

**City Council Agenda**  
**Special Meeting**  
**May 13, 2003 ~ 5:00PM**  
**City Hall, Delta Junction, Alaska**

A Special Meeting of the Delta Junction City Council was held on May 13, 2003 in the conference room at City Hall, Delta Junction, Alaska with Mayor Gilbertson calling the meeting to order at 5:02pm.

Council members present: Mary Leith-Dowling, Susie Kemp, Lou Heinbockel, Roy Gilbertson  
Mark Weller arrived at 5:07.  
Council members excused: Judy Dewar (requested 5-7-03)  
City staff present: Pete Hallgren, Dave Zimmerman, Dennis Dooley, Joyce McCombs, Pat White  
MACTEC rep present: Richard Bonwell, Mike Schmetzer  
Jantz Associates rep: Merle Jantz  
Additionally there were two members from the community present at the beginning of the meeting.

**PUBLIC COMMENTS ON AGENDA ITEMS**

Mayor Gilbertson called for public comments on agenda items with none being offered.

**COUNCIL COMMENTS ON AGENDA ITEMS**

Hallgren asked for an Executive Session prior to discussing Impact Projects. The closed-door session is needed to discuss matters pertaining to City finances that might be unfavorable for the City.

**LAWN & PLANT CARE MAINTENANCE BID**

Hallgren reported Delta Lawn Care is the lowest qualified bidder for all three Lawn & Maintenance Care proposals (park, City and cemetery). He quoted the (lowest) proposed quotes as #1 (City Hall, Community Center, Richardson Hwy.) \$4,147.50, #2 (City Park) \$3,360.00, #3 (Cemetery) \$3,360.00.

**Summers moved** to award Delta Lawn Care all three of the Lawn & Plant Care Maintenance contracts for the bid amounts; Kemp seconded.

Leith-Dowling stated much more work is required at the cemetery than at the park because of having to trim around the headstones and the new fence. It is unrealistic to bid the cemetery and the park the same. She said she feels Clearwater Construction should get the bid because of past experience and awareness of the time necessary to complete the work.

Hallgren said there is no question that Clearwater Construction did a phenomenally good job last year. They deserve applause for their efforts. He said all this year's bids are fairly higher than last year.

Heinbockel asked if bids for the cemetery included the maintenance required after they seed the new section.

Leith-Dowling said the bids were based on what already exists. The new section will be put in this summer by volunteers (of the second lowest bidder). Leith-Dowling stated she has a problem awarding the bids to the lowest bidder because of the many hours and dedication already put in by Clearwater Construction. She said she realizes the bid must be awarded to the lowest bidder but she feels the "picture" has changed due to the new fencing. She feels their bid reflects it and is more realistic.

Heinbockel said he agreed but said he doesn't know how the bid can go to anyone but the low bidder.

Hallgren said the lowest bid is higher than what was paid last year. The low bid for the cemetery last year was \$3,200.

Leith-Dowling said improvements make the job more complicated than what it was last year.

**Motion passed** on a roll call vote to award all three bids to Delta Lawn Care. Four (Summers, Kemp, Heinbockel, Weller) voted in favor and two (Leith-Dowling, Gilbertson) voted against.

Heinbockel said he feels Leith-Dowling is correct and the low bidder will find that the cemetery is a stressful operation. Next year they will bid higher.

Gilbertson stated he is surprised liability is not required.

Hallgren said that has never been required in bid packets.

### **FUEL BIDS**

Hallgren said quotes were received from three bidders for four types of fuel. He said Delta Fuel was the only bidder for heating fuel #2. Delta Fuel stated if their cost increases, the cost to the City would increase in like measure. They bid \$1.095 per gallon.

Hallgren reported diesel #1 and #2 low bidder was Texaco/Buffalo Fuel who quoted \$1.215 for each.

Hallgren reported the unleaded gasoline low bidder was Dipper Fuel, Inc who quoted \$1.44 with .01-cent discount if paid within 5 days of receiving an invoice.

Heinbockel asked how Dipper Fuel intends to deliver.

Hallgren reported Dipper Fuel submitted a letter with their bid stating they presently only have facilities to deliver bulk fuels. It is different from the specifications involving automotive deliveries. If Dipper Fuel were to deliver the City would have to provide a bulk storage facility. This does not clearly meet the City bid specifications.

Kemp asked to abstain from bidding on fuel related issues.

