summer, mostly picking up litter at the landfill.

City Administrator - Lori Roberts reported:

- She is researching tempered glass to replace the one layer that was shattered in the back door at City Hall. Repairmen adjusted the front door at City Hall while they were inspecting the back door. The front door needs a part to prevent it from shifting.

After discussion it was decided to replace the back door glass with double-pane non-reflective glass.

- The annual landfill inspection is scheduled for July 9. The Sanitary Survey is July 9/10.
- Partners for Progress students may take on tree clearing next year. They would need to schedule the project for January.
- There was more vandalism at the park. The Public Works crew removed the graffiti. Alaska State Troopers (AST) lectured a couple kids who were tearing up the park with their dirt bikes and ATVs. Softball parents complained that kids on four-wheelers and motorcycles are traveling dangerously fast on streets around the park. People are concerned about the safety of both pedestrians and unsupervised kids operating motorized vehicles.

Riesner reported the rink parking lot was completely trashed by someone in a white side-by-side.

Zarembo reported that two kids rip through Mil-Tan after 1:00am every night. AST busted some on the airport.

Finance - Kaylee Reiersen reported:

- The FY24 audit was finished last week, and the financial statements are being written.
- She was notified about late reporting of the FY23 audit from the Division of Admin Services. How it will be corrected, new personnel and auditors, is self-explanatory.
- The Liewer Community Trail was added to the City's insurance policy at no additional cost.

Library - Mary Leith reported summer readers will occupy the Community Center through June 27.

Cemetery – Mary Leith reported the Pioneers painted their gate at Rest Haven Cemetery last week. Blue and gold paint will be added. They also placed their columbarium in the Pioneer section.

Emergency Preparedness - Lance Stricklin reported:

- Forestry's prescribed burn was cancelled. Smoke in the area is from fires around Alaska.
- Fort Greely medics are keeping up with mutual aid to the high volume of ambulance runs.
- He is eager to find out whether Lori Roberts' grant will result in extraction gear (Jaws of Life) for the Delta Junction Volunteer Fire Department (DJVFD).
- He is researching other grants to replace DJVFD used equipment.
- He encouraged safe driving because of increased traffic and tourism. Notify authorities of any visible smoke. Clean out chimneys before temperatures drop in Fall.

Riesner reported it is also a good time to clean out gutters. Pertaining to road construction, he encouraged people to be mindful of road crews that are making our lives better.

Additional Reports – Michael Phelan reported the windows at City Hall will be easily fixed, but they do need to be serviced.

ADDITIONAL PUBLIC COMMENTS

Dean Bean referred to discussion about improving 6th Street (page one) and reported that DOT prohibits doubles from using secondary or side streets because they are not built for heavy trucks. The corner is also not wide enough.

Stormie Mitchell asked why the City is not researching grants for cemetery maintenance instead of raising rates. She felt charging \$300 to assist with cremation burials and \$250 to assist with headstone placement seemed excessive, especially because burial services should not be money-making.

Zaremba reported grant research is ongoing, and cemetery revenue covers employee/equipment costs and general maintenance.

Sandy Weeks said she understood the reasoning but had hardship with almost doubling the price of cemetery plots (\$450 to \$1,000).

Tim Holoday reported he emailed every Council member on Saturday, June 14 about the lack of transparency by delaying distribution of the draft budget (Ordinance 2025-08 on page 3). He felt it was a disservice to the community because people have the right to review the budget and ask questions.

Roberts reported the public hearing is scheduled for June 24 and, upon adjusting the budget as approved earlier in the meeting, the most current draft will be posted on the City website tonight.

Discussion followed regarding when a document becomes public and starting the budget process earlier in the year.

ADJOURNMENT – 7:26pm

Igor Zaremba, Mayor

CITY
SEAL

Pat White, City Clerk