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**City Council Minutes**  
**March 16, 2004 ~ 5:00PM**

**Regular Meeting**  
**City Hall, Delta Junction, Alaska**  
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The regular meeting of the Delta Junction City Council was held on March 16, 2004 in the City Hall Conference Room in Delta Junction, Alaska. Mayor Gilbertson called the meeting to order at 5:05PM.

Council members present: Mayor Roy Gilbertson, Mayor Pro tem Mary Leith-Dowling, Will Pecchia, Lou Heinbockel, Robert Miller, Mark Weller (arrived at 5:10PM), Susie Kemp-Sandy (arrived telephonically prior to *Reports*)

City employees present: Pete Hallgren, Dave Zimmerman, Dennis Dooley, Lamar Cotten and Pat White
Additionally five people from the community and three from out-of-town were present.

AMENDMENTS TO AGENDA ~ APPROVAL OF AGENDA

Mayor Gilbertson reported three items to add to *New Business*:

- ✓ PO#08719 and PO#08721
- ✓ Eagle Forum Alaska Request to Waive Community Center Rental Fees

Leith-Dowling moved to approve the agenda as amended; Heinbockel seconded. Motion carried.

APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Heinbockel asked for a correction in wording in reference to the Fire Department tender. Kilgour referred to the vehicle as a "five-speed, not a standard". Heinbockel asked for it to read "five-speed, not an automatic transmission."

Leith-Dowling moved to approve the City Council minutes from the March 2, 2004 meeting; Miller seconded. Motion carried.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Ellen Pecchia stated her presence along with Sharon Miller and their children represented support in replacing the playground equipment.

COUNCIL COMMENTS ON NON-AGENDA ITEMS

Mayor Gilbertson called for Council comments on non-agenda items with none being offered.

CORRESPONDENCE

Pizza Bella Restaurant #1746 Liquor License Renewal

Heinbockel moved to show no opposition to Pizza Bella Restaurant's liquor license renewal; Leith- seconded.

Motion passed on a roll call vote with five (Heinbockel, Weller, Miller, Leith-Dowling, Gilbertson) voting in favor and one (Pecchia) voting against.

REQUEST TO SPEAK

Debbie Joslin, representing Eagle Forum Alaska, which is a non-profit, non-partisan, total family-conservative organization, requested use of the Community Center on April 26 to host a luncheon for Erika Harold, Miss America 2003. Eagle Forum is partnering with Let's Talk Healthy Relationships, another non-profit group to bring Miss Harold to the Fairbanks, North Pole and Delta high schools. She speaks to youth across the United States about making healthy choices regarding drug, sex and alcohol. Joslin asked Council to waive the rental fee associated with using the Community Center to lower the cost in providing this service to Delta.

Heinbockel moved to waive fees for Eagle Forum Alaska as requested; Pecchia seconded.

Motion passed unanimously on a roll call vote with six voting.

Will Pecchia reported the Kiwanis, Church of Jesus Christ of Latter Day Saints, Doug Gifford and Daryle Chin have offered their support in removing the park playground equipment. He said the equipment is old, parents are uncomfortable with their children using it and half of it is no good.

Pecchia moved to remove all of the old playground equipment this summer with the help of community support; Heinbockel seconded.

Pecchia stated Gifford and Chin have offered their services but he asked that someone from the City supervise the event. He also stated the old equipment would be destroyed.

Motion passed unanimously on a roll call vote.

Pecchia said the old equipment would be replaced with new using a \$25,000 grant plus the City's match of \$1,300. He explained that the playground committee researched catalogs and decided on what Little Tikes could offer. Bob Barlow of Little Tikes will be in Delta on March 30 to present a plan to place the equipment. Barlow will provide information on what can be done with the amount of funds available. The company will not charge for the (2%) shipping to Alaska. Referring to a handout, which Pecchia distributed, he stated the playground equipment would cost \$20,265. There would be enough left over to put in a couple of swings for older children.

Pecchia moved to purchase the playground equipment after reviewing it at the next Council meeting (April 6) with the \$25,000 grant that is available; Weller seconded.

Hallgren stated he researched requirements of bidding. The project can be put out to bid but it is not a requirement. He said City code specifies that the project can be sole-sourced when grant money is involved and the City's share is not more than \$10,000 and the purchase price is not more than \$100,000. This exact equipment is what the playground committee has recommended.

Pecchia said pea gravel and concrete will need to be purchased for footers but community volunteers will provide the labor involved.

Motion passed unanimously on a roll call vote.