**Heinbockel moved** to excuse Kemp from bidding; Summers seconded.

**Motion passed** by unanimous consent.

**Heinbockel moved** to award #2 Heating Fuel Bid to Delta Fuel/SOG for \$1.095/gallon; Leith-Dowling seconded.

**Motion passed** on a roll call vote with Kemp abstaining.

**Heinbockel moved** to award #1 Diesel (\$1.215/gallon), #2 Diesel (\$1.215/gallon) and the Unleaded Gasoline (\$1.4337) Bids to Texaco/Buffalo Fuel; Weller seconded.

**Motion passed** on a roll call vote with Kemp abstaining.

### **MIL-TAN PAVING BID**

Hallgren recommended rejecting all bids to consider re-bidding at a later time. All bids are considerably outside the \$120,000 available for the project. Two years is allowed to complete the paving. Hallgren explained the bids and the difference in their quotes.

Hallgren said he has spoken with Representative Harris about additional funding for paving. Decision would not be received until July. Hallgren said it is too long to hold the bid awards. He also said there may be better prices this year or next year.

Weller said many people have stated to him that they wish to see Mil-Tan paved.

Heinbockel asked about an addendum from H&H stating they would chip seal for close to the amount the City had available.

Hallgren said he would need to discuss that with the attorney. He said he was also instructed to not spend money on attorney fees for this question at this time.

Heinbockel said he agreed with Hallgren.

Weller said Hallgren recommended canceling the bids that were received.

Summers clarified to cancel them but to put out a bid packet again at a later date.

Heinbockel said we are spending most of the funds on preparing bid packages and design. If we wait until next year there is \$24,000 or \$28,000 that must be added into the project for engineer oversight. We are already into this process for a certain amount of engineering and it will only have to be duplicated if put off until next year.

Hallgren said it would not need to be duplicated.

Discussion followed regarding the time allowed for the season and being able to complete the project. Also discussed was the requirement of weighing the asphalt.

**Heinbockel moved** to award the Mil-Tan Paving Project to Exclusive Landscaping to include Additive Alternate No. 1 and No. 2 for \$158,485.00 with money coming out of the City's General Fund; Weller seconded.

Discussion followed regarding funding and getting projects accomplished.

**Motion passed** on a roll call vote with two (Summers, Leith-Dowling) voting against and four (Heinbockel, Weller, Kemp, Gilbertson) voting in favor.

### **AIRPORT RESURFACING BID**

Hallgren reported he recommends not awarding the Airport Resurfacing Project because Economic Development Administration (EDA) informed if it were awarded they would not pay for it. Hallgren said he thought "leaping through the hoops" was done correctly as EDA wished. However, after 1-1/2 years of dealing with the grant, he received their rules. The blue book arrived yesterday. In this book he found additive alternatives are not allowed. Hallgren stated he was specifically told over the phone that the bid couldn't be awarded.

**Kemp moved** to reject all bids on the airport-resurfacing project; Leith-Dowling seconded.

Hallgren reported EDA said they would have no problem if the work was completed by in-house as force accounting. Hiring temporary help for the summer is acceptable and the process can be re-bid under their set of rules. After talking to the engineers, Hallgren said we would not save by going in-house. The majority of the cost of the project is for gravel, which will have to be bid out. EDA is willing to rearrange the budget categories, to do the work in-house. The other good news is that they will allow a one-year extension on the grant. The grant end date is coming up and being able to complete the project with the funds available may be difficult. Many of the expenses and all of FY04 for Dave Boadwine are considered maintenance and are covered by this grant.

Weller asked why the Mil-Tan project is acceptable but the Airport Resurfacing is not.

Hallgren said Mil-Tan is State funded and Airport is not.

**Motion passed** on a roll call vote to reject all Airport Resurfacing Bids. Weller voted against the motion.

Heinbockel asked if the work could be completed this summer through force accounting.

Hallgren said it is possible and he and the engineers are in the process of researching it.

Discussion followed regarding the location to get materials for the project.

Hallgren reported the engineers would deliver a bucket of crushed rock to be assayed. He said they visited a couple locations in town to see the completed projects and the materials that were used.

### **EXECUTIVE SESSION**

Hallgren explained the need to go into Executive Session to discuss matters that may affect the finance of the City. He requested MACTEC and Jantz representatives be allowed to stay. Council showed no objection.

