City Council Minutes
Regular Meeting
August 18, 2026, ~ 5:03 PM
City Hall, Delta Junction, Alaska

CALL TO ORDER / PLEDGE OF ALLEGIANCE / PRAYER

Mayor Igor ZAREMBA called the meeting to order at 5:03 pm.

Council members present: Mayor Igor ZAREMBA, Deputy Mayor Mary LEITH, Sherry HEINBOCKEL, Mike PRESTEGARD, Tim WEBB, Pete HALLGREN, and Rena CASE.
Council excused: None
City staff present: City Administrator Lori Roberts, City Clerk Andrea Peters, Finance Officer Kaylee Trofimov, and Library Director Tiki Levinson
City staff on Zoom: None
Public present: Approximately twelve community members were present.

AMENDMENTS ~ APPROVAL OF AGENDA – August 04, 2026

Roberts – stated that a letter from Big Delta Brewing Company regarding their liquor license renewal was received yesterday. Their meeting with the Alcoholic Beverage Control Board is September 1st. Since the next council meeting is also September 1st, we are requesting that this be added to the agenda.
Motion: Leith moved to approve the agenda with the addition of Big Delta Brewing Company Liquor License Renewal under Correspondence; Hallgren seconded.
Motion passed on roll call (Case, Hallgren, Webb, Prestegard, Heinbockel, Leith, and Zaremba).

AMENDMENTS ~ APPROVAL OF MINUTES FROM PREVIOUS MEETING

Zaremba – explained he would like to amend the minutes on the first page: under Approval of Agenda the first sentence needs to say, "RAES/DMT."
Hallgren – stated on page two, after the motion passed for the purchase of radios, additional information in blue is given for clarification.
Motion: Leith moved to approve the minutes from August 4, 2026, as amended; Webb seconded.
Motion passed on roll call (Webb, Hallgren, Case, Leith, Heinbockel, Prestegard, and Zaremba).

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Mr. Stebbins – asked the council if they were aware of the City's request for the RHTP (Rural Health Transformation Program) grant.
Discussion followed – the council explained that they were aware of the RHTP grant and that the City had applied for the RHTP grant. Roberts was asked by the council to explain the timeline of events for submitting this grant.
Roberts – explained that she reached out to the State of Alaska in August 2025 regarding the grant. In December of 2025 at the AML conference, she was able to learn more information and requirements for the grant. In January 2026 she went to Anchorage to receive additional details regarding the application of this grant. She sat down with some council members to help write and fill in the gaps for the grant. The City's grant application was submitted on February 17.
Zaremba – explained that the City was still under contract with DMT and that the new contract with BDR had not yet been approved. Ultimately, the City didn't receive the grant funding.

REQUEST TO SPEAK

None

CORRESPONDENCE

- **Big Delta Brewing Liquor License –** is requesting a license renewal with restaurant endorsement for 2026-2027

Prestegard – requested a copy of the liquor license renewal paperwork, as this was a last-minute addition.

Motion: Leith moved to show no objection to the Big Delta Brewing liquor license renewal; Case seconded. Peters distributed copies of the Big Delta Brewing liquor license renewal to the council and members of the public present.
Case – asked if Big Delta Brewing Co. is getting the license renewal or The Draft House and Lounge; asked whether the Draft House and Lounge was sold to Windy City.
Zaremba – explained that Big Delta Brewing Co. is requesting the renewal, but the DBA (doing business as) is The Draft House and Lounge.
Motion withdrawn: Leith withdrew her motion until clarification of details is presented, Case withdrew second.

UNFINISHED BUSINESS

Painting at the Visitor Center
Roberts – explained to council that she was unable to gather any more bids for painting at the Visitor Center.
Prestegard – asked how much was budgeted this year for Visitor Center renovations.
Trofimov – explained that there is $3,000 budgeted for facility repairs at the Visitor Center; however, for the FY27 budget there is $47,650 unallocated funds.
Motion: Case moved to award the contract to Prestige Homes by Design for painting at the Visitor Center for $12,500; Leith seconded.
Motion passed on roll call (Heinbockel, Prestegard, Webb, Hallgren, Case, Leith, and Zaremba).