Pecchia moved to approve costs associated with groundwork for a half-court basketball court; Weller seconded.

Pecchia said the groundwork would include the posts, backboards and baskets. He will contact the local concrete plant to see if there is any material that can be donated for the foundation. He and other volunteers will be available to provide the labor.

Discussion followed regarding costs and ownership of the park.

Weller said he would prefer a full-court basketball court with the option of having a tennis court.

Discussion followed regarding location of the basketball court and parking and how to accomplish it with equipment that is available.

Pecchia moved to amend his motion to cover costs of a full-court basketball court; Weller seconded.

Discussion followed regarding researching the project and its total cost.

Pecchia withdraw his motion in order to research; Weller approved.

Pecchia moved for the City to match a fundraiser, dollar for dollar, up to \$25,000 for a playground designed for children 5 years old and younger to take place in 2005; Weller seconded.

Pecchia said the playground committee would create a fundraiser between March 2004 and March 2005. He asked that the City match the \$25,000 in contributions, totaling \$50,000. If the committee can collect only \$5,000 he asked that the City contribute \$5,000.

Heinbockel asked to allow for a budget item to cover that expense.

Hallgren said it would come from general funds, not grant funds. It would require formal bidding unless someone, such as the Kiwanis or Friends of the Park, spearheaded the project and the City made a donation.

Motion passed on a roll call vote with five (Pecchia, Weller, Miller, Heinbockel, Gilbertson) voting in favor and one (Leith-Dowling) voting against.

REPORTS

Fire Department – Carin Bear reported:

- Training on the new engine is scheduled for the second week of June and possibly the third week also. Eden-Kilgour requested all firefighters be given the opportunity for training on the new engine at Seagrave in Ottawa, Canada.
- She presented a specialized rescue saw that will be used when an entrance into a building is blocked by fire. The saw weighs no more than 14 pounds and its teeth have the ability to cut through metal and asphalt roofing. The paperwork was submitted.
- Engine 502 is furnished with 1400 feet of 5” and 1000 feet of 3” hose.
- Firefighters received training using compressed air foam. They are scheduling a third training session.

Discussion followed regarding the price of the chainsaw and the request for Fire Department personnel to travel to the manufacturer’s facility in Ottawa Canada for training.

Bear stated part of the purchase agreement with Seagrave was to provide training to firefighters who will be operating the new fire pumper.

Miller asked why a company representative couldn’t travel to Delta to train the whole crew.

Dooley stated one representative from the Fire Department could travel to Ottawa and return to train the rest of the department.

Bear stated she, Eden-Kilgour and Pat Krepel will travel down to drive the vehicle back.

Heinbockel said it is less expensive to send people out for training and transport the equipment back than it would be to have it shipped up.

Hallgren stated the used tender would be treated differently. It will be shipped if it is purchased because it is built to carry 3,500 gallons of water and would not be a comfortable trip with the distance it must be driven.

Heinbockel said more information is needed before making a decision on sending personnel for training.

Planner – Dennis Dooley reported:

- GIS training proved useful. He showed a map of the playground taken by satellite, stating it demonstrated a small degree of the skills acquired in the training.
- Equipment that was ordered for Homeland Security is due to arrive and will be inventoried and possibly stored at the State forestry office.

City Clerk - Pat White reported the deadline for Public Official Financial Disclosure statements was March 15. The deadline was met and statements were mailed to the Alaska Public Offices Commission (APOC) today.

Department of Economic Development – Pete Hallgren reported:

- The landfill bids were opened today and several were within the allotted price range. They will be evaluated and a recommendation will be made at the next meeting.
- The landfill bulldozer bid opening was yesterday and the one bid received is higher than anticipated. Hallgren would provide a recommendation from the engineers after the bid is reviewed.
- Dave Boadwine is scheduled to travel to Pennsylvania to inspect the used tender. A deposit was not required because it was agreed to pay within 30 days after the decision was made to purchase. If it were decided to not purchase the vehicle, no money would be lost other than the flight cost.

- Continuation of the lawn maintenance contract is scheduled for the meeting on April 6. Increasing the contract price will be discussed. The (City Park, City Hall/Richardson Hwy and cemetery) contract was put out to bid last year with the stipulation that it could be extended two additional years with a 3% increase. Last year's total contract was a little over \$10,000.

School Liaison – Will Pecchia reported a school board work session is scheduled for 6:00PM on March 18.

