



August 6, 2002 - City Hall
Delta Junction City Council
5:00pm Regular Meeting

MINUTES

Mayor Gilbertson called the regular City Council meeting to order at 5:03pm. Mary Leith-Dowling, Henry Summers, Lou Heinbockel, Ron Beck, and Susie Kemp were present. Mark Weller was excused.

AMENDMENTS TO AGENDA AND APPROVAL TO AGENDA

White requested a Community Center fee waiver be added to New Business.

Leith-Dowling requested Ernie Wyrick of the Deltana Fire Department be added as a guest speaker.

Heinbockel requested a letter from Diane Ludwig be discussed under Correspondence.

Leith-Dowling moved to approve the agenda to include the add-ons; Summers seconded. Motion passed unanimously.

APPROVAL OF MINUTES FROM PREVIOUS MEETING

Heinbockel stated the property that the City will sell is to be increased from the last appraised value by 50%, not 150%.

Leith-Dowling moved to accept and approve minutes from the July 16, 2002 regular meeting; Beck seconded. Motion passed unanimously.

NO PUBLIC COMMENTS ON AGENDA ITEMS NO COUNCIL COMMENTS ON AGENDA ITEMS

REQUEST TO SPEAK

Ernie Wyrick, Assistant Fire Chief, requested to speak on behalf of the Rural Deltana Volunteer Fire Department. He displayed a map, issued by the ISO, which showed the coverage area for rural Deltana. Wyrick explained this area is equivalent to 1800 square miles. This area, according to the latest census, covers 2319 people. Roughly 884 residents live within the Delta Junction City limits. Wyrick stated the Rural Fire Department covers from the North Star Borough all the way to Trimm's Camp, then down the Alaska Highway to the Johnson River. Sometimes it takes 45 minutes to get to a fire scene. Cover-wise, the Rural Deltana Fire Department is the largest in the nation. In the past two years, since Wyrick has kept records, there has never been a fire in the City limits in which Rural Deltana did not respond. Right now there are 22 fire fighters and on an average 50% of these volunteers respond to fire calls.

Wyrick said the fire department operates on money raised from Bingo and from subcontracting fire trucks to the State Forestry during the summer months. The total operating budget is \$38,000 per year. Wyrick explained his presence, requesting part of the impact money be set aside for some of the fire department needs. Wyrick distributed a two-page report that detailed breakdown for funds needed. He reported that he submitted this detailed proposal to Senator Don Young, Senator Frank Murkowski, and Senator Ted Stevens, hoping to get some money from the homeland defense. If this does not come through, Wyrick would hope to get some of the impact monies. \$1,475,000.00 is needed. He expressed his discouragement and concern in using equipment that is either donated or used. He explained his attempts to obtain equipment and supplies from other departments and sources, how one of the wealthiest fire departments in the state received a \$50,000 grant and in Delta, the volunteer fire department is next door to the missile site and having a hard time getting assistance.

Kemp explained impact monies are not for the City alone, that they are to be used for the entire community.

Steve Fields, from the audience and also a volunteer fire fighter, stated they are considering raising rates for non-subscribers to \$2,500 for a fire response. Wyrick added the current subscription of \$500 was put into law 20 years ago. A four-hour fire costs roughly \$2,500 should the man-hours be charged. This cost is recovered for those that have fire insurance but most people in Delta do not carry any. Wyrick says the fire department does not exist to make money.

Gilbertson stated his appreciation for the information Wyrick presented, stating it is information he needed in some matters that he is currently addressing. Gilbertson stated he understands their needs and would look into help for the fire department.

CORRESPONDENCE

Heinbockel discussed a letter he received from Diane Ludwig who expressed her concern about the safety of the playground equipment at the City Park. Ludwig suggests putting up signs indicating age range for use of slides.

Heinbockel agreed putting up signs would be good for all concerned and recommended no one under the age of three use the slides. He also said that sometime in the future the City could purchase toddler-friendly equipment.

Leith-Dowling stated there ought to be a standard sign available to post.