NEW BUSINESS

Purchases Over $2,000
CK #24111 - $2,974.68 to Alasconnect for August 2026 IT Services
CK #24112 - $44,000.00 to Big Delta Rescue for September 2026 EMS Contract
CK #24113 - $33,880.00 to City of Fairbanks for FY27 Dispatch Contract
CK #24114 - $7,253.82 to Interior Hardware for $5,821.56 for VFD Equipment (Grant). Remaining, Misc. Supplies
CK #24115 - $3,053.56 to Vitus for July 2026 Landfill Heating & Equipment Fuel
EFT 10 - $5,725.84 to GVEA for July 2026 Electricity
EFT 11 - $7,802.52 to Bank of America for July 2026 Credit Card Charges
Motion: Leith moved to approve check #24111 through #24115 and EFT #10 and #11 as presented; Webb seconded.
Motion passed on roll (Case, Leith, Heinbockel, Prestegard, Webb, Hallgren, and Zaremba).

FY26 Community Center Renovations
Trofimov – explained that, for the Community Center renovations, the City received a Rasmuson Foundation grant of $70,000 and a Kinross grant of $10,000. The council approved the use of funds from AMLIP.09 (current account balance is $14,993.11), but no amount was specified. The budget originally included $10,000 for FY26 for project grant matching. The council needs to decide where the remaining cost of $73,006.89 for the project will come from, assuming the entire AMLIP.09 is used. There are excess funds from the end of FY26 in the amount of $159,344, which the council could use to cover the remaining costs.
Zaremba – recommended to the council that instead of taking money from general savings, the funds should come from the FY26 budget excess and to also leave $100 in AMLIP.09 to keep the savings account open.
Case - asked what amount would be taken from the general fund.
Trofimov – explained the amount previously included in the budget as grant matching for the project was $10,000. The amount withdrawn from the excess of FY26 is $73,106.89.
Motion: Leith moved to use excess funds from FY26 to cover remaining cost of the Community Center renovations; Hallgren seconded.
Motion passed on roll call (Prestegard, Webb, Hallgren, Case, Leith, Heinbockel, and Zaremba).
Trofimov – explained that the remaining excess funds for FY26 are now $76,237.41

Permanent Fund Sustainable Contribution Rate
Trofimov – explained that this is not a request to withdraw funds; this it is a discussion with the council about what percentage a withdrawal should be if the City were to withdraw funds. Once this is decided, calculations can be made showing how it will affect the fund and the budget in the future. She recommended to the council either a 3.5% or 4% withdrawal rate.
Hallgren – explained that a sustainable annual distribution from the permanent fund is likely around 3.5–4%. He stated what really matters in this calculation is the real return (investment return minus inflation), not just the nominal percentage. He requested to see those calculations before voting on a distribution rate.

Landfill Equipment and Personnel
Zaremba – explained that the dozer is still down and said he would like to discuss with council whether they would consider raising the landfill operators' wages; as a previous full-time employee has stated that if wages were raised, he would come back to operate at the landfill.
Roberts – stated that Tenali is currently working part-time but if the City were to pay more, he has expressed interest in working full-time. She recommended to the council that he make $37.44 per hour as when he left the full-time position for part-time, he was making $29 per hour.
Trofimov – explained that the employee that is making $37.44 has a CDL. She recommends that Tenali be paid a similar rate to the mechanic, at $35.29 per hour.
Leith – asked what would be done with the current operator.
Zaremba – explained the current operator couldn't show up to work today and for this reason the City may need another operator. He recommended to the council that they promote Tenali to full-time and start wages at $35.29, which is Grade 4 Step 3 on the employee pay scale.
Motion: Case moved to promote Tenali from part-time to full-time at $35.29 per hour; Heinbockel seconded.
Motion passed on roll call (Hallgren, Case, Leith, Heinbockel, Prestegard, Webb, and Zaremba).

Ordinance Title III Discussion
Roberts – gave a walkthrough of the proposed changes in Title III with the council. She asked the council for clarification on how they would like to proceed with future changes to Title III. She asked them to read the current ordinance as it is outdated.
Hallgren – explained that the City's ordinances have needed updating for years. Lori was able to assist the council in updating Title I and Title II; however, with Title III, instead of updating the entire title, he feels it would be easier to update this ordinance by chapters.
Leith – suggested updating chapters 3.05 through 3.09 at the next council meeting to keep the changes in manageable groups.
Prestegard – mentioned the work session on August 10th and said that he has not seen any paperwork reviewing the suggested changes from that meeting. He mentioned one of the proposed changes: when moving an ordinance from one section to another, it needs to state where it was originally from. He stated that the City currently does not have a protocol for making changes to ordinances.
Roberts – explained that the City does have a protocol for making changes to ordinances, in Title I section 1.30.081 outlines how those changes are made and what they look like. Once council members read the current ordinance additional changes can be made based on council suggestions.
Prestegard – requested a written set of rules for changes made to ordinances; stated a council member can make changes to Title I and put it on the agenda.
Hallgren – stated ordinances should be made by the council as a whole, in public, with debate, with public comments, amendments, and a vote by the council. He warned against a lone council member unilaterally making changes to ordinances that could be radical and unnecessarily alarm the public.
Zaremba – explained that the Administrator compiles council members' recommendations into a single draft packet for them to review and vote on. Because the council cannot meet constantly in work sessions, members are expected to read the existing ordinances, send their requested changes to her, and let her assemble them.