**Heinbockel moved** to go into Executive Session at 5:37pm; Leith-Dowling seconded.

**Motion passed** unanimously on a roll call vote.

Present during the Executive Session were six Council members, two City employees (Hallgren and White) and three reps from MACTEC and Jantz Associates.

**Summers moved** to end Executive Session at 6:14pm; Kemp seconded.

**Motion passed** by unanimous consent.

Mayor Gilbertson requested a break. The meeting resumed at 6:23pm.

## **IMPACT FUND PROJECTS**

Hallgren reported the engineering firm and architect were present to take another look at impact funds for 1) the library, City Hall and community recreation center and 2) the fire hall, rescue squad and community storage. He said the newest ideas would offer substantial cost savings over Bettisworth's estimates.

Richard Bonwell, MACTEC Principal Engineer, introduced his crew (Mike Schmetzer, MACTEC Engineer and Merle Jantz, Architect with his own firm, Jantz Associates).

Bonwell explained their work in the past two weeks. He said he wished to preference the slide show by asking questions, "What do you have for assets now? What are the possible combinations?" He said their suggestions are not the only options the City has. He asked the Council to look objectively at the costs. Some estimates will be high and some will be low. Once balanced the cost should be realistic.

Bonwell distributed packets, copies of the slide show presentation, *Delta Community Facilities*.

Jantz stated the slide show would communicate "their thought process." He said they wished to cover all activities, minimize spending on Code Upgrade, provide smaller bid packages so that local contractors can deal with them and maximize winter work. He said the previous proposal spent a tremendous amount on upgrading the fire hall. A building can be used as long as it is serviceable. Adding onto existing buildings requires upgrade. Jantz stated by using the fire hall the way it is for a different use will minimize Code Upgrade.

Jantz reported assets to the City are the City Hall/Library building, EMS building that house the Rescue Squad and the Fire Department, the Recreation Center (hockey rink) and new structures. He said possible uses of the assets must be identified. Anything is possible. The most likely uses of the City Hall/Library are just that, the City Hall or the Library. The conclusion is to leave the footprint of the building alone. It can be converted to one or the other but impact to the structure is not advisable. If done, it should be two separate buildings with a warm connection between the two. The EMS portion can be turned over to the Fire Department to enlarge their space or it can be left to the Rescue Squad and add a third bay. It can be done with little code upgrade. Or the whole facility can be turned into equipment storage. The recreation building would include the hockey rink and other related activities.

Jantz stated factors that will impact the cost estimates are Davis-Bacon wages. Because there is so much recent work in and around Delta costs are high due to the competition (Missile Defense, Bassett Army Hospital and the museum). Labor is being imported. This creates concern and therefore, cost estimates are increased because of this.

Jantz stated the current City Hall and Library could be turned into a larger community library. Removing partitions would expand the current library. Of the 4800 feet in the building, 800 are consumed with bathroom and janitor facilities. This would leave 4000 square feet for library space. The estimated cost would be \$520,000. If the building were turned into a City Hall, enlarging the meeting room or making more rooms would cost \$295,000. To renovate the current EMS/Fire Station to be just the fire station would require no change to either the building footprint or the roofline. It is possible to have service so the well could be operated without having to start the generator. This would cost \$40-50,000. The whole renovation would cost approximately \$120,000.

Hallgren said it is a question if the building's life could extend another 20 years and also if MD would approve of the idea of not upgrading the fire facilities.

Jantz stated if the building had a bay added onto the south end, it could be used for the Rescue Squad and also for warm storage of heavy equipment.

Discussion followed regarding location of the bay, the property line in relationship to the building and the parking lot in relationship to the right of way.

Hallgren said the problem is taking away the bay with a big door for storage. It would have to be located elsewhere in the building.

Heinbockel said the City could save \$60,000-\$90,000 by not adding another bay to the building. That is enough money to lease space to store heavy equipment for "as long as any member on this Council is going to live." He suggested not putting equipment in that building and not adding onto a poorly structured building.

Jantz stated another 20 years of life to a wood structured building is easily done. He said the site itself is best for emergency services because of the two wells, street and highway access. It would cost \$1.2 or \$1.3 million to build a new fire hall. The front 50 feet would be 4 bays and the back would be used for offices and an apartment area.

Summers said he agreed with the fire hall idea except five bays would be needed so the tanker could fit.