REPORTS

Airport - Ron Beck spoke in Mark Weller's absence. He distributed paperwork left by Weller. Weller made suggestions for changes to Ordinance 2002-10, which was introduced on March 5. He also provided a map with suggested changes (extending lot sizes, putting in power lines and taxiways, and lowering lot prices). Beck stated Weller met with the Pilot's Association and prepared a recommendation based on discussion with them. Weller would like Council consideration to get the airport lots on the market. This property would not require surveying again.

Council discussed the airport lots at length, working off Weller's suggestions. Price for poles (3-4 per lot) would range from \$3900 to \$5200 and the landowners would be responsible for their own power once the poles are placed. Construction of taxiways (4" X 25' X 1400') would cost between \$4300 and \$6220. Hallgren added that this would apply only to the lower taxiways. Gilbertson stated the gravel depth would be insufficient.

Gilbertson questioned how the clearing and graveling will be done. Heinbockel said he and Weller think most can be done in-house.

Hallgren stated he is aggravated with the surveying, poor markings, and that the area is not flagged. Gilbertson volunteered to work with Art Saarloos to help stake the posts.

Hallgren stated that there is no grant money for this project. This project must pay for itself out of the land sales. Taking money from reserves is not an option. Hallgren will inquire about the cost to clear the 1600 feet in front of the taxiway. Between now and the next meeting, on August 20, Hallgren will get an estimate of clearing one taxiway. Hallgren stated lots cannot be sold for \$5000 when they are appraised between \$7000 and \$8000.

Hallgren will meet with Saarloos on Thursday. Gilbertson, Heinbockel, and Beck will visit the airport sites.

Cemetery - Mary Leith-Dowling stated Todd Zachgo painted the gate this past weekend. Ron Lester is getting a work crew to continue fencing, hopefully next week.

City Clerk - Pat White stated she would be gone August 8 through August 16.

White explained the information in Council packets regarding financial disclosure exemptions. If accepted this would need two meetings to pass as an Ordinance, in time for the October elections.

Hallgren said that his experience was usually that Council members shot down this request. He stated this matter should never be presented to Council unless one member asks for it. Council members were not interested in discussing the topic, nor did they wish to address it each year.

Dept of Economic Development - Pete Hallgren reported that he, Mayor Gilbertson and Lamar Cotten will attend a Partnering Conference with Missile Defense, the school district and the State in Fairbanks on August 26 and 27. Hallgren stated monies will be released to the State before then and the City will be in a position to start drawing on it.

Kemp requested advertising this in the paper, specifically to clarify to the public where monies are and what the status is regarding it.

Finance - Ron Beck reported he reviewed the budget with Pete Hallgren.

Hockey Rink - Lou Heinbockel stated the hockey rink is not being worked on because Mr. Tvenge is currently on vacation.

Landfill - Hallgren to discuss this later in meeting under New Business.

Lands - Pete Hallgren brought up continued discussion on appraisals from the last Council meeting. He distributed packets and showed a map showing the properties. Hallgren explained the properties. Those designated in orange are not available for sale because they have never been auctioned. (Ordinance states land must be put up for auction before lands can be sold over the counter.) The dark green, appraised by Cleeta Barger in 1997, and the light green, the Chilton-Heins latest appraisals, have been auctioned and are ready to be sold. The packet explains the breakdown per lot, what the appraised value was, and the purchase price with the 50% increase.

Not included in the City information packet is property in which the State Mental Health Trust is putting up for option. These are four different blocks with lots of four (a little over an acre each) and they are located on Harper Street. Their minimum bid is \$7500 for four lots, basically one acre. This sale takes place in October or November. With those figures Hallgren feels prices set for the City lots are comparable or a bit high.

Council discussed the outcome from the July 31 work session. Kemp suggested figuring out how land is to be sold so that single lots are not left. A single lot will be of no value. Lots will need to be sold two or more in order to get the adequate separation between septic and well.

Heinbockel stated each sale must be looked at individually. In some instances an interested

buyer would need to purchase three lots or none at all. It is unlikely that there will be a "one-lot concept". Kemp suggested Council go through and determine which lots should be sold and how.

