



City of Delta Junction
Special Council Meeting
April 16, 2001
City Hall

MINUTES

CALL TO ORDER

The special City Council meeting was called to order by Mayor Gilbertson at 5:25pm. Members present were Mark Weller, Nat Good, Susie Kemp and Mary Leith-Dowling. Rick Johnson and Lou Heinbockel were excused.

EXECUTIVE SESSION

Good moved to go into executive session at 5:25pm; Kemp seconded.

Motion passed by unanimous consent.

Break from 7:15pm to 8:05pm

Councilman Heinbockel arrived at 8:00pm.

Leith-Dowling moved to come out of executive session at 8:15pm; Kemp seconded.

Motion passed by unanimous consent.

RESUME SPECIAL MEETING

Councilman Rick Johnson joined the meeting after the executive session.

Good moved to adopt Resolution 2001-12 A Resolution Approving Settlement of Certain Disputed Claims, Authorizing Issuance of Certain Revenue Anticipation Notes and Creating a Settlement Fund, and its attachments; Leith-Dowling seconded.

Mayor Gilbertson allowed public comment before council taking action on the motion.

Pete Hallgren summarized Resolution 2001-12, the Settlement Agreement and the Revenue Anticipation Notes attached to the Resolution and answered questions from the public.

Pat Schlichting asked what the City feels are the City's obligations to Allvest?

Mayor Gilbertson said we are scheduled to go to trial on April 23rd and there is no way to tell what the outcome would be. Council feels this is a better benefit to everyone and we need to get this lawsuit settled and move on with good things for the community. The money we are committed for will be coming from the legislature.

Heinbockel has concerns about the commitment of the City of Delta Junction for these funds. He will vote no because he feels there is no valid reuse of Fort Greely at this time. After seeing the results of the feasibility study, it is obvious the prison would never worked for the City of Delta Junction. He will also vote no because Allvest doesn't deserve one million dollars from the City. He has come to the conclusion that a prison would never happen in Delta Junction.

Totsie Pursey asked if the meeting on the 24th is open to the public.

Mayor Gilbertson said it is a workshop with a few people that have been invited to talk about education and reuse.

Heinbockel said he was in favor of going to trial. We tried to come to terms with Allvest a few times and it became apparent that it was Allvest's way or no way. We can't afford a trial now.

Hallgren said the financial feasibility study is a solid study that proves the prison is not feasible with the Allvest wages used for calculations. If you used their figure of \$11.00 for a prison guard, you would need to collect \$97.00 a day per bed to break even. Part of the agreement says the City agrees not to oppose HB 149.

Roll call vote with motion passing. Heinbockel voted no. Johnson abstained.

Note: Prior to this vote Mayor Gilbertson had discussed with Johnson, his attorney and the City attorney that Johnson abstaining from the vote is recommended and approved.

ADDITIONAL COUNCIL COMMENTS

Good said he looks forward to the future and that all of us in Delta will take a positive roll and move forward with our endeavors.

Dick Anderson asked if the City will determine whether to submit an EDC.

Hallgren said they would determine that at a later date.

Johnson asked if there is a press release going out about the settlement agreement and if it would be a joint effort with Allvest.

Hallgren said there would be a press release.

Mayor Gilbertson said Councilman Good will be the liaison with Allvest.

Adjournment at 8:44pm.

Respectfully Submitted,

Pamela R. Ellis

Clerk/Treasurer/Administrator