Discussion followed about cost and ideas of building new structures.

Hallgren reported money could not be mixed. If money were available to spend on the rec center this year, it would be monies from the City Hall/Library/Rec Center fund. It cannot be used for the EMS/Fire Hall/Equipment money.

Gilbertson said with this option two buildings would be constructed and \$675,000 would go toward the recreation center. The one bay could be built onto the EMS building and construction of the new Fire Hall could begin this year.

Weller asked about Delta Rural Economic Development Council (DREDC) recommendations.

Hallgren said they recommended using all the funds to build a 4000 square foot addition onto the existing City Hall/Library, extending the library. It would use all the money (\$1.2 million) from the City Hall/Library/Rec Center fund this year. He said \$3.1 million is available for the Fire Hall/Rescue Squad/Equipment Building. It would cost \$2 million to renovate and combine the fire hall with equipment storage and \$785,000 to build a new Rescue Squad building. With these plans there would be no money left over from the library fund and about \$300,000 from fire hall fund. The extra money would go toward the recreation center when all construction projects are finished.

Weller asked about going back to DREDC for comment because we are making changes on what they recommended.

Heinbockel said DREDC recommended spending all the money on a library. We are still going to build the library. We just are not going to do it until 2004. The intent is not violated.

Gilbertson said the opinion from DREDC is still needed.

Hallgren said decisions need made. The DREDC decision would construct a library this summer. However, that would be under certain circumstances such as not having lost the past two weeks and also going to design build, sole source. Past history proved that unfavorable. As a practical matter the (summer) date has passed.

Hallgren said more City Hall space is not needed, but more meeting space is. The new proposed plan to build a new library and provide more City Hall meeting space meets the requirements set out by MD. Neither the old nor the new plan, however, gets much built this summer.

Summers asked how long it takes to lay a foundation and construct a shell so that it can be worked on throughout the winter.

Heinbockel said it must be designed first.

Summers said, "A full design is not required. Draw the plan to build a (50 X 100 or 70 X 100) rectangle box. Then draw the floor plan while the box is being built. If the library needs to be 5000 or 7000 square feet bigger, let's get moving." He said to get the fire hall foundation laid and the walls put up also.

Hallgren said it would be a number of different contracts.

Summers stated it would not be sole-sourced although the federal government gave their approval to do it that way.

Jantz said experience proves that costs increase when design is done in increments. You can design the library, but if later in the summer plans change, such as beating the cold weather, design costs increase. He explained the process for different types of buildings and used examples of successful construction.

Kemp asked how much time it takes to get approval from the State Fire Marshal.

Jantz stated a minimum of two weeks.

Weller asked about designing a basement for the heating area as well as to preserve valuable floor space.

Jantz said it is feasible but would depend on the water table.

Hallgren asked how long the environmental clearance might delay building.

Schmetzer stated it is not needed.

Discussion followed regarding federal requirements.

Summers said getting environmental study on the dump is understandable because nothing was previously built on that property. He said it ought not to be the same process when a building already exists on the property.

Gilbertson asked how long it would take to get approval for new construction of the library, not being remodeling.

Schmetzer said for Categorical Exclusion (CAD-X) it would take 7 days of their time. Letters must be sent to regulatory agencies before Missile Defense responds. It could take 30 to 45 days.

Bonwell explained the CAD-X process. It can run concurrent with the design. Then you deal with archeological questions.

Discussion followed regarding regulations and hold-ups.

Heinbockel stated he recommended coming to the conclusion to not add onto the existing fire hall. If we need a place to store equipment it can be done somewhere else. He said he has no problem renting or leasing.

Hallgren said the loader would arrive next month.

Discussion followed regarding other possible locations for the library and shared parking between the library and City Hall.

Leith-Dowling stated the best location for the library is in the same area where it is.

Hallgren said title searches were completed. He said two firms have given two different opinions on construction plans and costs. Both say it is more expensive than first thought. With that, we have more information than before. He asked, "How important is it that something be constructed this summer?" The longer it takes to make a decision the less likely that anything will be constructed this summer.

Summers said construction is not important if something can be done on the rec center, by possibly putting in the concrete, the well and the septic.

Weller said to at least do foundation work and get it enclosed so work can be accomplished during the winter.

Summers said if only a portion of the allotted amount for this year is used for design, permit and architectural work, the other portion can be used elsewhere, to meet the final cost when building begins next year.