Hockey Rink – Pete Hallgren reported he met with MACTEC to plan hockey rink improvements that could be completed this summer. The bulk of money would not be available until the summer of '05. There is no guarantee yet that upgrades can be accomplished at this time. It will be a matter of deciding what can be done in stages for this summer and next summer. There is potential to purchase a new or second-hand Zamboni. The concern is to not upgrade or make improvements that would have to be redone or torn out.

Gilbertson asked for a work session with the Hockey Association.

Discussion followed regarding improvement plans versus actual upgrades.

Landfill – Lou Heinbockel reported the income generated at the landfill is covering the expenses of running it, for the time being.

Charter Commission – Lamar Cotten reported the charter committee met on February 18 for their first meeting. He said procedural information was covered with a briefing on the municipal gas line and a memo outlining examples from several different charters. Cotten said the committee would continue discussion and address issues at the next meeting on March 17.

UNFINISHED BUSINESS - none

NEW BUSINESS

Park Equipment

See Request to Speak

Gas Line Update

Hallgren reported the gas line was not built in the past because of uncertainty in the price of gas. The proposal is to build it from the North Slope, through Delta Junction and on to the lower 48. The Stranded Gas Act was created by the legislature and is premised on the idea that it may not be economically feasible to build a gas line unless certain assurances are provided. One scenario could be that local taxes in areas where the gas line passes would be uniform and possibly less than what taxes would be otherwise. As it stands Delta or any other jurisdiction could tax both the pipeline and the gas line up to 20 miles (2% on an annual basis). Today the ability to tax the gas line exists only if we enact a property tax. A property tax does not have to be in place to receive PILT. He said the State plans to hire a consultant to complete an impact study on how the gas line will affect communities. The Stranded Gas Act allows the State of Alaska to enter into an agreement and bind communities to a lesser tax amount than what is allowed under TAPS (Trans-Alaska Pipeline System). There are three applications submitted to build the gas line, with a fourth one expected. Hallgren attends Gas Line Advisory meetings as a representative of Delta. Delta would become a revenue-impacted community should the gas line pass through this area. Under the Stranded Gas Act the State would provide Delta with PILT because of losing the right to tax the gas line.

Discussion followed regarding possible scenarios of dealing with the effects of the gas line and histories of other boroughs and communities and how the gas line would affect them.

Hallgren said the gas line is a very important issue even though it will not be operational until at least 2010. It involves the ability to heat homes and businesses in Delta with reasonable gas prices not just to receive PILT. Delta is in an excellent position, similar to when the pipeline was constructed 30 years ago. The Stranded Gas Act only applies to payments made to organized municipalities. Hallgren said Delta's interests are to receive lower energy costs and to get a fair share of the long-term revenue.

Notice of Intent to Award Library Bid

Hallgren explained the recommendation made by MACTEC to award the library bid to UNIT/SKW, LLC.

Heinbockel moved that we find that UNIT/SKW, LLC is the responsive low bidder on the library building (IFB No.: 04002) and that 1) we issue a Notice of Intent to Award the full project to UNIT/SKW, LLC in the full sum of \$1,046,700.00 and 2) that the City Administrator be authorized (upon expiration of the bid protest period without receipt by the City of any timely and sufficient protest) in his discretion, to issue an award of the project in the name of the City to UNIT/SKW, LLC; Pecchia seconded.

Motion passed unanimously on a roll call vote with seven Council members voting.

MACTEC Proposal for Recreation Center Improvements

Hallgren explained a proposal submitted by MACTEC, addressing improvements to be made at the recreation center (hockey rink). He said the proposal is broken into two tasks and would not cost more than \$10,000. MACTEC is presently in the middle of completing task one.

Pecchia moved to authorize the City Administrator to accept the March 9, 2004 proposal from MACTEC for improvements at the recreation center not to exceed \$10,000 as presented; Leith-Dowling seconded.

Weller asked if the list of priorities, including insulating the facility, is insignificant.

Gilbertson stated MACTEC will determine what upgrades are needed and how they can be achieved.

Motion passed on a roll call vote with six (Pecchia, Leith-Dowling, Kemp-Sandy, Weller, Miller, Gilbertson) voting in favor and one (Heinbockel) voting against.

Delta Industrial Services, Inc. Request for Survey

and Potential Auction of Additional City Property (Work Session Requested)

Hallgren explained a request from Delta Industrial to survey, appraise and auction more commercial property and use proceeds from the land sales for road construction of Sixth Street, Shaw Avenue and the remainder of Fourth Street. (Granite Avenue does not exist either.) He said Delta Industrial owns Lots 3 and 4 of Block 12. They ask that the City flag the right-of-way on Shaw and West Fourth to construct the streets or allow them to cut their own road in order to access their property. Delta Industrial is also interested in purchasing the rest of Block 12 and Blocks 11 and 13, which must be put up for auction before any of it can be sold over-the-counter.