Hallgren offered to draw up a set of rules and put an ad in the newspaper. The Council will make the final decision on all land sales. The interested party will identify lot(s), a title search will be completed, and this will be taken to council for approval before selling - in that order.

Heinbockel does not feel the city should be in the land owning business. Gilbertson says we own very little. He questioned how much state land is available within the City limits. Hallgren added there are also Mental Health lands. Gilbertson requested answers be at the next meeting.

Library - Mary Leith-Dowling reported the summer reading program ended successfully, with a total of 438 books being read over the summer. There will be a used book sale on August 31 to include supply items that the city can no longer use.

Personnel - Roy Gilbertson referred to Hallgren to report on planner applicants.

Hallgren reported that the three applicants with the experience that the City needs all want more salary than what the State pays for a Planner IV. Hallgren has negotiated with the state and the federal government. Administrative costs are currently at 7½%. Monies will come out of impact funds.

Public Works - Lou Heinbockel stated he is currently working on a plan of what to do with City streets. Heinbockel reported he and Hallgren drove them last Thursday. In 1987 Bill Mandeville put in a list of streets that totaled 27.5 miles of road that the City maintained. The state gives revenue sharing to maintain these streets. Some of these roads no longer exist and their names have changed. Some roads have not been added. Several streets were not located. Some streets are not maintained. It was agreed to drop some streets but add the ones that are not on the list of maintained roads.

Hallgren recommended plans to maintain the road up to the clinic. It is a 600-foot section and it is estimated to cost \$17,000 to improve. It will be the most expensive road maintenance project. It does not require a motion to accept the plan but Hallgren requested Council accept the plan and that Boadwine start tomorrow on this project. It is not City owned but is a section line right-of-way, a public street, and is utilized by the Rescue Squad and community members on a regular basis.

Beck inquired about extending the maintenance on the clinic road to the airport access while the equipment is there. Hallgren stated this project is only for the clinic road, up to the clinic, not through the parking lot and 25-30 yards through the trail. Hallgren stated he looks at the most efficient use of funds at this time.

Heinbockel stated the improvement to the clinic road would be good for the community and would also provide surplus material to plug off the old landfill across the street.

Heinbockel suggested hiring Richard McDonald to remove brush at intersections by hand because you cannot get equipment to it. There is enough work for the rest of the summer. Hallgren said force accounting would put McDonald as an employee.

Leith-Dowling reported Boadwine had repaired the City tractor.

Heinbockel stated Boadwine will run this City tractor up and down the runway to cut them down before winter. Hallgren says it would fit under the force accounting grant.

Heinbockel recommended additional ideas for City streets. Council agreed to pursue some of the ideas.

Council discussed several roads that need maintenance next year. Most all the collector streets need chip sealed because of heavy traffic.

Hallgren stated a grant has been received and designated as chip seal for Mil-Tan Road. This will not be done until next summer. There will be an asphalt plant in town next summer. Hallgren said he feels it would be worthwhile if Council decided what they want and put out for bid this fall for next summer.

Mayor Gilbertson informed that the Department of Transportation will repair cracks on the school roads next year. Gilbertson agreed roads, community projects, anything we can put into motion now, be decided and get bids now. Leith-Dowling said now is a better time to get available contractors. Heinbockel said this is more reason to get a planner.

Hallgren stated \$350,000 is available for equipment.

Gilbertson informed that Dave Boadwine is looking to purchase a loader, possibly two dump trucks, and a new or used roller. An equipment building and fenced-in area for storage are needed. Council looked over map and agreed on a good place.

Hallgren said the equipment building will be on the next agenda along with the hockey rink. The new building does not fit into this year's funding. The Council needs to make decisions so it is clear when Hallgren attends the State meeting on the 26 and 27.

OLD BUSINESS

Public Hearing, Second Reading, and Adoption of Ordinance 2002-12, An ordinance amending expenditure of municipal revenues.

Leith-Dowling moved to open Public Hearing, Second Reading, and Adoption of Ordinance 2002-12, An ordinance amending expenditure of municipal revenues. All in favor.