Roberts - explained that a cover page can be created to help explain the proposed changes for all future ordinance changes.

REPORTS

Parks and Recreation - Mayor – Igor Zaremba reported: The park is busy, especially the pavilion area, and volunteers have been cleaning brush out of the fence line and hauling it away to keep things maintained.
City Administrator – Lori Roberts: No report given.
Finance – Kaylee Trofimov reported: Lockheed Martin donated $50,000 to the City for EMS.
Roberts - explained that they also donated $50,000 directly to BDR.
Zaremba – highlighted Lori and Mary's persistent efforts in working with Lockheed Martin to clarify that its employees are covered by the local EMS system, resulting in a contribution large enough to pay for more than a month of EMS service for the entire area.
City Clerk – Andrea Peters reported: A new system for community members who like to attend council meetings remotely will be in place for the next council meeting. Candidacy packets are available at City Hall, and anyone interested in becoming a council member can turn their packets in from August 27 through September 11.
Library/Cemetery – Mary Leith reported: The cemetery is under construction. The library passport program was audited by the State Department, which praised it for excellent service. The summer reading program has ended with children logging hundreds of hours of activities, with final logs due on the 29th, and the local library association's annual book, plant, and puzzle sale is scheduled for September 10th and 11th.
Landfill/Public Works – Sherry Heinbockel reported: The Free Electronic Recycling Event is happening the weekend of August 21st and 22nd at the landfill. Public works crew are out grading the roads.
Airport/Emergency Preparedness – Mike Prestegard reported: The taxiway and runway need to be graded for planes that are landing and taking off. Suggested cleaning stovepipes before winter and checking the air pressure on spare tires.
Emergency Services/Health and Safety – Tim Webb reported: Miles said they responded to one motor vehicle incident in the last two weeks and are concentrating on training and new personnel. BDR handled 20 calls from August 1–15, most resulting in transports. BDR staffed a booth and on-site medics at the fair. Public health updates include reminders about vaccinations ahead of flu season, a community health fair is being held this Saturday from 8–11a.m. at the elementary school. Churches and organizations are donating food and funds to support those affected by the Tok fires.
Schools – Rena Case reported: There was a successful first day of school today. Drivers need to be extra cautious around school buses and children biking, watch the crosswalks for kids, and stop for red bus lights.
At Large – Pete Hallgren reported: Golden Valley Electric's rates have risen to about 37¢/kWh, largely due to fuel supply issues and inflation. As a GVEA advisory representative, he noted the co-op isn't making a profit, is facing higher infrastructure costs, is operating as cheaply as it responsibly can, and that reliability has improved.
Additional Reports – Roberts reported: The City received an unclaimed property check for approximately $973.

ADDITIONAL PUBLIC COMMENTS

Mr. Stebbins – stated his doubts about why the City would apply for the RHTP grant.
Mr. Holoday – expressed frustration that more progress was not made after a work session regarding future ordinance changes.
Mr. Squires – commended the City for looking at a sustainable withdrawal from the permanent fund; he encourages council to adopt state standards for future ordinance changes rather than current ordinance.
Mr. Fultz – expressed the same frustration as Mr. Holoday about discussion from the work session.
Roberts – explained that she was given an outline of future changes by Zaremba; she is happy to instead bring back only specific sections, clearly labeled by chapter range, draft/version number, with a cover sheet. She brought this as a discussion item to ask the council exactly which sections they want so she can move forward as they prefer.

Mrs. Green – stated that miscommunication may have occurred regarding future ordinance changes and there was effort put in to meet the request by council.

ADJOURNMENT – approximately 7:20pm

CITY SEAL

Igor Zaremba, Mayor

Andrea Peters, City Clerk

Minutes are a summary of Council meetings. Recordings are available at City Hall. Approved: September 2026