Discussion followed regarding the location of the lots, the cost of surveying and how to fund it.

Heinbockel stated the City should not be a land baron and that money should be spent to survey all properties so they can be sold.

Hallgren said the present interest is for lot owners to access the property they own. Can the City survey it or do they have to put it in according to certain standards? Delta Industrial has requested a work session.

Heinbockel asked to prepare for the work session so that all the City-owned property can be evaluated at that time.

Discussion followed regarding property that has title and what does not.

Heinbockel stated any new land to be made available should be assessed and valued at the current market value.

Eagle Forum Alaska - Request to Waive Community Center Rental Fees

See Request to Speak

Purchase Orders

PO#08681 to ATT & Alascom in the amount of \$571.36 for March '04 phone service

PO#08682 to Bank of America in the amount of \$8,414.79 for miscellaneous credit purchases (Cotten,

McCombs and Hallgren travel expenses, mapping software and training, Starband Internet system, office supplies, and library computer, wiring and connections)

PO#08683 to Buffalo Center Auto Parts in the amount of \$1,046.52 for oil, light bulbs and filters for equipment

PO#08684 to C&R Pipe and Steel, Inc. in the amount of \$778.50 for cemetery gate/fence repair

PO#08685 to Delta Chamber of Commerce in the amount of \$18,454.09 for Social Service Grant Award (#2)

PO#08686 to Delta Fuel Company in the amount of \$1,768.50 for Feb '04 heating fuel

PO#08687 to GVEA in the amount of \$1,138.85 for Feb '04 electricity

PO#08688 to Hope Counseling Center in the amount of \$1,620.00 for Social Service Grant Award (#4)

PO#08689 to Heiman Fire Equipment in the amount of \$722.10 for Fire Dept. hose attachments
PO#08690 to Polaris Junction in the amount of \$999.95 for Fire Dept. portable chainsaw
PO#08691 to MACTEC Engineering & Consulting, Inc. in the amount of \$24,092.13 for new landfill design
PO#08719 to ACS in the amount of \$771.84 for March '04 phone service
PO#08721 to Sears in the amount of \$709.96 for shop tools

Pecchia asked for a breakdown of credit card company bill (PO#08682).

Discussion followed providing a detailed explanation of the statement and the need to put all purchases toward earning airline mileage.

Miller moved to approve purchase orders 08681 through 08691, 08719 and 08721 as presented; Kemp-Sandy seconded.

Heinbockel stated at some point the public works department should be well equipped.

Miller asked for an inventory of tools and equipment.

Pecchia asked for items to be requested and approved before being purchased.

Zimmerman reported expenditures were authorized and are within the street budget. He said PO#08683 covers a 55-gallon barrel of oil (\$399), a pump (\$64) and cart (\$79) to transport it. The oil is to be used for the dump truck, grader and John Deere tractor and the rest of the city equipment. He would be paying much less than buying the oil by the quart. Zimmerman stated 2/3 of the budget has been spent to date.

Discussion followed regarding policy for purchasing.

Hallgren said there is no need to request approval to purchase items needed when they are already authorized in a budget. It is part of his responsibilities. The chief complaint is that there is not enough money to purchase what is needed and the answer is that purchases must stay within the department's allotted budget.

Heinbockel asked what part of the budget covers Boadwine's travel expenses to inspect the fire apparatus.

Hallgren said it comes directly from Fire Hall construction because that tender replaces the underground tank.

Motion passed on a roll call vote with five (Miller, Kemp-Sandy, Leith-Dowling, Weller, Gilbertson) and two (Pecchia, Heinbockel) voting against.

ADDITIONAL PUBLIC COMMENTS

Stephen Hammond asked if the new GIS system would be available to the public.

Hallgren said it would become available once it is in operation.

Hammond offered his personal time and engineering services to assist in the park project.

Weller said he would provide Hammond with a rough draft of a basketball court.

Heinbockel asked if Hammond could provide surveying services.

Hammond agreed.

ADDITIONAL COUNCIL COMMENTS

Council discussed scheduling a special meeting to discuss landfill and dozer bid awards and City land policies. It was decided to plan a special meeting at 6:00PM on March 23.

ADJOURNMENT

Pecchia moved to adjourn at 7:02PM; Miller seconded. Motion carried.