Hallgren explained the amendment, noting there has not been an increase in many years. The amendment raises from \$500 to \$1000 approval for purchases that need not go to Council for permission. Up to \$10,000 will not require formal bidding but does require competitive quotes approved by the Council. The third item requires competitive bids for purchases over \$10,000. The major change is that professional services "may be obtained without competitive price quotes upon such criteria as the Council so desires". Hallgren stated this is basically how you hire a professional; you do not need to go with the cheapest bidder.

Leith-Dowling questioned a portion of the purchasing procedure handbook. She pointed out two areas needing rewording.

Tana Wood, from the audience, stated the City would not be able to continue doing business by meeting twice a month. She suggested some process to record how this is done if the majority of the City Council is to make decisions. As the community grows there will be more and more people providing services. You need a way to record and decide whether or not it is officially put in minutes. As for the professional services, Wood suggested careful planning. She cautioned, stating there is a need for better language for a clear audit trail.

Gilbertson stated wording should be "with prior approval of City council".

Wyrick, from the audience, stated the Council must answer to the community. Wording needs added to prove accountability.

Hallgren stated he would reword Ordinance 2002-12 and have it ready for the August 20 meeting.

Kemp moved to go out of public hearing; Heinbockel seconded. All in favor.

Leith-Dowling moved to have Third Reading on August 20; Heinbockel seconded. All in favor.

Armed Forces 2002 Eco-Challenge

Council reviewed notes discussed earlier in the meeting under Park discussion.

Heinbockel went over costs presented on handouts.

White explained an opening welcome was not necessary. Volunteers will get off the bus, go straight to work, have a catered lunch and then Fran Hallgren would give an appreciation speech.

Hallgren added that he and Bob Morley would provide direction. He invited anyone else interested in participating.

Land Sales was discussed earlier in the meeting under the Lands Report.

NEW BUSINESS

Community Center Waiver Request

Kemp moved to approve Vel Wager's request for a fee waiver to use the Community Center on August 31 for a fundraiser to help with medical expenses for Kelly Keaster; Beck seconded. On a roll call vote the motion passed unanimously.

Increased Speed Limit In and Around Delta

Heinbockel stated he is a strong proponent of 65 mph speed limit on roads that are designed and engineered for that speed. He would like the City to ask the Department of Transportation to reconsider the increased speed limit and change the posted signs so that the speed increase does not begin until north of Jack Warren Road and east, right after Trophy Lodge.

White stated she received a call from a local resident, Leslie Feilner, just prior to tonight's Council meeting. Feilner informed that "Gail from DOT" will be in Delta this coming Friday to investigate speed limit increase. She thinks there has been a big error.

Heinbockel moved to start 65 speed north of Jack Warren Road and east, right after Trophy Lodge; Beck seconded. On a roll call vote the motion passed unanimously.

Task 2 - Subsurface Soils Evaluation of Landfill Investigation

Hallgren reported the City had hired Harding ESE to conduct a preliminary environmental investigation. Hallgren distributed packets showing the outcome of Phase One of the investigation. (See last page of packet.) They found contamination in old homestead building, trace amounts of lead, mercury and PCBs. Kemp stated there is not an old house in this town that would not have that. Hallgren stated Harding does not believe it is a health hazard. The problem is that if the City ever owns it there possibly would be a clean-up requirement. To determine the extent of the pollution it would cost \$40,000 more and the worst-case cleanup could cost as much as 1/4 million dollars beyond that. Private owners using it for residential property would probably never have to be inspected. Harding also said the way the federal law is written, when it comes to cleanup, you go back to the chain of title to the "deepest pocket". Hallgren stated that if the City bought it and sold it, the City would most likely be the deepest pocket in 20 years. Harding recommends not being in the chain of title and never owning that area. If the property is cut off and the option is renegotiated, this would allow the City about 68 acres to develop the landfill. The engineer was informed that Waldos would like to sell the house with the property for a number of reasons. If they keep the house they would have to pay capital gains on the sale of the land. Hallgren discussed cutting out and never purchasing the "problem area" and the engineers agreed. Harding ESE has on staff a registered surveyor. It would be the City's desire, at a later date, to subdivide the house and well out and sell it. This would allow the Waldos to live in the house for the next two and a half years as stated in the current option. It would also have potential for the City to recoup the purchase price by selling the house at a later date. Hallgren recommended not subdividing the rest of the property out at

this point. The engineers agree with this plan. Hallgren requested Phase Two (subsurface soil evaluation) be completed before the snow flies. The engineers stated it would be less expensive than quoted because the machine is currently already at the Alaska Highway. It will be less to mobilize it to the landfill site than to bring it all the way from Anchorage. There are also wetlands behind the house that are not needed for the landfill.