Hallgren agreed. There is not enough money to construct the library this year. FY04 funding will arrive in March but it cannot be spent before it arrives. There is enough money to construct the fire hall. The library cannot be constructed but upgrades (approximately \$300,000) can be spent on the rec center (approx \$300,000) per Bettisworth's options. The dry sprinkler system and the structural upgrades would cost \$282,000.

Heinbockel said he has a problem taking a decision from a community advisory group to put all the money into one project. He said, "The library and City Hall will go on functioning until they can get something better. The hockey rink is a monstrosity."

Kemp said heat is needed before bathrooms can be provided.

Hallgren said structural upgrades must come first in order to install insulation.

Heinbockel asked to leave the fire hall where it is, build a smaller EMS building somewhere else and locate storage space for the equipment. We do not need to add a \$60,000 addition.

Discussion followed regarding the building size needed for both the EMS and fire hall and whether or not either would want to share space with heavy equipment.

Gilbertson asked to make some solid decisions.

Hallgren said it makes more sense to store equipment in heated-but-older fire hall/rescue squad building than it does to upgrade the fire hall to new standards, costing \$2 million.

Hallgren recommended MACTEC build a new, freestanding (6000-7000 square foot) library alongside and with a connecting corridor to the current City Hall, build a new fire hall on the same property as the existing fire hall, turn the existing fire hall into an equipment building and build on another (third) bay for the Rescue Squad. That is least expensive for the most usable space and long term.

Summers said anything is better than what either the Rescue Squad or the Fire Department have now.

**Heinbockel moved** to support the concept of a separate library; Leith-Dowling seconded.

Leith-Dowling stated she agreed with a new building a year from now.

**Motion passed** unanimously on a roll call vote.

**Heinbockel moved** to support the concept of developing a separate EMT building and turning the current Fire Hall/EMS building over to the Fire Department, not addressing warm storage for heavy equipment; Weller seconded.

Heinbockel stated \$60,000 could lease warm storage space from private enterprise for many years.

Hallgren said that \$60,000 must be spent for construction.

Heinbockel said he does not want to spend any more money on the existing fire hall.

Gilbertson asked if Summers could foresee heavier traffic.

Summers said the engineers were concerned about load-structure. The building has survived for many years. There is some small maintenance, such as cracks that cause the heating bill to increase during winter months.

Gilbertson said it would still make sense to have the five bays and it would take care of the equipment storage. He agreed with Heinbockel that more money does not need invested in the older building but it would make it more functional. He explained all the possibilities.

Summers said his preference is to build the \$60,000 garage on the existing building and build a new fire hall.

Hallgren said the building is a "slum" and the only practical use is to store heavy equipment.

Discussion followed regarding adding a bay and which doors would be accessible to use for heavy equipment storage.

Discussion followed regarding construction of an apartment onto the existing fire hall and that current code will make it difficult to include in the plans. However, there is no problem in a new building.

Summers said either way he would like a new fire hall and a new bay onto the Rescue Squad.

**Motion failed** on a roll call vote to build a separate EMT building and turn the current Fire Hall/EMS building over to the Fire Department and not addressing warm storage for heavy equipment. (Yes-Heinbockel; No-Weller, Kemp, Leith-Dowling, Summers, Gilbertson)

**Summers moved** to build an 80X80 Fire Hall and add an extension onto the existing EMS side so that they have three bays; Leith-Dowling seconded.

**Motion passed** on a roll call vote with one (Heinbockel) opposing.

Gilbertson stated a new fire station would be a plus for our firefighters.

Discussion followed regarding next year options on the recreation center.

Jantz asked about reducing the size of the fire hall to save cost.

Hallgren asked Council if MACTEC is to continue with the projects. And at this point no one is being tasked to continue with the recreation center project.

Heinbockel said ideas and proposals have not been presented to compare yet.

Hallgren stated he would report back to Bettisworth. There will be nothing spent on a rec center this year unless spare dollars are useable.

**ADDITIONAL PUBLIC COMMENTS**

**ADDITIONAL COUNCIL COMMENTS**

Mayor Gilbertson called for additional public and Council comments with none being offered.

**ADJOURNMENT**

Heinbockel moved to adjourn at 7:41pm; Weller seconded. Motion carried.

Respectfully Submitted,

Pat White  
City Clerk