Heinbockel stated we are trying to absolve ourselves of a potential liability with some contaminated property by not purchasing that little piece of property. It makes it a known entity. What will that do when we sell the adjoining property with house and well? The well is close to part of that contaminated piece of property. The house was built there because of the expensive well. Hallgren stated the well is not contaminated. Heinbockel suggested just buying it all and cleaning it up. Hallgren stated the landfill does not need to go on this little parcel of land.

Zimmerman asked what class of landfill does the City want. There are three classes or levels of landfills with class three being hazardous waste. Hallgren stated the landfill is not designed at this point to handle dangerous waste.

Cotten asked, "Why should the City set ourselves up by purchasing land against the engineers recommendation?" Our best information is this burnt-out facility will not percolate down to the water table, 500 to 600 feet.

Hallgren stated Harding feels the problem is very minor. It would cost \$40,000 to do a complete assessment but they do not believe this would be money well spent.

Mayor Gilbertson stated Waldo might clean it up himself. He said Harding stated there is no health threat but some of the levels in concentration are above the EPA level.

Leith-Dowling stated it is her understanding that EPA levels for municipal and public property are tighter than those for private residences. Hallgren said that Harding told him about RICRA. It explains the City is covered but the average homeowner is not. If the City owns the property the City would have RICRA requirements, a way of handling waste. It is more intense than what a homeowner would deal with.

Hallgren stated we are not looking at buying the Waldo property tomorrow. We are looking at continuing further investigation because this is a federally funded project and NEPA assessment is required. He spoke Ellis Gilliland, GMD engineer, who was here for the Air Quality Hearing. They are happy to help out and possibly do the assessment themselves. Richard Bonwell, Harding's Principal Engineer, will talk with Gilliland. Hallgren stated we are not through looking at the landfill portion of the property from an environmental standpoint.

Leith-Dowling moved to authorize Harding ESE to move into Task Two in the amount of \$38,161; Kemp seconded. On a roll call vote the motion passed unanimously.

Trophy Lodge Request

Hallgren discussed a permit application from the Trophy Lodge to allow access of persons less than 21 years of age to designated licensed premises for purposes of dining, and persons under the age of 19 for employment. Hallgren added that the Council must consider because the Trophy Lodge is within City limits. Motion is to show no objection. Hallgren explained this change of State law is directed to employees under 21, and unaccompanied patrons.

Heinbockel moved to approve application, allowing State law to change; Leith-Dowling seconded. On a roll call vote the motion passed unanimously.

Purchase Orders

Beck questioned PO#07189, requesting a breakdown, stating it seemed to be a lot of money to him as well as to the public for one month of consulting. Hallgren explained the breakdown. The agreement the City has with Lamar Cotten states the first four months is a straight \$8000 per month based on his time (\$100/hour while working and \$50/hour while traveling). At the end of the four months adjustments would be made if estimates are incorrect. Money was paid up front but in the end it all works out.

Kemp moved to pay all purchase orders as presented; Leith-Dowling seconded. On a roll call vote the motion passed unanimously.

- PO#07180 to Delta Building Supply for softball building maintenance in the amount of \$777.99
- PO#07181 to Heiman Fire Equipment for rescue dummy equipment in the amount of \$9,600.60
- PO#07182 to ACS for July phone services in the amount of \$771.65
- PO#07183 to ATT & Alascom for July 911 service in the amount of \$572.10
- PO#07184 to ATT & Alascom for July phone services in the amount of \$576.35
- PO#07185 to Bank of America for mower parts and Lamar Cotten travel expenses in the amount of \$949.47
- PO#07186 to Brodart Company for library book collection lease in the amount of \$548.60
- PO#07187 to City of North Pole for 911 services in the amount of \$4,454.32
- PO#07188 to Clearwater Construction for July lawn maintenance in the amount of \$2,133.34
- PO#07189 to Lamar Cotton for July consulting in the amount of \$8,585.37
- PO#07190 to Delta Concrete for rock in the amount of \$840.00
- PO#07191 to Emergency Medical Products for new ambulance supplies in the amount of \$5,154.81
- PO#07192 to Galls Incorporated for fire department supplies in the amount of \$675.54
- PO#07193 to GVEA for July electricity services in the amount of \$731.43
- PO#07194 to Lynn Harris for new ambulance travel/per diem in the amount of \$1,126.44
- PO#07195 to Sagebrush for library web support in the amount of \$582.50
- PO#07196 to WildAlaska for internet service in the amount of \$1,200.00
- PO#07197 to NC Machinery for grader parts and blades in the amount of \$911.22
- PO#07198 to George Sandlin for July lawn maintenance in the amount of \$1,316.67

NO ADDITIONAL PUBLIC COMMENTS

ADDITIONAL COUNCIL COMMENTS

Lamar Cotten reported working with the school district on their impact study and population projection. The issue of recreation continues to be brought up. People need recreation inside as well as improvements for outside recreation such as golf and a rifle range. There will be a challenge determining which project would get preference.

Hallgren stated the next formal Round Table meeting is on August 20. Hallgren would like to invite the Chamber to work on a calendar.

Mayor Gilbertson stated he and Hallgren have made an effort with Boeing and Fluor to help build a basketball court at the City Park.

Kemp says Delta should certainly have a golf course.

Kemp stated she received a call from a lady who is married to a military police officer and moving to Delta. The lady intends to mount a full campaign to make sure those 50 new families get housing at Ft. Greely. Kemp states Delta is due for a rough time because of the housing issue. What was considered substandard at \$400 is now going for \$1200/month.

Gilbertson stated we will see some gouging to begin with but will see change, some homes and apartments being built.

Kemp stated we have been told the workers will be unaccompanied but that is not what is happening. There will be more firemen and then the security officers. Somebody better start building some houses.

Gilbertson reported there would be 82 security officers, 41 on the Missile Defense site and 41 on Ft. Greely. Additionally there will be 26-34 firemen. He said people still do not believe this is happening even when we are seeing it.

Summers stated the Chamber and DREDC need to be more pro-active in providing housing. The people that do have the funds need to get involved without a guarantee that there will be 60 new families that will buy. They need to take the gamble.

Kemp stated that lenders are still not willing to do their part.

Cotten said the school hired an independent party to take a conservative look at known, likely, and possible school enrollment. It is part of an information packet that can be presented to people.

Kemp stated she learned that houses in Delta are appraised for less than what they cost to build. There was a discussion about the possibility of Alaska Housing creating a program, subsidizing the difference that will assure contractors that they could recover cost and a reasonable profit.

Cotten would like Alaska Housing to attend City and Chamber meetings so that it can be educational for everyone involved. Chamber meets the 3rd Thursday at noon.

Heinbockel stated the post should not be open to civilian employees.

Heinbockel stated there must be an agreement from Missile Defense to utilize the landfill.

Cotten stated the military does not do landfills, but sub-contracts it out.

Hallgren said military is having problems providing decent housing.

Summers stated he thought the military will open Ft. Greely back up so families can be housed. The families will not wait for housing to become available.

Kemp thought she had heard someone was to do a housing survey. She said people moving into the community will skirt their motor homes and live throughout the winter. It happened during pipeline.

Hallgren requested Cotten find out if the school can put their study on their web page.

Kemp said there are interested parties that will build. Enough positive information needs to be released.

Heinbockel questioned a 55-gallon drum behind the City Hall building that may need to be disposed of. Gilbertson requested White contact Bob Morley to dispose of it.

ADJOURNMENT at 8:02pm.

Respectfully submitted,

Pat White
City Clerk